DEXELANCE

HALF-YEAR FINANCIAL REPORT AS AT 30.06.2025

CRAFTING DESIGN FOR EXCELLENCE

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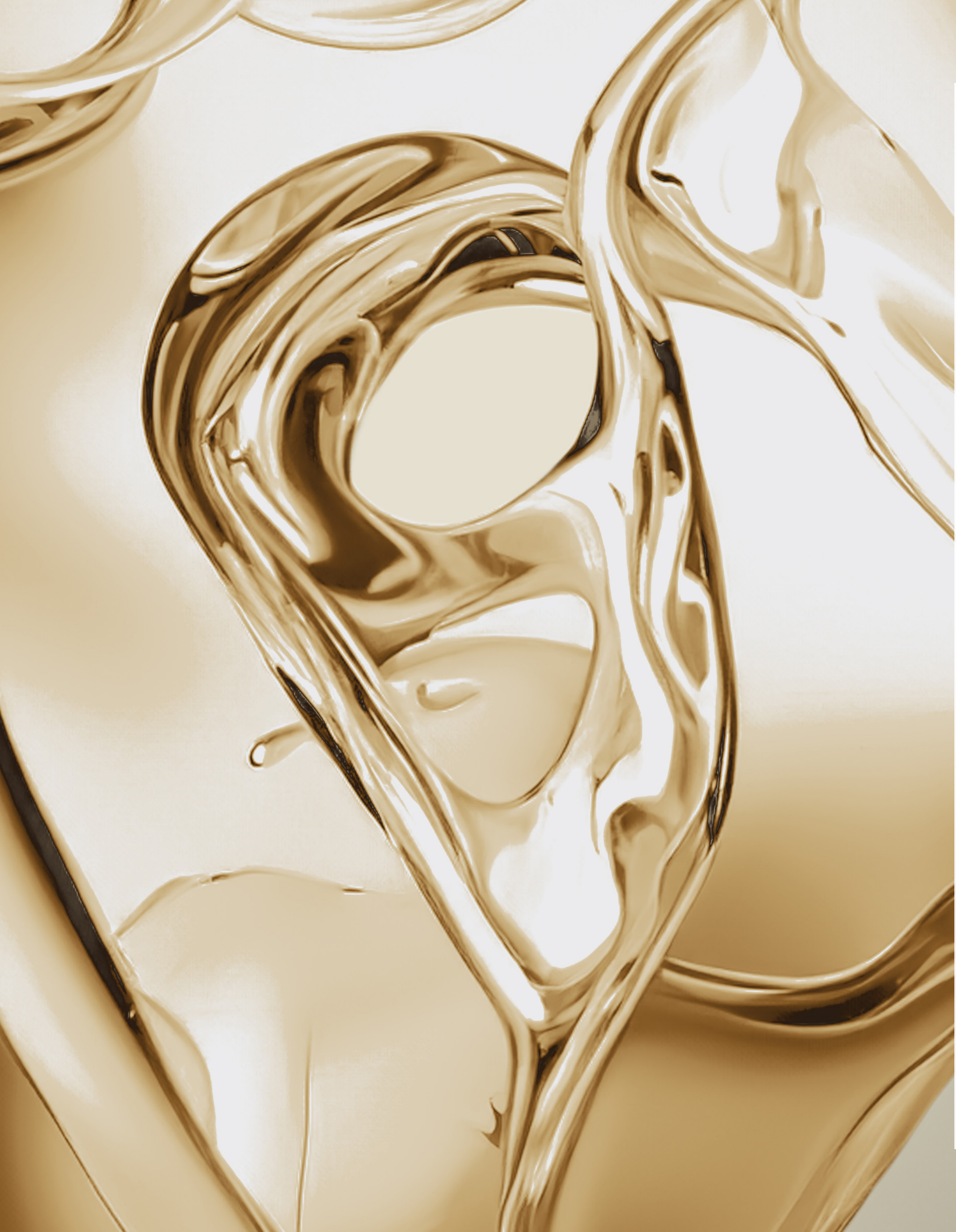


CORPORATE BODIES

Board of Directors[1]

Fabio Sattin	Honorary Chairman
Andrea Sasso	Chair and CEO
Giorgio Gobbi	Executive Director
Paolo Colonna	Director
Giovanni Tamburi(*)	Director
Alessandra Rollandi	Director
Piero Generali	Director
Alessandra Stea	Director
Giovanni Gervasoni	Director
Cristina Finocchi Mahne(*)(**)	Independent Director
Lea Lidia Lavitola(*)(**)	Independent Director
Paola Mungo(**)	Independent Director

Board of Statutory Auditors[2]

Filippo Annunziata	Chair
Marzia Nicelli	Standing Auditor
Fabio Buttignon	Standing Auditor

Independent Auditors[3]

EY S.p.a.

[1] In office until the approval of the financial statements for the year as at 31 December 2025
[2] In office until the approval of the financial statements for the year as at 31 December 2025
[3] In office until the approval of the financial statements for the year as at 31 December 2031

(*) Member of the Hiring, Human Resources, and Remuneration Committee
(**) Member of the Control and Risks, Related-Party Transactions and Sustainability Committee


Turri

THE GROUP AND SIGNIFICANT EVENTS DURING THE FIRST HALF OF 2025

THE GROUP

Dexelance S.p.A. has its registered office in Milan. It was first listed for trading on the Borsa Italiana stock exchange on 18 May 2023. Dexelance stock forms part of the FTSE Italia Small Cap Index. The Company was established on 10 March 2015 with the aim of promoting an Italian design hub in the furniture and lighting segment. Its scope has also included high-end modular kitchen solutions and systems that can implement dimensional, organisational, managerial, strategic and distribution synergies, which allow Dexelance to compete internationally in a segment where Italy has a competitive advantage and excellent creative and product skills.

The information contained in this financial report regards the six-month period ended 30 June 2025, which is compared with the same period in 2024 for the income statement, and with the result achieved at 31 December 2024 for the statement of financial position. The condensed consolidated half-year financial statements have been drawn up in accordance with IAS 34 Interim financial statements and include the financial statements of the Parent Company, Dexelance S.p.A., and the companies over which the Parent Company has the right to exercise control, determining their financial and management decisions and obtaining the related benefits.
With reference to the scope of consolidation, please note that it has not changed since 31 December 2024; however, events involving the Group in the first half of 2025 are listed below:

- on 12 June 2025, Meridiani S.r.l. transferred all of the shares of Meridiani France SARL, representing 100% of its capital, to the parent company Dexelance S.p.A. Following the transaction, the proposal to change the company name to Dexelance France SARL was also approved;

- on 24 June 2025, Dexelance S.p.A. signed an agreement to acquire an initial 25% stake of the capital of Roda S.r.l., the parent company of the Roda Group, a leader in high-end outdoor furniture. Please note that the transaction was then completed on 17 July 2025.

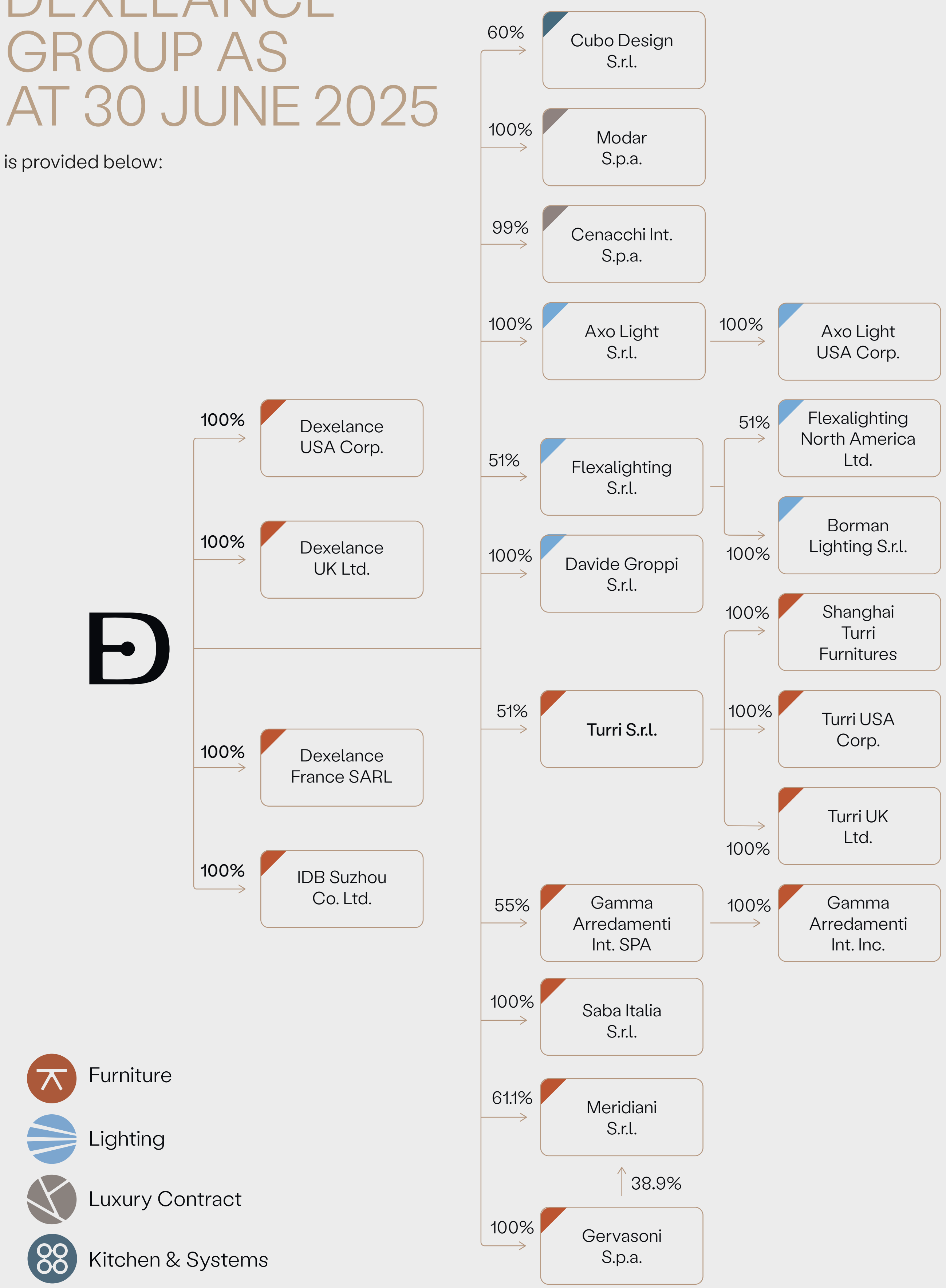
The companies included by means of the full consolidation method as at 30 June 2025, in accordance with the provisions of IFRS 10, are listed below.

Company Name	Registered Office	Share Capital	SBA	% direct ownership	% indirect ownership
Gervasoni S.p.a	Pavia di Udine (Udine)	1,000,000	furniture	100%	0%
Meridiani S.r.l.	Misinto (Monza and Brianza)	120,000	furniture	61.11%	38.89%
Dexelance France SARL	Parigi (France)	100,000	furniture	100%	0%
Dexelance UK Ltd.	Londra (UK)	GBP 779,950	furniture	100%	0%
Cenacchi International S.r.l.*	Ozzano dell'Emilia (Bologna)	10,000	luxury contract	99%	0%
Davide Groppi S.r.l.	Piacenza	20,000	lighting	100%	0%
Saba Italia S.r.l.	S. Martino di Lupari (Padua)	50,000	furniture	100%	0%
Modar S.p.a.	Barlassina (Monza and Brianza)	500,000	luxury contract	100%	0%
IDB Suzhou Co. Ltd	Suzhou (Cina)	CNY 19,539,442	altro	100%	0%
Flexalighting S.r.l.*	Pontassieve (Florence)	10,000	lighting	51%	0%
Borman Lighting S.r.l.*	Pontassieve (Florence)	10,000	lighting	0%	51%
Dexelance USA Corp.	New York (USA)	10,000 USD	altro	100%	0%
Flexalighting North America Ltd.*	Surrey (Canada)	1CAD 05	lighting	0%	26%
Gamma Arredamenti S.p.a.*	Forlì (Forlì-Cesena)	2,000,000	furniture	55%	0%
Gamma Arredamenti Inc.*	High Point (USA)	USD 5,000	furniture	0%	55%
Cubo Design S.r.l.*	Notaresco (Teramo)	84,000	kitchen & systems	60%	0%
Axo Light S.r.l.	Scorzé (Venice)	119,000	lighting	100%	0%
Axo Light USA Corp.	New York (USA)	USD 100,000	lighting	0%	100%
Turri S.r.l.*	Carugo (Como)	1,000,000	furniture	51%	0%
Turri UK Ltd.*	Londra (UK)	GBP 10,000	furniture	0%	51%
Turri USA Corp.*	Miami (USA)	USD 100	furniture	0%	51%
Shanghai Turri Furnitures*	Shanghai (China)	CNY 8,576,479	furniture	0%	51%

(*) Fully consolidated companies due to the put and call agreement with minority shareholders, the residual amount of which is recognised under Other current and non-current financial liabilities (see Note 15). The Parent Company currently holds the majority of the shares, but based on the agreements signed with the minority shareholders and the put option that they may exercise, it has the obligation to repurchase the remaining shares held under predefined contractual conditions.

THE STRUCTURE OF THE DEXELANCE GROUP AS AT 30 JUNE 2025

is provided below:



Saba
Axolight

SUMMARY DATA OF THE MAIN ECONOMIC, FINANCIAL AND CAPITAL RESULTS

This financial information as at 30 June 2025 was approved by the Company's Board of Directors on 9 September 2025, and this report on operations should be read in conjunction with the half-year consolidated financial statements as at 30 June 2025, which are set out below.

To gain the best possible understanding of the Group's situation and operating performance, the tables below contain a brief analysis of the condensed consolidated half-year financial statements, which consist of the reclassified income statement and the reclassified statement of financial position.
To enable a better assessment of operating performance, the Dexelance Group uses and monitors some alternative performance indicators.
The indicators represented are not identified as accounting measures under IFRS and should therefore not be considered as alternative measures to those provided in the model financial statements for assessing the performance of the Group and its financial position. The Group considers that the financial information set out below is an additional important benchmark for assessing the Group's performance, as it allows for a more analytical monitoring of the Group's economic and financial performance.
Since such financial information is not a measure that can be determined by the underlying accounting standards for the preparation of the consolidated financial statements, the criterion applied for its determination may not be consistent with that adopted by other groups, and therefore such data may not be comparable.

The definition of these alternative performance indicators is as follows.

ADDED VALUE
is defined as the sum of revenue for goods and services and other revenue and income less the sum of costs for the purchases of raw materials, changes in inventories, costs for services and use of third-party goods and other operating costs.

EBITDA
is defined as the sum of the net profit for the year, plus the profit (loss) of discontinued assets, plus income taxes, financial income and expenses, plus amortisation, depreciation and writedowns of fixed assets.

ADJUSTED EBITDA
is defined as the sum of net profit for the year, plus the profit (loss) of discontinued assets; income taxes; financial income and expenses; amortisation, depreciation and writedowns of fixed assets and excluding non-recurring costs/revenues.

EBIT
is defined as the sum of net profit for the year, plus the profit (loss) of discontinued assets, plus income taxes, financial income and expenses.

ADJUSTED EBIT
is defined as the sum of net profit for the year, plus the profit (loss) of discontinued assets, plus income taxes, financial income and expenses, excluding non-recurring costs, amortisation and depreciation of intangible assets with a finite useful life, models and customer lists, recorded during Purchase Price Allocation (PPA), and which will terminate at the end of the relevant depreciation process.


Meridiani


Gervasoni


Gamma Arredamenti

THE ADJUSTED NET RESULT FROM OPERATING ASSETS
is defined as the net result from operating assets excluding (i) non-recurring costs/revenue; (ii) amortisation of intangible assets with a finite useful life, models and customer lists, recorded during Purchase Price Allocation (PPA), and which will terminate at the end of the relevant amortisation process; (iii) depreciation of intangible assets recorded after the performance of the impairment tests; (iv) the effects of the remeasurements of put and call options and earn-outs; and (v) the related tax effects.

OPERATING WORKING CAPITAL
is calculated as the net balance of customer relationships, supplier relationships, inventories and assets and liabilities arising from contracts, customer advances, while net working capital is calculated by adding to operating working capital income tax credits and/or income tax payables and other current assets and liabilities.

INVESTED CAPITAL
is calculated as the balance between net working capital, non-current assets, liabilities for employee benefits, and provisions for risks and charges and other non-current liabilities.

THE NET FINANCIAL POSITION
is represented by financial debts, net of cash and other cash equivalents.

RECLASSIFIED INCOME STATEMENT

The income statement is reclassified in multiple-step format to show the gross operating profit (EBITDA) generated by the Group, namely the difference between revenue and costs associated with the purchase/transformation/sales cycle, regardless of amortisation, depreciation and writedowns, the financing methods adopted and the level of taxation.

Reclassified income statement	1st half 2024		1st half 2025		Change	
amounts are shown in €/1,000	amount	%	amount	%	amount	%
Revenue	151,028	100.0%	154,843	100.0%	3,815	2.5%
Other income	2,630	1.7%	2,088	1.3%	(542)	-20.6%
Total revenue and income	**153,659**	**101.7%**	**156,931**	**101.3%**	**3,273**	**2.1%**
External operating costs (*)	(107,457)	-71.1%	(116,927)	-75.5%	(9,470)	8.8%
Added value	**46,202**	**30.6%**	**40,004**	**25.8%**	**(6,198)**	**-13.4%**
Staff costs	(27,485)	-18.2%	(29,101)	-18.8%	(1,616)	5.9%
Provisions and writedowns	(238)	-0.2%	(525)	-0.3%	(287)	120.8%
Gross Operating Profit (EBITDA)	**18,479**	**12.2%**	**10,378**	**6.7%**	**(8,101)**	**-43.8%**
Amortisation, depreciation and writedowns of fixed assets	(10,475)	-6.9%	(22,055)	-14.2%	(11,580)	110.5%
Operating profi (EBIT)	**8,004**	**5.3%**	**(11,677)**	**-7.5%**	**(19,680)**	**-245.9%**
Financial result	(5,043)	-3.3%	4,349	2.8%	9,392	-186.2%
Gross result	**2,961**	**2.0%**	**(7,328)**	**-4.7%**	**(10,288)**	**-347.5%**
Income tax	(1,933)	-1.3%	(436)	-0.3%	1,497	-77.5%
Group consolidated net result	**1,028**	**0.7%**	**(7,764)**	**-5%**	**(8,791)**	**-855.4%**

(*) Includes the following income statement items: materials consumption, costs for services and leased assets and other operating costs.

Revenues for the six months ended 30 June 2025 increased from EUR 151 million to EUR 154.8 million, an increase of EUR 3.8 million, or 2.5%, compared to the same period of the previous year.
This change comes solely from organic growth, as there were no changes in the scope of consolidation compared to the same period of the previous year.

The Group's revenue by type of activity or strategic business area (SBA) and by geographic area in the first six months of 2025 and in the previous six months are broken down as follows:

- an 8% decrease in the "Furniture" sector compared to the previous year was mainly due to the slowdown observed in the reference market;
- a 7% increase in the "Lighting" segment as a result of the ongoing growth trend;
- an increase in the "Luxury Contract" segment of approximately 15% compared to the previous period, tied to the trend of the projects in progress during this half-year period;
- A 10% increase in the "Kitchens and Systems" sector, tied to the growth recorded by the company Cubo Design compared to the same period of the previous year.

amounts are shown in €/1000	**1st half of 2024**	**1st half of 2025**
Furniture	69,238	63,626
Lighting	16,070	17,245
Luxury Contract	36,460	41,813
Kitchen & Systems	29,261	32,159
Totale	**151,028**	**154,843**

amounts are shown in €/1000	**1st half of 2024**	**1st half of 2025**
Italy	40,194	39..403
UE	36,611	37,666
Non-EU	74,223	77,774
Totale	**151,028**	**154,843**

Considering the impact of some non-recurring economic components on the result for the period, the management also wishes to highlight the following economic values: Adjusted EBITDA, adjusted EBIT and Adjusted Net Result.
In particular, Adjusted EBITDA is determined without reflecting non-recurring costs and revenues.

Adjusted EBIT was calculated gross of both non-recurring costs and the amortisation and impairment of intangible assets with a finite useful life (models, order book and customer relations) recorded during the Purchase Price Allocation (PPA) and which will expire at the end of the relevant amortisation process.

Lastly, the Adjusted Net Result is calculated excluding non-recurring costs and revenues, the aforementioned amortisation of certain intangible assets with a finite useful life, and without taking into account the positive and negative economic effects resulting from the remeasurement of "figurative" financial charges for put and call options and earn-outs of minority shareholders.

amounts are shown in €/1000	**1st half of 2024**		**1st half of 2025**	
	Effective data	**Adjusted data**	**Effective data**	**Adjusted data**
Revenue	151,028	151,028	154,843	154,843
Other income	2,630	2,630	2,088	2,088
Total revenue and income	**153,659**	**153,659**	**156,931**	**156,931**
External operating costs	(107,457)	(106,871)	(116,927)	(116,525)
Added value	**46,202**	**46,787**	**40,004**	**40,406**
Staff costs	(27,485)	(27,468)	(29,101)	(28,825)
Provisions and writedowns	(238)	(238)	(525)	(525)
Gross operating profit (EBITDA)	**18,479**	**19,081**	**10,378**	**11,056**
Amortisation, depreciation and writedowns of fixed assets	(6,777)	(6,777)	(6,886)	(6,886)
Amortisation, depreciation and writedowns of fixed assets arising from the PPA process	(3,698)	-	(15,169)	-
Operating profit (EBIT)	**8,004**	**12,304**	**(11,677)**	**4,170**
Financial Result	(5,043)	(2,436)	4,349	(2,665)
Gross result	**2,961**	**9,868**	**(7,328)**	**1,505**
Income tax	(1,933)	(3,053)	(436)	(1,628)
Group consolidated net result	**1,028**	**6,815**	**(7,764)**	**(123)**

The reconciliation of the above values is shown below.
Starting with the actual amounts, the components taken into account to calculate the adjusted values as at 30 June 2024 and 30 June 2025 are listed below:

Amounts are shown in €/1,000	**Effective data 1st half 2024**	**Non-recurring costs/revenues**	**PPA depreciation, amortisation and writedowns**	**Remeasurement of put and call options and earn-outs**	**Adjusted data 1st half 2024**
Revenue	151,028				151,028
Other income	2,630	-			2,630
Total revenue and income	**153,659**	-	-	-	**153,659**
External operating costs	(107,457)	585			(106,871)
Added Value	**46,202**	**585**	-	-	**46,787**
Staff costs	(27,485)	17			(27,468)
Provisions and writedowns	(238)				(238)
Gross operating profit (EBITDA)	**18,479**	**602**	-	-	**19,081**
Amortisation, depreciation and writedowns of fixed assets	(6,777)				(6,777)
Amortisation, depreciation and writedowns of fixed assets arising from the PPA process	(3,698)		3,698		-
Operating profit (EBIT)	**8,004**	**602**	**3,698**	-	**12,304**
Financial result	(5,043)	(369)		2,975	(2,436)
Gross result	**2,961**	**234**	**3,698**	**2,975**	**9,868**
Income tax	(1,933)	(77)	(1,043)		(3,053)
Group consolidated net result	**1,028**	**156**	**2,655**	**2,975**	**6,815**

Amounts are shown in €/1,000	**Actual 2025 1st half data**	**Non-recurring costs/revenues**	**PPA depreciation, amortisation and writedown**	**Remeasurement of put and call options and earn-outs**	**Adjusted 2025 1st half data**
Revenue	154,843				154,843
Other income	2,088				2,088
Total revenue and income	**156,931**	-	-	-	**156,931**
External operating costs	(116,927)	402			(116,525)
Added value	**40,004**	**402**	-	-	**40,406**
Staff costs	(29,101)	276			(28,825)
Provisions and writedowns	(525)				(525)
Gross operating profit (EBITDA)	**10,378**	**678**	-	-	**11,056**
Amortisation, depreciation and writedowns of fixed assets	(6,886)				(6,886)
Amortisation, depreciation and writedowns of fixed assets arising from the PPA process	(15,169)		15,169		-
Operating profit (EBIT)	**(11,677)**	**678**	**15,169**	-	**4,170**
Financial result	4,349			(7,014)	(2,665)
Gross result	**(7,328)**	**678**	**15,169**	**(7,014)**	**1,505**
Income tax	(436)	(77)	(1,115)		(1,628)
Group consolidated net result	**(7,764)**	**601**	**14,054**	**(7,014)**	**(123)**

During the six months ended 30 June 2025, the Group incurred non-recurring costs of EUR 678 thousand, of which EUR 276 thousand concerned extraordinary personnel expenses and EUR 363 thousand, extraordinary commercial transactions.

As in the past, there is instead no need to present a full half-year income statement (where, taking into account growth by external lines, management presents a consolidated Group net result assuming that the acquisitions in the period took place on 1 January), as there were no changes in the scope of consolidation in the reporting periods.

Davide Groppi

Davide Groppi

RECLASSIFIED STATEMENT OF FINANCIAL POSITION

The statement of financial position is reclassified in order to highlight the investment structure and the composition of the financing sources.

Reclassified statement of financial position	31/12/2024		30/06/2025	
amounts are shown in €/1,000	amount	%	amount	%
Intangible assets	235,484	87.8%	220,648	80.7%
Right of use	34,427	12.8%	33,375	12.3%
Property, plant and equipment	28,223	10.5%	29,010	10.6%
Holdings and other non-current assets	8,708	3.2%	8,871	3.2%
Non-current assets (A)	**306,842**	**114.5%**	**292,264**	**106.9%**
Inventories	45,529	17.0%	48,979	17.9%
Trade receivables	41,632	15.5%	43,572	15.9%
Other current assets	8,824	3.3%	13,608	5.0%
Current assets (B)	**95,985**	**35.8%**	**106,159**	**38.8%**
Trade payables	(53,611)	-20.0%	(47,112)	-17.2%
Other current liabilities	(43,205)	-16.1%	(40,211)	-14.7%
Current liabilities (C)	**(96,817)**	**-36.1%**	**(87,324)**	**-31.9%**
Net working capital (D= B-C)	**(832)**	**-0.3%**	**18,835**	**6.9%**
Provisions for risk and severance pay	(12,163)	-4.5%	(12,629)	-4.6%
Other non-current liabilities	(25,748)	-9.6%	(25,056)	-9.2%
Medium/long-term assets (liabilities) (E)	**(37,911)**	**-14.1%**	**(37,685)**	**-13.8%**
Net Invested Capital (A + D + E)	**268,099**	**100.0%**	**273,414**	**100.0%**
Shareholders' equity	**170,452**	**63.6%**	**161,524**	**59.1%**
Net financial position, banks	(5,180)	-1.9%	17,108	6.3%
Net financial position, others	102,827	38.4%	94,781	34.7%
Net financial position	**97,647**	**36.4%**	**111,890**	**40.9%**
Equity and debt	**268,099**	**100.0%**	**273,414**	**100.0%**

Net invested capital consists mostly of intangible assets arising from company acquisitions completed since the Company's incorporation; during the period, this increases by EUR 5,315 thousand due to the combined effect of:

- the decrease of EUR 14,578 thousand in non-current assets, mainly due to the reduction in the value of intangible assets in the amount of EUR 14,836 thousand as a result of the amortisation and impairment recognised in the reporting period. As at 30 June 2025, a partial write-down of goodwill recognised for the Turri CGU in the amount of EUR 11,200 thousand was made, taking the performance during the period and the future prospects into account. For more information, please refer to the explanatory notes to the financial statements.

- the increase in current assets in the amount of EUR 10,174 thousand, mainly due to the increase in the value of inventories (for EUR 3,450 thousand) and the increase in other current assets (for EUR 4,784 thousand), particularly tax receivables regarding direct and indirect taxes;

- the decrease in current liabilities in the amount of EUR 9,493 thousand, mainly due to the decrease in the value of trade payables (amounting to EUR 6,499 thousand) compared to 31 December 2024; this decrease is attributable to the normal cyclical nature of payments.

Current assets and liabilities in the first half of the year reflect the normal seasonal trend in the industry. Financing sources comprise 59% from equity and 41% from third parties, and show an increase in the net financial position of EUR 14,243 thousand (+14.6%) compared to the previous period.

Saba

NET FINANCIAL POSITION

The net financial position, as defined and monitored by the Company's and the Group's management, breaks down as follows:

amounts are shown in €/1,000	Balance at 30/06/2024	Balance at 31/12/2024	Balance at 30/06/2025	Variations Jun 2024 - Jun 2025	Variations Dec 2024 - Jun 2025
Short-term bank loans	22,177	23,604	22,823	646	(781)
Medium/long-term bank debt	53,109	39,510	26,418	(26,690)	(13,092)
Cash and cash equivalents	(31,842)	(33,681)	(31,494)	348	2,187
Other current financial assets	(31,474)	(34,614)	(639)	30,834	33,975
NFP, banks	**11,970**	**(5,180)**	**17,108**	**5,138**	**22,288**
Current earn-out payable	1,946	4,790	4,091	2,145	(699)
Non-current earn-out payable	10,516	1,780	2,345	(8,171)	565
Current payable for purchase of minority shares through the exercise of the put option	595	9,747	10,156	9,562	410
Non-current payable for purchase of minority shares through the exercise of the put option	55,829	45,656	37,668	(18,160)	(7,987)
NFP, other thank banks	**68,885**	**61,972**	**54,261**	**(14,625)**	**(7,711)**
Current financial payables to lessors	6,376	6,512	6,324	(51)	(188)
Non-current financial payables to lessors	28,686	29,430	29,163	477	(267)
NFP, payables to lessors (IFRS 16)	**35,061**	**35,942**	**35,487**	**426**	**(455)**
Other financial payables	778	4,913	5,034	4,256	121
NFP, total	**116,695**	**97,647**	**111,890**	**(4,805)**	**14,243**

Bank debt as at 30 June 2025 totalled EUR 49,241 thousand. The reduction from the previous period was due to the repayment of loans under the plan. Indebtedness of EUR 17,108 thousand is expressed net of cash and cash equivalents and other current financial assets of EUR 32,133 thousand. The change in the net financial position during the period is characterised by (i) a high absorption of operating working capital, due to the timing of receipt of advance payments related to the progress stage of open job orders, (ii) net capital expenditure for the period of EUR 4.7 million, and (iii) the payment of current taxes of EUR 5.3 million. We also report the voluntary early repayment, compared to the original amortisation plan, of a loan with a nominal value of €6 million in order to reduce financial expenses.

The earn-out payable of EUR 6,436 thousand recognised at 30 June 2025 refers to the debt owed to the sellers of SUR (merged into Gervasoni during the 2022 financial year), Cubo Design and Turri.
It represents the update of the best possible estimate of the earn-out, which was determined at the time of acquisition and accounted for at fair value at 30 June 2025. The earnout is directly linked to the performance of the acquired companies, usually the EBITDA and net financial position as contractually defined between the parties. It should be noted that, during the first half, the earn-out payment related to the acquisition of SUR (merged into Gervasoni during the 2022 financial year) totalled EUR 482 thousand.

Payables for put options amounted to EUR 47,825 thousand at 30 June 2025 and relate to the fair value of the liability for the exercise of the put option (in favour of the seller) and the call option (in favour of the Group) for the purchase of the residual stake of 1% in Cenacchi International, 49% of Flexalighting and Flexalighting North America, 45% of Gamma Arredamenti International and 40% of Cubo Design.
The acquisition value of the minority stake through the put option was also subject to a contractual definition that links its value to actual company performance and, for this reason, is periodically reassessed based on a contractually predefined calculation between the parties (usually EBITDA and net financial position).

Please note that, for the debt from options related to the minority interest in Turri S.r.l., a remeasurement was made against the revised budget approved and used by the directors during the impairment test, which led to the reduction of the non-current portion of this debt for a total of EUR 9,289,000.

Davide Groppi

STRATEGIC BUSINESS AREAS

The Dexelance Group is divided into four operating segments or strategic business areas (SBAs), as defined by management at the operational management level, and one other, residual segment (mainly attributable to the Parent Company, which acts as the holding company):

FURNITURE

Design, production (both in-house and through third-party manufacturers) and marketing of indoor and outdoor furniture products, mainly dedicated to the living area. At the reference date of the financial statements, this segment was made up of the companies Gervasoni S.p.A., Meridiani S.r.l., Saba Italia S.r.l., Gamma Arredamenti International S.p.A., Turri S.r.l. and its subsidiaries, Dexelance France SARL and Dexelance UK Co. Ltd., Dexelance USA Corp. and IDB Suzhou Co. Ltd.

LIGHTING

design, production (both in-house and through third-party manufacturers) and marketing of high-quality designer lighting products. At the reference date of the financial statements, this segment was made up of the companies Davide Groppi S.r.l., Flexalighting S.r.l., Flexalighting North America Ltd. and Axo Light S.r.l. and its subsidiaries.

CUCINE E SISTEMI

Design, production, and sale of modular kitchen solutions and systems. At the reference date, Cubo Design S.r.l. also belonged to this area.

LUXURY CONTRACT

Design and installation of bespoke and commissioned fittings for luxury brand shops and high-end hotels and homes, commissioned and in collaboration with well-known architects and designers. At the reference date of the financial statements, this segment was made up of the companies Cenacchi International S.r.l. and Modar S.p.A

OTHER

This consists of the parent company Dexelance S.p.A.

The strategic business area is typically the reference unit by means of which the Group monitors the performance of its business. It is characterised by the homogeneity of the core markets, without however having an independent organisation.

INCOME STATEMENT BY STRATEGIC BUSINESS AREA

The breakdown of the income statement by operating segment as at 30 June 2024 and 30 June 2025 is provided below:

amounts are shown in €/1,000	Furniture	Lighting	Luxury Contract	Kitchen & Systems	Other	1st half 2024
Revenue (*)	69,238	16,070	36,460	29,261	-	151,028
Other income	1,644	262	73	647	4	2,630
Total revenue and income	**70,882**	**16,332**	**36,533**	**29,907**	**4**	**153,659**
Purchases of raw materials	(27,862)	(5,176)	(12,116)	(14,305)	(9)	(59,468)
Costs for service and use of third-party assets	(22,744)	(4,763)	(11,040)	(6,967)	(2,475)	(47,989)
Staff costs	(13,313)	(3,602)	(6,269)	(3,614)	(687)	(27,485)
Provisions and writedowns	(29)	(45)	(9)	(155)	-	(238)
Gross operating profit (EBITDA)	**6,934**	**2,746**	**7,098**	**4,867**	**(3,167)**	**18,479**
Amortisation, depreciation and writedowns of fixed assets	(4,239)	(823)	(2,255)	(3,044)	(114)	(10,475)
Operating profit/(loss) (EBIT)	**2,695**	**1,923**	**4,843**	**1,823**	**(3,280)**	**8,004**
Financial income						1,594
Financial expenses						(6,637)
Gross result						**2,961**
Income tax						(1,933)
Net profit/(loss)						**1,028**

amounts are shown in €/1000	Furniture	Lighting	Luxury Contract	Kitchen & Systems	Other	1st half 2025
Revenue (*)	63,626	17,245	41,813	32,159	-	154,843
Other income	1,183	240	40	625	-	2,088
Total revenue and income	**64,809**	**17,485**	**41,853**	**32,784**	**-**	**156,931**
Purchases of raw materials	(25,169)	(5,318)	(16,674)	(17,493)	(2)	(64,656)
Costs for services and use of third-party assets	(25,422)	(5,526)	(12,194)	(6,894)	(2,235)	(52,271)
Staff costs	(13,770)	(4,256)	(6,788)	(3,562)	(725)	(29,101)
Provisions and writedowns	(322)	(15)	(8)	(180)	-	(525)
Gross operating profit (EBITDA)	**126**	**2,370**	**6,188**	**4,656**	**(2,962)**	**10,378**
Amortisation, depreciation and writedowns of fixed assets	(15,917)	(910)	(2,281)	(2,815)	(132)	(22,055)
Operating profit/(loss)(EBIT)	**(15,791)**	**1,459**	**3,907**	**1,841**	**(3,093)**	**(11,677)**
Financial income						10,260
Financial expenses						(5,911)
Gross result						**(7,328)**
Income tax						(436)
Net profit/(loss)						**(7,764)**

(*) Revenue for each segment include both revenue realised in respect of third parties and revenue realised in respect of other Group operating segments. The figure for the latter was not material: it was therefore not deemed necessary to provide a breakdown in table format.

Revenue from the "Lighting", "Luxury Contract" and "Kitchen & Systems" operating segments in the first half of 2025 increased compared to the same period in 2024 (by +7%, +15% and +10% respectively), due in full to the organic growth recorded by the companies belonging to these various sectors.
On the other hand, revenue in the "Furniture" operating segment decreased compared to the first half of the previous year, due to the slowdown observed in the reference market.

The decrease in EBITDA is mainly related to the unsatisfactory result of the "Furniture" SBA and the increase in business development costs. The performance of the "Furniture" SBA is mainly affected by the negative result of some orders won by Turri that were impaired by significant non-conformities and programming errors that required a substantial adjustment and recalculation of the margins to be completed.
Another company was impacted by the implementation of the new IT system, which caused delays and temporary dysfunctions in the management of operational and logistical flows that have since been resolved.
The negative contribution to EBITDA of the strategic business area "Other" should be noted, which is due mainly to the parent company's structural costs.

STATEMENT OF FINANCIAL POSITION BY STRATEGIC BUSINESS AREA

The breakdown of the statement of financial position by strategic business area as at 31 December 2024 and 30 June 2025 is provided below:

amounts are shown in €/1,000	Furniture	Lighting	Luxury Contract	Kitchen & Systems	Other	31/12/2024
Intangible assets	99,241	22,011	42,025	72,158	49	235,484
Right of use	20,581	2,999	3,881	6,332	634	34,427
Property, plant and equipment	15,353	2,056	2,108	7,949	757	28,223
Holdings and other non-current assets	6,005	546	592	1,262	303	8,708
Non-current assets	**141,181**	**27,611**	**48,606**	**87,702**	**1,743**	**306,842**
Inventory and contract assets	28,235	6,751	7,470	3,072	-	45,529
Trade receivables	19,906	4,191	9,838	7,697	-	41,632
Business advances and contract liabilities	(14,823)	(903)	(11,130)	(1,580)	-	(28,435)
Trade payables	(25,613)	(4,426)	(12,651)	(10,460)	(461)	(53,611)
Operating net working capital	**7,705**	**5,614**	**(6,473)**	**(1,271)**	**(461)**	**5,114**
Other current liabilities	(6,359)	(1,778)	(3,228)	(1,739)	(1,667)	(14,771)
Other current assets	4,891	595	919	1,415	1,005	8,824
Net working capital	**6,238**	**4,431**	**(8,782)**	**(1,595)**	**(1,123)**	**(832)**
Provisions for risk and severance pay	(5,269)	(1,515)	(3,399)	(1,862)	(119)	(12,163)
Other non-current liabilities	(8,307)	(527)	(3,391)	(12,660)	(862)	(25,748)
Net invested capital	**133,843**	**30,000**	**33,033**	**71,585**	**(361)**	**268,099**
Net financial debt						(97,647)
Shareholders' equity						(170,452)
Financing sources						**(268,099)**

amounts are shown in €/1,000	Furniture	Lighting	Luxury Contract	Kitchen & Systems	Other	30/06/2025
Intangible assets	87,485	21,468	40,355	71,283	57	220,648
Right of use	21,670	2,610	2,937	5,770	747	33,735
Property, plant and equipment	14,937	2,668	3,936	6,726	743	29,010
Holdings and other non-current assets	6,361	552	565	1,142	253	8,871
Non-current assets	**130,453**	**27,298**	**47,793**	**84,921**	**1,799**	**292,264**
Inventory and contract assets	28,491	7,427	8,012	5,048	-	48,979
Trade receivables	20,514	4,976	8,683	9,399	-	43,572
Business advances and contract liabilities	(14,130)	(1,552)	(6,271)	(2,628)	-	(24,582)
Trade payables	(21,198)	(3,632)	(9,055)	(12,979)	(248)	(47,112)
Operating net working capital	**13,677**	**7,219**	**1,369**	**(1,160)**	**(248)**	**20,857**
Other current liabilities	(6,948)	(2,266)	(3,197)	(2,312)	(906)	(15,629)
Other current assets	5,312	463	2,582	1,045	4,206	13,608
Net working capital	**12,041**	**5,416**	**754**	**(2,428)**	**3,052**	**18,835**
Provisions for risk and severance pray	(5,595)	(1,555)	(3,379)	(1,963)	(137)	(12,629)
Other non-current liabilities	(8,144)	(494)	(3,011)	(12,277)	(1,130)	(25,056)
Net invested capital	**128,755**	**30,666**	**42,157**	**68,253**	**3,583**	**273,414**
Net financial debt						(111,890)
Shareholders' equity						(161,524)
Financing sources						**(273,414)**

Non-current assets as at 30 June 2025 recorded a decrease of EUR 14,578 thousand compared to the previous period, mainly due to the amortisation and impairment of intangible assets for the period, as discussed above (see Note 1).
There was an increase in net operating working capital, which amounted to EUR 20,857 thousand as at 30 June 2025; the change from the previous period was mainly due to the increase in the value of inventories (+8%), the reduction in trade advances and liabilities arising from contracts (-14%) and the reduction in the value of trade payables (-12%). This change is in line with the seasonal trend in the sector.

The net operating working capital of the "Furniture" segment shows a positive change mainly due to the decrease in the value of trade payables as a result of the related financial payment dynamics.
The increase in net working capital observed in the "Luxury Contract" operating segment is mainly attributable to the combined effect of the financial dynamics of the collection of receivables, advance payments and the payment of payables of job orders in progress.
Operating working capital in the "Lighting" and "Kitchens and Systems" segments remains substantially in line with the previous period.


Davide Groppi

TREASURY SHARES

Gervasoni

As at 18 December 2023, the programme aimed at increasing the portfolio of treasury shares of the parent company Italian Dexelance S.p.A. became operative in order to (i) equip itself with a portfolio of treasury shares to be used to service transactions consistent with the Group's strategic development lines in view of or within the scope of agreements with strategic partners, including, but not limited to, transactions involving sales and/or exchanges, swaps, contributions, assignments or other acts that include other extraordinary finance transactions (ii) use treasury shares for transactions to support market liquidity, so as to facilitate trading in the securities themselves at times of low market liquidity and to encourage regular trading, in accordance with the provisions of the law on market abuse and accepted market practices. The aforementioned share buy-back programme was resolved by the Shareholders' Meeting of 17 November 2023.

On 22 April 2024, the Shareholders' Meeting resolved a share buyback programme which, in addition to the above objectives, also provided for the allocation of treasury shares to the implementation of incentive plans based on Company shares for directors and employees in key function roles within the Company.
On 22 April 2025, the Shareholders' Meeting resolved a new share buyback programme up to a maximum number of two million for the above-mentioned purposes after the previous authorisation of 22 April 2024 had been revoked to the extent that it had not been used.

Please refer to the specific section on this matter included below for more detailed information on the share incentive plan.
It should be noted that from 18 December 2023 to 30 June 2025, 319,179 treasury shares, equal to 1.19% of the share capital, had been purchased for a total amount of EUR 2,824 thousand.

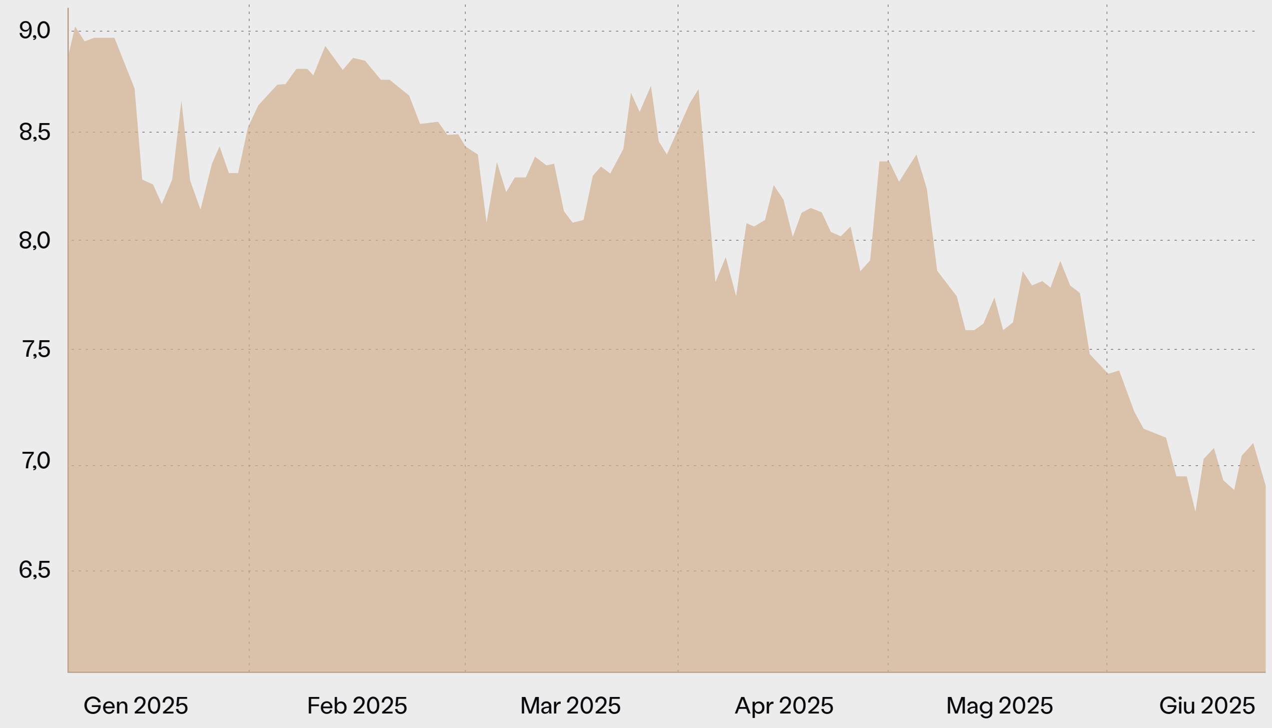
Turri

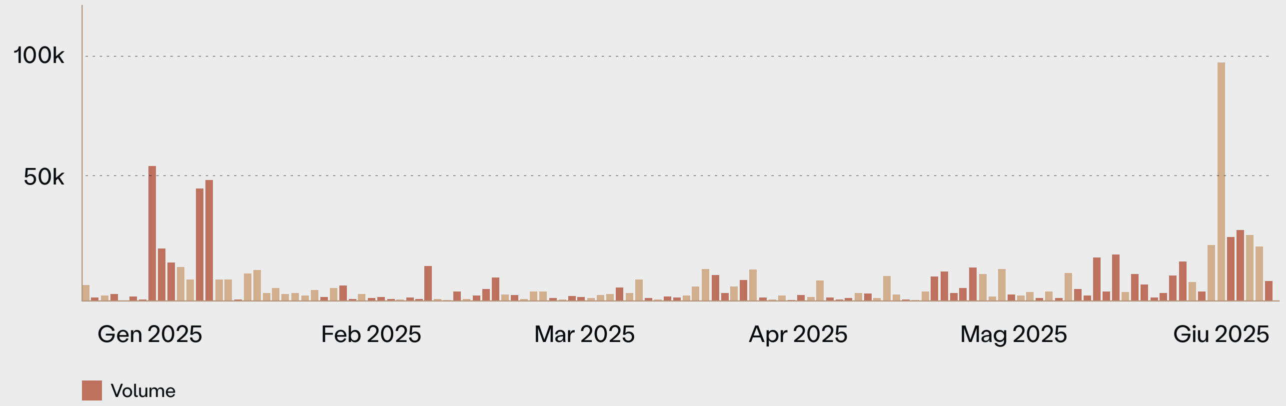
DEXELANCE S.P.A. ON THE STOCK EXCHANGE

Saba

The shares of the parent company Dexelance S.p.A. were listed on the Euronext STAR Milan segment of Borsa Italiana S.p.A. on 18 May 2023 at an IPO price of EUR 10.88. Dexelance stock also forms part of the FTSE Italia Small Cap index.
The chart below shows the price trend of the Dexelance stock and the related trading volumes of the first half of 2025, from 1 January to 30 June 2025.

As at 30 June 2025, the stock market capitalisation amounted to EUR 182.5 million against the Group's consolidated shareholders' equity of EUR 161.5 million.





Source: *borsaitaliana.it*

BUSINESS OUTLOOK

Meridiani

Roda

The Group continuously monitors both the performance of relevant markets and the developments in the conflicts between Ukraine and Russia, Israel and Palestine, and in other regions in turmoil, which call for a continuing cautious approach to macroeconomic forecasts in relation to the repercussions on prices of raw materials, demand, and the performance of the financial markets. In this regard, it should be noted that Group's exposure in terms of turnover in relation to countries involved in the conflicts is not significant.

In addition to the aforementioned tensions in the macroeconomic environment in recent years, there are the effects of fiscal and trade policies in terms of duties and tariffs that could affect international trade and thus impact the propensity to consume. The Group assesses these effects as having a medium level of risk, as its product offering is aimed at the high-end of the market, which exhibits less sensitivity to price changes. For the year 2025, in an uncertain macroeconomic and geopolitical context, the market is expected to shrink, which is also in line with the latest research in the wood-furniture sector. The Group is confident that it can outperform the reference market in terms of revenues.

The strategic objective of growth by external lines is confirmed, as has been extensively described in the post-reporting date events.

Gervasoni

CONSOLIDATED FINANCIAL STATEMENTS AS AT 30 JUNE 2025

CONSOLIDATED STATEMENT AND FINANCIAL POSITION

(amounts in thousands of euros)	Notes	30/06/2025	31/12/2024
NON-CURRENT ASSETS			
Intangible assets	1	220,648	235,484
Goodwill		123,264	134,811
Brands		57,462	57,461
Models		5,431	6,085
Customer relations and order book		31,898	35,211
Other intangible assets		2,594	1,916
Right of use	2	33,735	34,427
Property, plant and equipment	3	29,010	28,223
Deferred tax assets	17	4,310	4,122
Equity investments		6	6
Other non-current assets	4	4,555	4,580
Totale non-current assets		**292,264**	**306,842**
CURRENT ASSETS			
Inventories	5	40,391	37,096
Contract assets	6	8,588	8,433
Trade receivables	7	43,572	41,632
Income tax credits		3,748	1,440
Other currrent assets	8	9,860	7,385
Other current financial assets	9	639	34,614
Cash and cash equivalents	10	31,494	33,681
Total current assets		**138,292**	**164,279**
TOTAL ASSETS		**430,556**	**471,121**

(amounts in thousands of euros) SHAREHOLDERS' EQUITY	Notes	30/06/2025	31/12/2024
Share capital		26,926	26.926
Other reserves and retained earnings, including profit (loss) for the period		134,598	143.526
Total Group shareholders' equity		**161,524**	**170.452**
Shareholders' equity – minority interests		0	0
Total shareholders' equity	11	**161,524**	**170.452**
NON-CURRENT LIABILITIES			
Post-employment benefits	12	7,462	7.363
Provisions for risks and charges	13	5,167	4.801
Medium/long-term bank loans	14	26,418	39.510
Other non-current financial liabilities	15	40,013	47.435
Other medium/long-term loans	15	5,034	4.913
Non-current financial payables to lessors	15	29,163	29.430
Other non-current liabilities	16	1,873	1.858
Deferred taxes	17	23,183	23.889
Total non-current liabilities		**138,313**	**159.199**
CURRENT LIABILITIES			
Short-term bank loans	14	22,823	23,604
Other current financial liabilities	15	14,248	14,537
Other short-term loans	15	0	0
Current financial payables to lessors	15	6,324	6,512
Trade payables	18	47,112	53,611
Income tax payables		616	1,039
Other current liabilities	19	39,595	42,166
Payables to staff and social security organisations		11,593	10,609
Contract liabilities		9,936	16,557
Other payables		18,066	15,000
Total current liabilities		**130,719**	**141,470**
TOTAL LIABILITIES		**269,031**	**300,669**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**430,556**	**471,121**

CONSOLIDATED INCOME STATEMENT

(amounts in thousands of euros)	Notes	1st half 2025	I semestre 2024
Revenue	20	154,843	151,028
Other income	21	2,088	2,630
Total revenue and income		**156,931**	**153,659**
Purchases of raw materials	22	(70,610)	(60,791)
Change in inventories		5,954	1,323
Staff costs	23	(29,101)	(27,485)
Costs for services and use of third-party assets	24	(50,919)	(46,741)
Other operating costs	25	(1,351)	(1,248)
Provisions and writedowns	26	(525)	(238)
Amortisation, depreciation and writedowns of fixed assets	27	(22,055)	(10,475)
Operating profit/(loss)(EBIT)		**(11,677)**	**8,004**
Financial income	28	10,260	1,594
Financial expenses	28	(5,911)	(6,637)
Profit/(loss) before taxes resulting from continuing operations		**(7,328)**	**2,961**
Income tax	29	(436)	(1,933)
NET PROFIT/(LOSS)		**(7,764)**	**1,028**
Attributable to:			
Profit/(loss) pertaining to the Group		(7,764)	1,028
Profit/(loss) pertaining to third parties		0	0
BASIC EARNINGS (LOSS) PER SHARE		**(0,29)**	**0,04**
DILUTED EARNINGS (LOSS) PER SHARE		**(0,29)**	**0,04**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(amounts in thousands of euros)	Notes	1st half 2025	1st half 2024
Profit / (loss) for the year		**(7,764)**	**1,028**
Profit / (loss) from cash flow hedge		12	280
Tax effects		(3)	(67)
Total profit / (loss) from cash flow hedges, net of tax	30	**9**	**213**
Foreign currency translation differences		(415)	(2)
Other movements		6	32
Total comprehensive income items that will subsequently be reclassified to profit/(loss) for the year		**(400)**	**243**
Actuarial profits/(losses)		-	-
Tax effects		-	-
Total actuarial profit / (loss), net of taxes		**-**	**-**
Comprehensive income items that will not subsequently be reclassified to profit/(loss) for the year		-	-
Comprehensive income statement net of taxes		**(400)**	**243**
Total comprehensive net profit/(loss) for the period		**(8,164)**	**1,271**
Attributable to:			
Shareholders of the parent company		(8,164)	1,271
Minority shareholders		-	-

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(amounts in thousands of euros)	Share capital	Share premium reserve	Cash flow hedging reserve	Actuarial gains /(losses)	Other reserves	Retained earnings	Profit/(Loss) for the period	Total Group shareholders' equity	Capital and reserves – minority interest	Profit – minority interests	Shareholders' equity – minority interests	Total shareholders' equity
Balance at 1 January 2024	26,926	66,971	(520)	183	(709)	33,521	28,007	154,378	-	-	-	154,378
Allocation of result for the year						28,007	(28,007)	-			-	-
Other income statement items			213		33			246			-	246
Purchase of treasury shares					(885)			(885)			-	(885)
Share Incentive Plan					60			60			-	60
Profit/(loss) for the period							1,028	1,028			-	1,028
Balance at 30 June 2024	**26,926**	**66,971**	**(307)**	**183**	**(1,501)**	**61,528**	**1,028**	**154,827**	-	-	-	**154,827**

(amounts in thousands of euros)	Share capital	Share premium reserve	Cash Flow Hedging Reserve	Actuarial gains /(losses)	Other reserves	Retained earnings	Profit/(Loss) for the period	Total Group shareholders' equity	Capital and reserves – minority interest	Profit – minority interests	Shareholders' equity – minority interests	Total shareholders' equity
Balance at 1 January 2025	26,926	66,971	(561)	115	(2,431)	61,528	17,904	170,452	-	-	-	170,452
Allocation of result for the year						17,904	(17,904)	-			-	-
Other income statement items			9		(409)			(400)			-	(400)
Purchase of treasury shares					(896)			(896)			-	(896)
Share Incentive Plan					132			132			-	132
Profit/(loss) for the period							(7,764)	(7,764)			-	(7,764)
Balance at 30 June 2025	**26,926**	**66,971**	**(551)**	**115**	**(3,605)**	**79,432**	**(7,764)**	**161,524**	-	-	-	**161,524**

CONSOLIDATED STATEMENT OF CASH FLOWS

(amounts in thousands of euros)	1st half of 2025	1st half of 2024
A. Cash flows from operating activities (indirect method		
Utile (perdita) del periodo	(7,764)	1,028
Income tax	436	1,933
Interest expense/(interest income)	4,252	5,047
Other non-monetary income and expenses	(8,557)	20
Capital (gains)/losses on disposals	(6)	(128)
1. Profit/(loss) before income taxes, interest, dividends and capital gains/losses from transfer	**(11.639)**	**7.900**
Severance Indemnity Provision	620	475
Provisions	738	461
Depreciation and amortisation of fixed assets	10,855	10,475
Impairment losses	11,162	28
Other adjustments for non-monetary items	(170)	110
2. Cash flow before changes in net working capital	**11.566**	**19.448**
Decrease/(Increase) in inventories	(3,295)	(2,948)
Decrease/(Increase) in contract assets	(155)	(1,283)
Decrease/(Increase) in trade receivables	(2,697)	(172)
Increase/(Decrease) in trade payables	(6,528)	(4,696)
Increase/(Decrease) in contract liabilities	(6,621)	4,147
Decrease/(Increase) in other changes in net working capital	2,393	6,275
Interest received/paid on loans	(936)	(1,972)
(Income taxes paid)	(4,546)	(1,146)
Disbursement of severance payments and other provisions	(775)	(599)
3. Cash flow after other adjustments	**(23.160)**	**(2.394)**
Cash flow of operating activities (A = 2 + 3)	**(11.594)**	**17.054**
B. Cash flows from investment activities		
Investments in tangible fixed assets, net of divestments	(3,775)	(3,872)
Investments in intangible assets, net of divestments	(912)	(369)
Investments in financial fixed assets, net of divestments	0	276
Investments in other financial assets, net of divestments	33,975	(2,853)
Exercise of options and earn-out	(482)	(7,022)
Cash flow of investment activities (B)	**28.805**	**(13.839)**
C. Cash flows from financing activities		
Third-party financing		
Increase (decrease) in short-term payables to banks	(333)	(111)
Loans taken out	5,812	2,125
Loan repayment	(19,686)	(9,863)
Payments for lease liabilities	(4,295)	(4,905)
Equity		
Purchase of treasury shares	(896)	(885)
Cash flow of financing activities (C)	**(19.398)**	**(12.830)**
Increase (decrease) in cash and cash equivalents (A ± B ± C)	(2,187)	(9,614)
Cash and cash equivalents at 1 January	33,681	41,457
Cash and cash equivalents at 30 June	31,494	31,842
Change in cash	**(2.187)**	**(9.614)**

FORM AND CONTENT OF THE CONDENSED HALF-YEAR CONSOLIDATED FINANCIAL STATEMENTS

The half-year financial report of the Group as at 30 June 2025 is drawn up in accordance with the Article 154-ter of Legislative Decree No. 58/98 (Consolidated Finance Act) and subsequent amendments and additions.

The Group draws up its condensed consolidated half-year financial statements in accordance with the International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) and transposed into European Union and Italian law.

The consolidated financial statements for the period were drawn up in the condensed manner permitted by IAS 34 for interim financial statements. Therefore, the document does not set out all the information required for the drawing up of annual financial statements and, for this reason, it should be read together with the consolidated financial statements as at 31 December 2024.

It should be noted that the principles adopted for the condensed consolidated half-year financial statements are in line with those employed to draw up the consolidated financial statements as at 31 December 2024. In addition, the Group has not adopted in advance any new standards, interpretations or amendments issued but not yet in force.

The consolidated half-year financial statements comprise the Statement of Financial Position, the Income Statement, the Statement of Comprehensive Income, the Statement of Changes in Shareholders' Equity, the Cash Flow Statement and these explanatory notes.

For the purposes of drawing up consolidated financial statements for the period in accordance with international accounting standards, the Group has adopted:

1. a format for the consolidated statement of financial position that separates current and non-current assets and liabilities, it being understood that "current" refers to assets and liabilities that are achievable in the normal operating cycle (IAS 1, para. 57), generally identified within the 12-month period following the reporting date;
2. a format by nature for the statement of comprehensive income;
3. the indirect method for cash flows in the cash flow statement.

The consolidated financial statements for the period were drawn up on a going concern basis, as the directors verified that there were no indicators of a financial, operational, or other kind that could indicate concerns regarding the group's ability to meet its obligations in the foreseeable future and, in particular, within the next 12 months from the date of the end of the reporting period.
The financial statements were drawn up on the basis of the historical cost principle, except for certain financial derivatives and potential considerations to be recognised at the acquisition date of a business combination, which were measured at their fair value.
These financial statements have been approved by resolution of the Board of Directors on 9 September 2025.

The condensed consolidated half-year financial statements are subject to a limited audit by EY S.p.A., which is in charge of the statutory audit of the Parent Company and the main subsidiaries.


Davide Groppi

TRANSLATION OF FINANCIAL STATEMENTS EXPRESSED IN A CURRENCY OTHER THAN THE FUNCTIONAL CURRENCY

The consolidated half-year financial statements were drawn up on the basis of the financial statements prepared by the individual subsidiaries, which have been adjusted, where necessary, to align them with the accounting standards employed by the Parent Company in drawing up its consolidated financial statements, which are in compliance with the IFRS adopted by the European Union.
In addition, please note that the criteria adopted for the consolidation of subsidiaries is consistent with the criteria used for the preparation of the financial statements for the period ended 31 December 2024.

The consolidated half-year financial statements are presented in euros, which is the functional and reporting currency adopted by the Parent Company. Each Group company defines its own functional currency, which is used to measure items included in its separate financial statements.

The following are the exchange rates applied when converting financial statements into a currency other than the euro for the periods ended 30 June 2024, 31 December 2024 and 30 June 2025:

Value	30/06/2024		31/12/2024		30/06/2025	
	Average exchange rate	Accurate exchange rate	Average exchange rate	Average exchange rate	Average exhange rate	Average exhange rate
CAD	1.46848	1.46700	1.48210	1.49480	1.54004	1.60270
CNY	7.80111	7.77480	7.78750	7.58330	7.92380	8.39700
GBP	0.85465	0.84638	0.84662	0.82918	0.84229	0.85550
USD	1.08125	1.07050	1.08240	1.03890	1.09275	1.17200

ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS APPLICABLE TO HALF-YEAR FINANCIAL STATEMENTS AS AT 30 JUNE 2025

Davide Groppi

The accounting standards adopted to draw up the condensed consolidated half-year financial statements are in line with those used to draw up the consolidated financial statements for the period ended 31 December 2024, except for the adoption of the new standards and amendments in force since 1 January 2025. The Group has not adopted in advance any new standards, interpretations or amendments issued but not yet in force.

Some changes were applied for the first time in 2025, but these had no impact on the Group's consolidated half-year financial statements.

LACK OF EXCHANGEABILITY (AMENDMENTS TO IAS 21)

The amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates, which became effective on 1 January 2025, were analysed by Group management and found to have no impact on the Group's financial statements for the period ended 30 June 2025.

Davide Groppi

IFRS ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS NOT YET APPROVED BY THE EUROPEAN UNION

Cubo Design

At the date of the drafting of this document, the competent authorities of the European Union have completed the endorsement process necessary for the adoption of the accounting standards and amendments described below. With regard to the applicable standards, the Group has decided not to make use of the early adoption option, if applicable.

- *Amendments to the classification and measurement of financial instruments (Amendments to IFRS 9 and IFRS 7)*;
- *Contracts Referencing Nature-dependent Electricity - Amendment to IFRS 9 and IFRS 7*;
- *Annual improvements - Volume 11 (Amendments to IAS 7 and IFRS 1, 7, 9, 10)*.

Moreover, at the date of the drafting of this document, the competent authorities of the European Union have not yet completed the approval process required for the adoption of the accounting standards and amendments described below.:

- *IFRS14 Regulatory deferral accounts*;
- *IFRS 18 Presentation and disclosure in financial statements*;
- *IFRS 19 Subsidiaries without public accountability: disclosures*;
- *Sale or contribution of assets between an investor and its associate or joint venture (Amendments to IFRS 10 and IAS 28)*.

Management is still evaluating the possible effects of the introduction of these standards.

Turri

MEASUREMENT CRITERIA ADOPTED


Meridiani

With regard to the accounting standards and valuation criteria adopted to draw up the financial statements for the period ended 30 June 2025, it is hereby specified that they are in line with the standards and criteria employed to draw up the financial statements for the year ended 31 December 2024.


Cubo Design

USING ESTIMATES

Developments in the global economy, the environment of political, economic and financial instability and the volatility of financial markets could influence the performance of the Group, with possible adverse effects on its economic, capital and financial position. In the overall macroeconomic framework, there are significant uncertainties regarding:

(i) the impacts of sanctions imposed worldwide in relation to the conflict between the Federal Republic of Russia and Ukraine at the reference date of the half-year financial statements;

(ii) the Middle East conflicts;

(iii) the risks related to climate change;

REFLECTIONS ARISING FROM THE GLOBAL GEOPOLITICAL SITUATION

The Group is exposed to the risks associated with the current and future global, European and Italian economic and political situation, which is also aggravated by political and military tensions in Ukraine and in Israel, the development and political and economic impact of which remain uncertain and difficult to assess. Therefore, it cannot be excluded that the occurrence and/or continuation of any economic downturn and/or political instability and any future negative impact, even significant ones, on the global, European and/or national economy may lead to a weakening of demand for the Group's products, with potential adverse effects on the Group's business and prospects, as well as on its economic, capital and financial position.

The world's geopolitical situation is experiencing extreme tension and complexity, particularly as a result of the conflict between Russia and Ukraine, as well as the more recent conflict between Israel and Palestine. These dramatic events have further stimulated inflationary phenomena and the already existing speculative dynamics, with particular reference to the prices of energy and raw materials. The Group has very limited involvement in the areas affected by the conflict, and its business model is not particularly exposed to inflationary commodity phenomena or higher energy costs; however, it cannot be excluded that the continuation of this situation may lead to margin pressures or impacts on the propensity to consume durable goods.

Looking ahead, the currency instability induced by tariff wars, which are increasing the exchange rate risk for many European companies active in non-EU markets, weighs heavily. The Group continues to assess the impact of these factors on an ongoing basis, equipping itself with risk hedging and governance tools to ensure that it remains able to react in a timely fashion.

In relation to international trade policies, the Group is closely monitoring the effects of the introduction of customs duties imposed by the United States, with particular reference to the imposition of duties on a wide range of products from countries such as China, Mexico, Canada and the European Union. This situation puts pressure on operating margins and threatens competitiveness in international markets. Potential risks for the Group mainly concern exports of its own products, such as furniture and lighting, from Europe to the United States. To address these risks, the Group is closely monitoring developments in US pricing policy in order to proactively quantify economic risks and the conditions of its competitiveness.

At the date of the condensed consolidated half-year financial statements, the overall impact on the economic-financial results was deemed to be modest, by virtue of (i) a still limited exposure to the US with retail sales equal to 8.4% of total Group sales, (ii) contract sales (equal to 7.4% of consolidated sales) not affected by tariff dynamics due to the nature of the projects themselves iii) the trade agreement reached on 27 July 2025 between the United States and the European Union, which introduced duties of 15% on a significant portion of European exports to the US market, thus averting the increase to 30% initially envisaged as at 1 August 2025 and, finally, iv) the type of products marketed (in the high-end segment) that are less sensitive than others to these price dynamics.

However, as trade tensions and uncertainties regarding future developments in international tariff policies remain high, the Group will continue to monitor the issue closely. Generally speaking, even though the direct effects of macroeconomic and geopolitical phenomena on the Group's activities have been limited to date, the evolving context demands an assiduous monitoring in order to identify risks in a timely manner and ensure the adequate management of resources and strategic levers.

REFLECTIONS ARISING FROM CLIMATE CHANGE

In preparing the consolidated half-year financial statements, taking into account the priorities shared by ESMA and in light of the findings of The Global Risks Report 2024 prepared by the World Economic Forum, the management assessed the effect of any potential climate risks on the Group.

Specifically, by defining the potential impacts of physical risks and transition risks (relating to technological innovations, regulatory changes, and changing market expectations), management was able to obtain a sufficiently complete picture of the situation at the Group level.

The Group considers climate-related issues in its estimates and assumptions when necessary. This assessment includes a broad spectrum of possible impacts from both physical and transitional risks. Although the Group believes that its business model and products will still be attractive as a result of the transition to a low-emissions economy, climate-related issues increase the uncertainty of estimates and assumptions concerning numerous elements or items in the financial statements. Although climate-related risks may not have a significant impact on measurement at present, the Group is closely monitoring developments and changes, such as new climate-related regulations and standards. The elements that are most directly impacted by climate-related issues are:

- The useful life of property, plant and equipment. When recalculating the estimated residual value and useful life of an asset, the Group considers climate-related issues, such as climate-related legal regulations that may limit the use of assets or require significant capital expenditure.
- Determination of the recoverable amount of non-financial assets. The estimated value in use could be impacted in different ways by transition risk, in particular, climate-related regulations or a change in demand for the Group's products, despite the fact that the Group has concluded that there are no significant climate-related assumptions.

Gamma Arredamenti

In the light of these considerations, no significant influence was found in the estimates and assessments of the plans.

Unless there are regulatory changes, which are not foreseeable or conceivable to date and in view of the numerous measures taken by the Group companies to mitigate them (including the appropriate transfer of risk to insurance companies), ongoing climate change is not expected to have any significant impact due to the type of business and production factors used today.

Fully aware of the strategic importance of responsible and sustainable operations, the Group decided some time ago to take a proactive stance on sustainability, by communicating information to its stakeholders on environmental, social and governance factors. The Group recognises the fundamental role played by strong and long-lasting cooperation with all stakeholders and its commitment to an increasingly sustainable business.

In 2024, Dexelance strengthened its commitment to sustainability by complying with the requirements of the Corporate Sustainability Reporting Directive (CSRD) and completing the dual materiality analysis. This process identified the Impacts, Risks and Opportunities (IROs) related to sustainability issues considered most relevant for the Group. In line with the requirements of the new regulations, Dexelance defined and formalised its own Sustainability Strategic Guidelines, aligning future actions with the European Sustainability Reporting Standards (ESRS) and consolidating a responsible and ESG-conscious management approach. The analysis of climate risks is an integral part of the Group's sustainability strategy, which is divided into three macro-impact areas: environment, people and governance.

Specifically in the environmental sphere, Dexelance has implemented actions aimed at reducing climate-changing emissions, adopting more sustainable operating practices and circularity throughout the product life cycle.

In addition, the Group further strengthened its risk management approach by adopting a corporate Enterprise Risk Management (ERM), which integrates the sustainability risk assessment into the Risk Register. Dual materiality analysis was a key element in this process, harmonising ESG risks with financial risks and ensuring continuous monitoring through the involvement of the Sustainability Team, the CFO, the CEO, the Audit and Risk, Related Party Transactions and Sustainability Committee, and the Board of Directors.

The analysis revealed several risk factors related to climate change, including physical climate risks and dependence on key raw materials. These, along with other identified ESG risks, are addressed through structured mitigation strategies, including formal policies, control procedures, periodic audits and a robust governance based on a clear separation of duties (SOD).

The Group has implemented strategies to increase energy efficiency, including investments for the installation of additional photovoltaic panels and initiatives to reduce emissions from company mobility and logistics. These actions promote the responsible use of resources to mitigate their environmental impact and will support the reduction of the Group's energy consumption.

The adoption of ERM and the strengthening of the climate risk analysis, also considered within the company's strategy, testify Dexelance's commitment to building a resilient business model, capable of facing future challenges and ensuring long-term sustainable growth.

Management's analysis did not reveal any new facts, critical issues or other factors in the first half of 2025 compared to the previous analysis; therefore, the actions and strategies that have been implemented remain valid.

The most significant estimates used to draw up the financial statements for the period ending on 30 June 2025 are as follows.

Turri

TANGIBLE AND INTANGIBLE FIXED ASSETS

The Group performs the impairment test annually on 31 December and when circumstances indicate that a recoverable amount may be impaired.

It should be noted that when drawing up the financial statements as at 31 December 2024, appropriate impairment tests were carried out on the recoverable amount of intangible assets with an indefinite useful life represented by the Group's items "Goodwill" and "Brands". The test was conducted with reference to the following cash-generating units (CGUs): Gervasoni S.p.A., Meridiani S.r.l., Cenacchi International S.r.l., Davide Groppi S.r.l., Saba Italia S.r.l., Modar S.p.A., Flexalighting S.r.l. and Flexalighting North America, Gamma Arredamenti International S.p.A., Cubo Design S.r.l., Axo Light S.r.l., Turri S.r.l. and, finally, of Dexelance S.p.A. itself, taking into account the capital invested in the subsidiaries and the results of this company, in its role of strategic management, coordination and control of the Group. The results of these tests showed the recoverability of the capital invested in intangible assets with an indefinite useful life, without any negative results, including with marked sensitivity analyses.

With reference to this aspect, the directors verified the variables used in these analyses, the current reference market and the dynamics of the business recorded in the first half of 2025, and they deemed it appropriate to proceed with the update of the impairment test of some selected CGUs, for which they appointed an independent third-party expert to prepare a valuation report.

As a result of the individual economic-financial performance deemed unsatisfactory, also due to extraordinary and reasonably non-repeatable operating circumstances occurring in 2025, as well as the updated economic-financial projections by the Company's management, a partial impairment loss of EUR 11.2 million was recognised on the goodwill for the Turri CGU. Please refer to Note 1 for more details.

For the remaining CGUs, taking into account the latest available information and the currently envisaged scenarios, the Group did not identify the emergence of elements that could lead to value adjustments to the tangible and intangible assets in the financial statements.

PROVISION FOR DOUBTFUL ACCOUNTS

Receivables are shown net of an estimated writedown fund to account for any losses that may affect the recoverability of these same receivables. Management periodically reviews the assumptions underlying the estimates used to ensure that these appropriations are prudent, taking into account both the status of recorded receivables and the macroeconomic situation. For further information, see Note 7.

INVENTORIES

Inventories are shown net of writedown funds for finished materials and products, which are considered obsolete or slow to rotate, taking into account their expected future use and their realisable value. For further information, see Note 5.

PROVISIONS FOR RISKS AND CONTINGENT LIABILITIES

The Group makes certain provisions for litigation or risks of various kinds, involving different issues and subject to the jurisdictions of different countries. These provisions were assessed on the basis of up-to-date information that took into account potential effects stemming from the current context. For further information, see Note 13.

PUT AND CALL AND EARN-OUT OPTIONS

Financial liabilities include the best estimate of the present value of earn-outs and put and call options entered into with the minority shareholders of the acquired companies. These financial liabilities are remeasured at every period-end or when a liquidation event occurs. Their effects are then reflected under financial income or expenses in the income statement, together with the estimated cost of discounting the financial liabilities. For further information, see Note 15.

LONG-TERM INCENTIVE PLAN

In order to align the interests of management with those of shareholders, the Company has established a medium- and long-term incentive plan linking remuneration to results.

To this end, on 9 May 2023, the Board of Directors approved – subject to the start of trading of the Company's shares on the regulated market of Borsa Italiana – an incentive plan addressed to the Company's Chief Executive Officer and Managing Director.
The value and recognition of this incentive plan is linked to the increase in value of the Company's share price, recorded for a period of at least 30 consecutive days on the trading market compared to the IPO price, during the first three years of office and/or during the second three years of office in the case of renewal of office and failure to meet the objectives during the first three years of office. This is calculated and paid in cash by the Company during the month, following a positive verification by the Board of Directors that the long-term incentive has accrued.

The plan provides for the recognition of EUR 5,250 thousand in the case of an increase in value of the share equal to or greater than 30% and up to 49%; and the recognition of an additional amount of EUR 3,500 thousand in the case of an increase in value of the share equal to or greater than 50% (for a total amount of EUR 8,750 thousand).

This incentive plan falls within the scope of IAS 19. The liability is remeasured at each period-end or when the event requiring payment occurs. Its effects are recorded in the income statement under costs for services, showing among interest payable the financial component related to the cost of discounting, in addition to the related anticipated taxation.

In determining the amount, management proposes, as a continuation over the plan period, using the assumptions underlying the valuation report prepared for the closing of the financial statements as at 31 December 2024 by an independent, third-party actuarial expert, should this scenario remain applicable. As required by IAS 19, the probability that the event reported will occur affects the measurement of the obligation, but does not determine its existence.

As at 30 June 2025, the Group has set aside an amount totalling EUR 71 thousand in costs for services, in addition to the related expected taxation of EUR 17 thousand, which brings the debt recognised in the financial statements as at 30 June 2025 to EUR 852 thousand.

SHARE-BASED PAYMENTS

Some of the Group's employees (including executives) receive part of their remuneration in the form of share-based payments; thus, employees provide services in exchange for shares. The cost of equity-settled transactions is determined by the fair value at the date the assignment is made using an appropriate valuation method. This cost, together with the corresponding increase in equity, is recognised under personnel costs over the period in which the conditions relating to the achievement of objectives and/or service performance are met. The cumulative costs recognised in respect of such transactions at the end of each financial year up to the maturity date are commensurate with the maturity period and the best estimate of the number of equity instruments that will actually vest. The cost or income in the statement of profit/(loss) for the year represents the change in cumulative cost recognised at the beginning and end of the year.

Service or performance conditions are not taken into account when determining the fair value of the plan at the assignment date. However, the probability that these conditions will be met is taken into account when defining the best estimate of the number of capital instruments that will mature. Market conditions are reflected in the fair value at the allocation date. Any other plan-related condition that does not involve a service obligation is not considered a vesting condition. Non-vesting conditions are reflected in the fair value in the plan and result in the immediate recognition of the cost of the plan, unless there are also service or performance conditions.

No cost is recognised for rights that do not mature because the performance conditions are not met. When rights include a market condition or a non-vesting condition, they are treated as if they had vested regardless of whether the market conditions or other non-vesting conditions to which they are subject are fulfilled or not, it being understood that all other performance conditions must be fulfilled.

If the terms of the plan are changed, the minimum cost to be recognised is the fair value at the grant date in the absence of the change, assuming the original terms of the plan are satisfied. In addition, a cost is recognised for any change that increases the total fair value of the payment plan, or which is otherwise favourable to employees; this cost is measured in reference to the date of the change. When a plan is derecognised by the entity or the counterparty, any remaining element of the plan's fair value is expensed immediately in the income statement.

PERFORMANCE SHARES

On 22 April 2024, the Shareholders' Meeting resolved in favour of an incentive plan titled the "2024-2029 Performance Shares Plan" based on financial instruments that provides for the free assignment to the key management personnel identified in the plan of a number of shares, subject to the achievement of performance targets and fulfilment of conditions linked to the performance of the Company's stock on the market. It should be noted that on 11 March 2024, the Board of Directors of Dexelance S.p.A. approved, at the proposal of the Hiring, Human Resources and Remuneration Committee, the proposal to submit the adoption to the Shareholders' Meeting of the Company, pursuant to Article 114-bis of the Consolidated Finance Act (TUF), of the Plan on the terms and conditions described in the relevant document published pursuant to law.

The Plan provides for the possibility of awarding a total of 500,000 shares to the Chairman of the Board of Directors and Chief Executive Officer, the Executive Director and key employees of the Company identified in the plan, upon the achievement of certain targets over the more extended period of 5 years (the "Vesting Period"). Moreover, the Plan's activation is subject, only for the Chairman of the Board of Directors and Chief Executive Officer and for the Executive Director, to the achievement of the Trigger Event, which is tied to the achievement of a certain average share price at the end of the Vesting Period. It should also be noted that, as defined by the Ordinary Shareholders' Meeting of 22 April 2024, the Executive Directors have the right to access the equity incentive plan in supplement to the existing medium-long term monetary incentive plan ("Monetary LTIP") approved by the Shareholders' Meeting on 9 May 2023, provided that, with respect to this Monetary LTIP, they agree to the following: (a) for the CEO and Chairman of the Board, the commitment to reinvest 50% of the net value of any incentive received under the Monetary LTIP to acquire shares in the Company, not to dispose of 70% of the shares acquired during the 36 months following their purchase, and not to dispose of 35% of the shares acquired during the 48 months following the purchase, with the clarification that the purchase of shares by the Chairman of the Board of Directors and Chief Executive Officer may occur either from the Company or on the market within six months from the date of receipt of the net incentive potentially earned under the Monetary LTIP; (b) for the other Executive Director, as he already holds shares in the Company, lock-up commitments equivalent to those referred to in point (a) above for a number of shares already held corresponding to 50% of the value of the net incentive received under the Monetary LTIP.

The measurement unit with which the right to the allocation of shares (the "Units") attributable to each beneficiary is measured was determined by the Board of Directors, taking each person's specific role and responsibilities into account. The percentage of conversion of Units into shares was instead determined by assessing the contribution that each of the performance objectives makes to the pursuit of the objectives and the medium- to long-term interests of the Company's shareholders and stakeholders.

In particular, the allocation of the Units is made by the Board of Directors, which will verify at the end of the Vesting Period whether the performance objectives have been achieved and whether the Trigger Event has occurred.

The plan aims, on the one hand, to encourage beneficiaries to pursue the Group's objectives and, on the other hand, to foster loyalty among the beneficiaries for the purpose of their retention.

The Group recognised share-settled transactions on the basis of IFRS 2, which requires the cost of transactions to be determined on the basis of the fair value at the allocation date. This cost is recognised under service costs and personnel costs, respectively, together with a corresponding increase in an equity reserve, over the period in which the service and, where applicable, performance conditions are met (the vesting period). At each reporting date, the Company revises its assumptions on the number of shares expected to vest and recognises the effect of the value of the shares vested during the period by recording any change in estimate in the income statement and adjusting the corresponding equity reserve.

The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has passed as well as the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit in the income statement of a financial year represents the change in the cumulative charge recognised at the beginning and end of the financial year.

The share allocation letters were delivered to the beneficiaries on 22 April 2024, and from that date on, the incentive plan has produced the accounting effects for the beneficiaries who agreed to participate in this plan.

The Group determined the value of the net equity reserve as at 30 June 2025 on the basis of the provisions of the Performance Shares Regulation and IFRS 2 in the amount of EUR 315 thousand; this provision for the period was recognised for EUR 113 thousand under service costs and EUR 18 thousand under personnel costs.

Turri

STRATEGIC BUSINESS AREA INFORMATION


Meridiani

The companies through which the Group operates are aggregated for the purpose of strategic business area (SBA) reporting in the four reference businesses: "Furniture", "Lighting", "Luxury Contract" and "Kitchens & Systems".

The Group assesses the performance of its strategic business areas and the disbursement of financial resources on the basis of revenue and EBITDA. For these, along with other alternative performance indicators, reference should be made to the detailed comments in the Directors' Report in the paragraph "Strategic business areas".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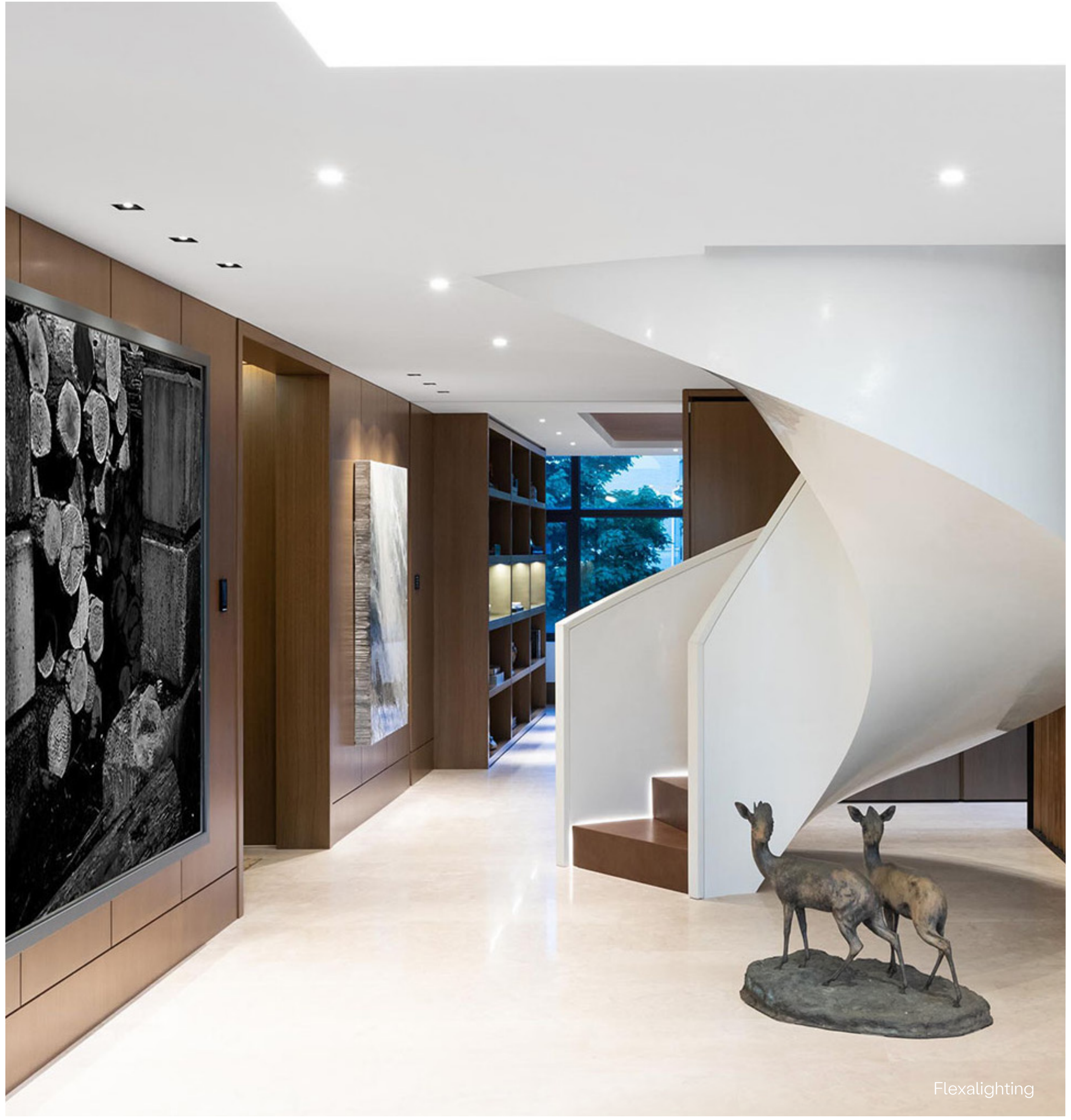
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The notes to the consolidated financial statements, in accordance with IAS 34, are condensed and do not include all the information required in the annual financial statements, as they only concern those components which, due to their amount, composition or change, are essential for understanding the Group's economic, financial and capital position. Therefore, this half-year financial report should be read together with the consolidated financial statements for the year ended 31 December 2024.



Flexalighting

ANALYSIS AND COMPOSITION OF THE MAIN BUDGET ITEMS


Saba

COMMENTS ON ASSET ITEMS

Intangible assets

The composition of and changes to intangible assets from 31 December 2024 to 30 June 2025 are as follows:

amounts are shown in €/1000	Goodwill	Brands	Models	Customer relations and order book	Other intangible assets	Total
Initial gross value	134,811	57,461	16,844	63,241	9,274	281,630
Initial depreciation fund			(10,759)	(28,029)	(7,358)	(46,146)
Initial net value 01/01/2025	**134,811**	**57,461**	**6,085**	**35,211**	**1,916**	**235,484**
Transactions in the period						
Acquisitions			1		906	908
Business combinations						-
Divestments						-
Other Changes	(347)	1			(7)	(354)
Depreciation and amortisation for the period	(11,200)	-	(655)	(3,313)	(227)	(15,395)
Business combinations (fund)						-
Divestment fund disposals						-
Other fund changes			(1)		6	5
Total transactions of the period	**(11,547)**	**1**	**(655)**	**(3,313)**	**678**	**(14,836)**
Final Gross Value	134,464	57,462	16,846	63,241	10,172	282,184
Final depreciation and amortisation fund	(11,200)		(11,415)	(31,342)	(7,579)	(61,536)
Final net value 30/06/2025	**123,264**	**57,462**	**5,431**	**31,898**	**2,594**	**220,648**

Intangible assets as at 30 June 2025 amounted to EUR 220,648 thousand, compared to EUR 235,484 thousand in the previous year, with a decrease of EUR 14,836 thousand almost exclusively derived from depreciation and amortisation for the period.

Brands and Goodwill are considered assets with an indefinite useful life and thus are not amortised. Therefore, they are subject to impairment testing.

The impairment tests conducted as at 31 December 2024 showed positive margins (referred to as headroom) for all Cash-Generating Units (CGUs) on which the Group's goodwill is allocated.

Only with reference to the Turri CGU, the analyses performed showed potential impairment loss situations with changes in the parameters considered. These findings were also partly justified by the time horizon of the acquisition (the last in chronological order) which took place in the second half of 2023.

For the purpose of preparing these condensed consolidated half-year financial statements, Dexelance assessed the existence and, in this case, the actual implications, for each CGU, of any exogenous and endogenous impairment indicators. The main assumptions underlying the latest approved business plans were analysed and, where necessary, revised when events during the half-year period called their long-term sustainability into question.

This analysis, also with the support of an independent third-party actuarial expert, led management to update the impairment tests performed as at 31 December 2024 for certain specific CGUs whose business performance proved lower than expected. These elements, together with the updated economic projections for the business and the interpretation of the current conditions of the reference market (which has slowed down compared to the past), were considered an indicator of impairment.

In particular, in the Turri CGU, negative half-year results were observed (EBITDA of EUR 5,150 thousand), also characterised by extraordinary and non-recurring events for some orders (such as contractual claims) that occurred in 2025 and which were not in line with the annual forecasts used for the impairment test as at 31 December 2024.

Consistently for this CGU, the WACC was updated to 11.5% (11.44% as at 31 December 2024), reflecting current market situations, the current cost of money, and the implicit risks of this business. The g growth rate used, also calculated taking into account the reference market of the CGU under valuation, for the impairment year is 2.97% (2.92% as at 31 December 2024).

In determining the expected cash flows for this CGU, the Group has, on the one hand, updated the forecast to end the year 2025 and, on the other hand, revised the expected margins in the following years in light of the difficulties encountered in the half-year, based on a probability approach.

The directors still remain strongly convinced of the development and potential of the business in question, in view of the significant commercial opportunities that could present themselves, but which are not yet confirmed at the moment and therefore, prudentially, have not been fully considered in the updated flows underlying the impairment test.

With these premises, it is noted that the enterprise value, calculated through the impairment test for the Turri CGU, was EUR 34,931 thousand. Considering that the net invested capital before the write-down amounted to EUR 46,116 thousand, the directors recorded a partial write-down allocated to goodwill in the amount of EUR 11,200 thousand, maintaining a residual book value of the goodwill post-write-down of EUR 18,079 thousand.

Since the impairment test has already shown an impairment loss, for the purposes of sensitivity analyses, please note that:

i. the increase of one percentage point in the WACC rate would result in an additional goodwill impairment of EUR 3.4 million;

ii. the reduction of the g rate by one percentage point would result in an additional goodwill impairment of EUR 3.0 million;

iii. at constant WACC and g rates, a further 10% decrease in EBITDA would lead to an additional goodwill impairment of EUR 4.7 million.

With regard to the other CGUs, there were no impairment losses or impairment indicators that necessitate an update of the tests performed as at 31 December 2024.

The ornamental models, customer relations and order book were considered to have a definite useful life, with an amortisation period of 5 to 14 years.

The increase in the period mainly regards costs incurred for the implementation of the new IT system in a Group company.

Meridiani

Right of use

The composition of and changes to rights of use from 31 December 2024 to 30 June 2025 are as follows:

Amounts are shown in €/1000	Rights of use for land and buildings	Rights of use for equipment and machinery	Rights of use for other assets	Rights of Use Other Intangible Assets	Total
Initial gross value	51,255	1,196	2,424	36	54,911
Initial depreciation fund	(18,821)	(771)	(885)	(7)	(20,484)
Initial net value 01/01/2025	**32,434**	**425**	**1,539**	**29**	**34,427**
Transactions in the period					
Acquisitions					
Business Combinations					
Entry of Rights of Use	4,140		446		4,587
Divestments	(2,611)	(90)	(225)		(2,926)
Other Changes	(634)	12	7	(2)	(617)
Depreciation for the Period	(3,169)	(149)	(347)	(6)	(3,671)
Business Combinations (fund)					
Divestment Fund Disposals	1,545	90	98		1,733
Other Fund Changes	189	7	7	1	203
Total transactions during the period	**(540)**	**(130)**	**(14)**	**(8)**	**(692)**
Final gross value	52,151	1,117	2,652	34	55,954
Final depreciation fund	(20,257)	(823)	(1,127)	(12)	(22,219)
Final net value 30/06/2025	**31,894**	**295**	**1,525**	**22**	**33,735**

These contracts essentially concern office real estate, industrial sheds and commercial showrooms.

The change during the period in rights of use recorded in the financial statements mainly refers to new real estate leasing contracts and medium- to long-term rental contracts for motor vehicles and vehicles.

There was an early termination of a lease agreement for a building that was purchased by the company Cenacchi International. The related impact is reported as a historical cost and the related provision under the items "disposals" and "divestments".

The item "other changes" mainly includes the effects of adjusting foreign currency contracts to the exchange rate of the reporting period.

Leased assets are recorded on the basis of the value of the right of use in application of IFRS 16. Depreciation was determined on the basis of an estimate of the duration of each contract, taking into account the renewal clauses that the Group could exercise without the need to obtain consent from the counterparty.

At the reference date, there are no contracts with guarantees for the residual value or undertakings for contracts that have yet to commence.

Property, plant and equipment

The following table summarises the changes in tangible assets from 31 December 2024 to 30 June 2025:

Amounts are shown in €/1,000	Land and buildings	Plants and machinery	Equipment	Other	Total
Initial gross value	11,906	39,379	5,529	22,631	79,446
Initial depreciation fund	(3,341)	(29,588)	(4,442)	(13,851)	(51,222)
Initial net value 01/01/2025	**8,565**	**9,791**	**1,087**	**8,781**	**28,223**
Transactions during the period					
Acquisitions	1,913	264	158	1,621	3,957
Business combinations					-
Divestments, historical cost		(202)	(0)	(118)	(321)
Other changes	194	(0)	(9)	(577)	(392)
Depreciation for the period	(233)	(1,647)	(207)	(902)	(2,989)
Business combinations (fund)					-
Divestment fund disposals		199	0	118	317
Other fund changes	6		8	199	214
Total transactions during the period	**1,881**	**(1,386)**	**(50)**	**341**	**786**
Final Gross Value	14,014	39,441	5,677	23,558	82,690
Final Depreciation Fund	(3,568)	(31,036)	(4,641)	(14,436)	(53,680)
Final Net Value 30/06/2025	**10,446**	**8,405**	**1,037**	**9,121**	**29,010**

The most significant changes refer to the items "Land and buildings" and "Other", in particular to the acquisition of a building (see Note 2) and improvements to third-party assets made during the half-year. The item "other changes" includes the reclassification of improvements to third-party assets related to the building purchased during the half-year (see Note 2), as well as the exchange rate effects from the adjustment of foreign currency balances to the exchange rate for the reporting period.

Other non-current assets

This item, which amounted to EUR 4,555 thousand, includes the receivables from insurance companies for payments of the provision for severance indemnities of directors amounting to EUR 2,020 thousand (balanced by the same amount in the funds that are due to these directors), security deposits of EUR 1,457 thousand, financial assets measured at fair value relating to derivative contracts amounting to EUR 226 thousand, non-current financial receivables of EUR 636 thousand, and other receivables of various kinds amounting to EUR 215 thousand.

Inventories

Inventories as at 30 June 2025 was as follows:

Amounts are shown in €/1,000	Balance at 31/12/2024	Business combinations	Change	Balance at 30/06/2025
Raw materials	14,191		1,903	16,094
Semi-finished products	5,661		533	6,194
Finished products	12,279		3,275	15,554
Advance payments	4,965		(2,415)	2,550
Total	**37,096**	**-**	**3,295**	**40,391**

As can be seen from the table above, the overall increase mainly concerns the item finished products. This variation depends on the progress of ongoing orders and a seasonal effect of the business.

The amount of inventories is adjusted by an inventory writedown provision of EUR 5,021 thousand for finished products and raw materials with low turnover or obsolescence. The obsolescence fund is adjusted on the basis of inventory rotation, taking into account any obsolete, damaged and slow-moving goods.

The changes in the inventory write-down provision are as follows:

Amounts are shown in €/1,000	Balance at 31/12/2024	Business combinations	Increase	Uses	Balance at 30/06/2025
Raw materials	1,864		34	(30)	1,868
Semi-finished products	1,469		17	(3)	1,483
Finished products	1,610		99	(40)	1,670
Provision for inventory devaluation	**4,943**	**-**	**150**	**(72)**	**5,021**

Changes in the provision are closely linked to the evolution of stock turnover ratios.

Contract assets

Below is a breakdown of the value of the gross contract work in progress and of advances already paid towards this work:

Amounts are shown in €/1,000	Balance at 31/12/2024	Business combinations	Change	Balance at 30/06/2025
Contract work in progress	10,506		2,329	12,835
Advances for work in progress	(2,073)		(2,174)	(4,248)
Contract assets	**8,433**	**-**	**155**	**8,588**

As can be seen from the table above, the overall increase relates mainly to the performance of business-related orders and the delivery timing of those orders.

Trade receivables

The composition of and changes to trade receivables are as follows:

Amounts are shown in €/1,000	Balance at 31/12/2024	Business combinations	Change	Balance at 30/06/2025
Trade receivables from third parties	41,632		1,941	43,572
Total	**41,632**	**-**	**1,941**	**43,572**

Trade receivables totalling EUR 43,572 thousand refer to receivables arising from the company's characteristic activities and are recorded net of a total writedown of EUR 1,494 thousand.

Changes in the provision for doubtful accounts are as follows:

Amounts are shown in €/1,000	Balance at 31/12/2024	Business combinations	Increases	Uses	Balance at 30/06/2025
Provision for doubtful accounts	1,389		134	(29)	1,494

Other current assets

This item amounted to EUR 9,860 thousand and consists mainly of VAT receivables amounting to EUR 3,971 thousand to the Italian Treasury, miscellaneous receivables amounting to EUR 2,900 thousand from payments made during the six-month period but for subsequent payments, and advances to service providers amounting to EUR 2,053 thousand, confirmatory deposits amounting to EUR 248 thousand, in addition to other activities of various kinds amounting to EUR 687 thousand.

Other current financial assets

Le altre attività finanziarie correnti diminuiscono di Euro 33.975 migliaia per effetto dei depositi a termine ("time deposit"), sottoscritti al fine di investire temporaneamente la liquidità eccedente, scaduti alla data di riferimento e non più rinnovati. Il mancato rinnovo è legato nella Nota 32, al temporaneo incremento del capitale circolante netto e al pagamento delle rate dei finanziamenti in essere.

Cash and cash equivalents

Cash and cash equivalents amounted to EUR 31,494 thousand and consist of bank deposits and cash not subject to any restrictions. The financial performance of the Group's liquidity is displayed analytically in the cash flow statement, to which reference should be made.

COMMENTS ON LIABILITY ITEMS

Shareholders' equity

The share capital is fully paid up and subscribed and is equal to EUR 26,926 thousand as at 30 June 2025, divided into 26,926,298 ordinary shares with no par value, unchanged compared with 31 December 2024.

The changes that affected the equity reserves in the six months ended 30 June 2025 are as follows:

- the purchase of treasury shares for EUR 896 thousand;
- the positive effect of the fair value valuation of financial hedging instruments (cash flow hedges) in the amount of EUR 12 thousand net of the tax effect of EUR 3 thousand, recognised in the statement of other comprehensive income for the half-year;
- following the adoption of the above Performance Shares Plan, the Company recorded a reserve for shares granted to directors and employees in the amount of EUR 132 thousand, which now totals EUR 315 thousand.

Post-employment benefits

This item, which amounted to EUR 7,462 thousand as at 30 June 2025, reflects the non-current share of severance payments due to employees.

Overall, the present value of the obligation, determined in accordance with the measurement methodology required by IAS 19 for defined benefit plans, changed as follows:

Amounts are shown in €/1000	Post-employment benefits 30/06/2025
Initial fund	7,363
Accrual period	1,190
Interest	-
Actuarial (gains) / losses	-
Other changes	(570)
Business combinations	-
Paid	(521)
Total	**7,462**

Provisions for risks and charges

The funds for future risks and charges are detailed in the table below, which also shows the changes in the funds in the first half of 2025:

Amounts are shown in €/1,000	Balance at 31/12/2024	Business combinations	Accrual period	Uses	Other changes	Balance at 30/06/2025
Provision for severance payments	2,153		69			2,221
Provision for supplementary customer allowances	2,004		143	(162)	17	2,002
Litigation risk fund	161			(0)		161
Contractual risk fund	212		300			512
Other	270		92	(91)		271
Total	**4,801**	**-**	**603**	**(253)**	**17**	**5,167**

The provision for severance payments reflects the payments to be made by the Group as at 30 June 2025; the accounts are balanced with the asset item "Other non-current assets", representing the receivables from the insurance company.

The provision for supplementary customer allowances reflects the appreciation of the risk associated with the potential termination of the term given to agents in the cases provided for by law, and has been set aside on the basis of the provisions of the collective economic agreement and civil law provisions.

The provision for contractual risks includes management's best estimate for the coverage of losses at the end of certain orders in progress.

Bank loans

The tables below show the bank loans broken down by category and their changes, with a breakdown of short- and long-term portions:

Amounts are shown in €/1,000	Balance at 31/12/2024	Business combinations	Loans taken out	Capital repayments Interest payments	Interest payable accrued	Balance at 30/06/2025
Bank loans:						
Loans for acquisitions	45,779	-	-	(12,619)	1,282	34,442
Loans pursuant to the Liquidity Decree	3,060	-	-	(1,067)	45	2,038
Other loans to banks	13,592	-	5,812	(7,345)	128	12,186
Derivative financial liabilities	684	-	-	-	(109)	575
Total	**63,115**	**-**	**5,812**	**(21,031)**	**1,346**	**49,241**

Amounts are shown in €/1000	Balance at 31/12/2024	Balance at 30/06/2025
within 1 year	23,604	22,823
Total current share	**23,604**	**22,823**
from 1 to 5 years	39,286	26,269
beyond 5 years	225	149
Total non-current share	**39,510**	**26,418**
Total	**63,115**	**49,241**

The decrease in debt of EUR 13,873 thousand is mainly due to the repayment of capital loans. Please note the early repayment, compared to the original amortisation plan, of a loan with a nominal value of EUR 6 million.

Acquisition financing includes contractual clauses that provide for compliance with certain economic and financial parameters (covenants) based on the results of the financial statements of the beneficiary subsidiary and the Group's Consolidated Financial Statements as at 31 December of each financial year.

Please note that, at the date of the drafting of these condensed consolidated half-year financial statements, for a loan taken out following the acquisition of a subsidiary, in light of the subsidiary's interim actual economic performance and the year-end estimates prepared by management, there is a reasonable risk of not complying with the NFP/EBITDA ratio envisaged by the covenant at year-end, which insists on the loan granted, of a residual nominal amount of EUR 7,353 thousand as at 30 June 2025 (nominal amount of EUR 6,434 thousand as at 31 December 2025). This situation is being carefully monitored by the management, which reserves the right to take the appropriate actions and possibly request a waiver from the bank, as management does not detect any potential critical issues, considering the Group's financial solidity and the size of the loan itself.

As already indicated in the paragraph "Management of financial risks", derivative contracts were concluded to hedge rate risks, for a notional amount at the date of the consolidated half-year report of approximately EUR 18.7 million, decreasing in proportion to the repayments of the related loans.

In accordance with paragraph 27B of IFRS 7, the Group shall provide, for each class of financial instruments measured at fair value, classification according to the following categories, representative of the degree of objectivity of the criteria used in determining fair value:

- Level 1 – financial instruments at fair value determined on the basis of values and listings observable directly from regulated active markets;
- Level 2 – financial instruments at fair value determined on the basis of formulas and methodologies that use values mainly deduced from regulated active markets;
- Level 3 – financial instruments at fair value determined on the basis of calculation methods based on data not observable on regulated markets.

Interest rate swaps for hedging interest rates recorded at fair value can be classified under level 2 of fair value and come to - EUR 366 thousand (of which a positive EUR 98 thousand was recorded under "Other non-current assets" and a negative EUR 464 thousand was recorded under "Medium-/long-term bank loans").

Finally, level 3 includes financial liabilities for a total earn-out of EUR 6,436 thousand.

During the period there were no transfers from level 1 to level 2 or level 3 and vice versa.

Other financial liabilities

The composition of and changes to other medium- to long-term financing are as follows:

Amounts are shown in €/1,000	Balance at 31/12/2024	Business combinations	Increases	Decreases	Payments	Balance at 30/06/2025
Other financing	4,913		151	-	(31)	5,034
Financial payables to lessors	35,942		5,184	(1,439)	(4,199)	35,487
Other financial liabilities	61,972		2,060	(9,289)	(482)	54,261
Total	**102,827**	**-**	**7,395**	**(10,729)**	**(4,712)**	**94,781**

The composition of and change to other financial liabilities are as follows:

Amounts are shown in €/1,000	Balance at 31/12/2024	within 1 year	from 1 to 5 years	beyond 5 years	Balance at 30/06/2025	within 1 year	from 1 to 5 years	beyond 5 years
Earnout debts	6,570	4,790	1,780		6,436	4,091	2,345	
Payables for put options	55,403	9,747	45,656		47,825	10,156	37,668	
Total	**61,972**	**14,537**	**47,435**	**-**	**54,261**	**14,248**	**40,013**	**-**

The earn-out payable at 30 June 2025 refers to the debt owed to the sellers of SUR (merged into Gervasoni during the 2022 financial year), Cubo Design and Turri. It represents the update of the best possible estimate of the earn-out, which was set at the acquisition date and accounted for at fair value at 30 June 2025. The earnout is directly linked to the performance of the acquired companies, usually the EBITDA and net financial position as contractually defined between the parties. It should be noted that, during the six-month period, the earn-out payment related to the acquisition of SUR totalled EUR 482 thousand.

Payables for put options amounted to EUR 47,825 thousand as at 30 June 2025 and relate to the fair value of the liability for the exercise of the put option (in favour of the seller) and the call option (in favour of the Group) for the purchase of the residual stake of 1% in Cenacchi International, 49% of Flexalighting and Flexalighting North America, 45% of Gamma Arredamenti International and 40% of Cubo Design.

The acquisition value of the minority stake through the put option was also subject to a contractual definition that links its value to projected company performance and, for this reason, is periodically reassessed based on a contractually predefined calculation between the parties (usually EBITDA and net financial position). The decrease in the liability for put options during the period (EUR 9,289 thousand) regards the restatement of the liability for put and call options related to the minority interest in Turri (49%).

Please note in fact that, also consistent with the impairment exercise, this debt was restated against the updated economic projections approved by Turri's directors, which led to a reduction in the debt recorded by the Group, which totalled EUR 9,009 thousand as at 31 December 2024. On the other hand, the earn-out payable to the same minority shareholders of the company Turri was not cancelled, as part of the right accrued to the achievement of the objectives that were contractually defined at the time of the acquisition was based on the fulfilment of certain job orders, and which were almost entirely completed as of the date of these condensed half-year financial statements.

The portion of the imputed interest accrued during the period is reported under "increases".

Details of financial payables to lessors are given in relation to the application of the accounting standard IFRS 16.

Amounts are shown in €/1,000	Balance at 31/12/2024	within 1 year	from 1 to 5 years	beyond 5 years	Balance at 30/06/2025	within 1 year	from 1 to 5 years	beyond 5 years
Leasing debts IFRS 16	35,942	6,512	20,831	8,598	35,487	6,324	20,921	8,241
Total	**35,942**	**6,512**	**20,831**	**8,598**	**35,487**	**6,324**	**20,921**	**8,241**

The amount was determined by discounting the rent provided for in existing lease agreements, in particular those relating to property.

Details of other financings are provided below:

Amounts are shown in €/1,000	Balance at 31/12/2024	within 1 year	from 1 to 5 years	beyond 5 years	Balance at 30/06/2025	within 1 year	from 1 to 5 years	beyond 5 years
Other financing	4,913	-	3,106	1,807	5,034	-	3,530	1,504
Total	**4,913**	**-**	**3,106**	**1,807**	**5,034**	**-**	**3,530**	**1,504**

They refer to low-interest loans granted by the minority shareholders, the repayment of which is subordinated to the repayment of certain bank debts related to acquisition transactions.

With regard to the Group's net financial debt, the following financial information has been drawn up in accordance with the format required by the CONSOB Communication, updated with the requirements of ESMA Guidance 32-382-1138 of 4 March 2021 as transposed by CONSOB warning notice no. 5/21 of 29 April 2021, indicating the intention to align its supervisory practices with the aforementioned ESMA Guidelines.

The financial debt of the Dexelance Group according to the format adopted by CONSOB is as follows:

Amounts are shown in €/1,000	Balance at 31/12/2024	Balance at 30/06/2025	Change
A Cash	33,681	31,494	(2,187)
B Cash equivalents			-
C Other current financial assets	34,614	639	(33,975)
D Cash and cash equivalents (A + B + C)	**68,294**	**32,133**	**(36,161)**
E Current financial debt (including debt instruments but excluding the current portion of current financial debt)	(21,049)	(20,572)	477
F Current portion of current financial debt	(23,064)	(22,823)	781
G Current financial indebtedness (E + F)	**(44,653)**	**(43,395)**	**1,258**
H Net current financial indebtedness (G - D)	**23,641**	**(11,262)**	**(34,903)**
I Non-current financial debt (excluding the current portion and debt instruments)	(116,375)	(95,594)	20,781
J Debt instruments			-
K Non-current trade and other payables	(4,913)	(5,034)	(121)
L Non-current financial indebtedness (I + J + K)	**(121,288)**	**(100,628)**	**20,661**
M Total financial indebtedness (H + L)	**(97,647)**	**(111,890)**	**(14,243)**

Other non-current liabilities

The accounting item of EUR 1,873 thousand includes the non-current portion of deferred income in the amount of EUR 663 thousand and the liability of EUR 1,205 thousand, which includes the best estimate of the current value of the incentive plan due to the Company's Directors accrued to date.

Amounts are shown in €/1,000	Balance at 31/12/2024	Business combinations	Change	Balance at 31/12/2024
Payables to staff and directors	1,051		154	1,205
Accruals and deferrals	797		(133)	663
Other payables	11		(6)	5
Total	**1,858**	**-**	**15**	**1,873**

Deferred taxes

Prepaid tax assets include the benefit of temporarily recovered tax costs. The requirements for the inclusion of prepaid taxes according to IAS 12 were deemed to be met.

As highlighted in the following table, deferred taxes mainly refer to the tax effect on the part of the purchase price allocation (PPA) paid to acquire Group companies to increase the value of intangible assets.

Amounts are shown in €/1,000	Balance at 31/12/2024	Business combinations	Increases	Decreases	Balance at 30/06/2025
Brands	11,968		130		12,098
Models	1,279			(83)	1,196
Customer relations and order book	10,013			(932)	9,081
Land and buildings	290				290
Derivative contracts	36			(13)	23
Other	303		192		495
Total	**23,889**	**-**	**322**	**(1,028)**	**23,183**

Trade payables

This item amounted to EUR 47,112 thousand. The decrease of EUR 6,449 thousand is due mainly to the financial dynamics of the payment of trade payables for the "Furniture" segment and the current orders in progress for the "Luxury Contract" segment.

The total amount of the debts is to be paid in full within 12 months.

Amounts are shown in €/1,000	Balance at 31/12/2024	Business combinations	Change	Balance at 30/06/2025
Trade payables	53,611		(6,499)	47,112
Total	**53,611**	**-**	**(6,499)**	**47,112**

Other current liabilities

Amounts are shown in €/1,000	Balance at 31/12/2024	Business combinations	Change	Balance at 30/06/2025
Other payables due to tax authorities	1,975		(769)	1,206
Payables to staff and social security institutions	8,633		1,754	10,387
Contract liabilities	16,557		(6,621)	9,936
Other payables	15,000		3,065	18,066
Total	**42,166**	**-**	**(2,571)**	**39,595**

Payables to staff and social security institutions refer to payables to staff for wages and accruals, annual leave and paid leave, payables to INPS (Istituto Nazionale per la Previdenza Sociale – Italian social security institute), Enasarco and other social security institutions.

Contractual liabilities arising from orders amounted to EUR 9,936 thousand. The details of advances, net of the value of the status of the relevant contract work in progress are as follows:

Amounts are shown in €/1,000	Balance at 31/12/2024	Business combinations	Change	Balance at 30/06/2025
Advances for work in progress	23,871		(10,776)	13,095
Contract work in progress	(7,314)		4,155	(3,159)
Contract liabilities	**16,557**	**-**	**(6,621)**	**9,936**

Other payables consist mainly of other advances received from customers amounting to EUR 14,645 thousand; the remaining amount of EUR 3,420 thousand consists of accruals, withholdings, payables to directors and other corporate bodies, and other payables.

ANALYSIS OF THE COMPOSITION OF THE MAIN ITEMS IN THE INCOME STATEMENT

Revenue for goods and services

The following shows the composition of revenue by target area and strategic business area:

Amounts are shown in €/1,000	1st half 2024	1st half 2025
Revenue Italy	40,194	39,403
Revenue EU	36,611	37,666
Revenue non-EU	74,223	77,774
Total	**151,028**	**154,843**

Amounts are shown in €/1,000	1st half 2024	1st half 2025
Revenue Furniture	69,238	63,626
Revenue Lighting	16,070	17,245
Revenue Luxury Contract	36,460	41,813
Revenue Kitchen & Systems	29,261	32,159
Total	**151,028**	**154,843**

This item amounted to EUR 154,843 thousand. The main markets are Italy, France, Germany, the United States, Canada, China, the UK and Switzerland.

Revenue of the Luxury Contract strategic business area, assessed on the basis of the status of work ("over time") according to the cost-to-cost method, amount to EUR 25,683 thousand whereas those recognised at the time of final delivery of the goods or completion of the provision of services ("at a point of time") amount to a total of EUR 16,131 thousand.

Other income

Other income amounted to EUR 2,088 thousand. This consists of expense recoveries amounting to EUR 853 thousand from customers (chargebacks and services) and suppliers (chargebacks for non-compliant supplies); contingencies and capital gains amounting to EUR 326 thousand; operating and capital grants amounting to EUR 28 thousand; and other income not included in the previous items amounting to EUR 794 thousand.

Amounts are shown in €/1000	1st half 2024	1st half 2025
Expense recoveries	722	853
Contingencies and capital gains	330	326
Operating grants	49	28
Insurance claims	342	87
Other income	1,187	794
Total	**2,630**	**2,088**

Purchases of raw materials

The total statement item amounted to EUR 70,610 and includes, in addition to direct materials for production and sales, the purchases of ancillary materials, minor equipment, gas and office supplies.

Amounts are shown in €/1,000	1st half 2024	1st half 2025
Raw materials and semi-finished products	33,989	37,010
Purchase of finished products	17,318	23,071
Other	9,484	10,529
Total	**60,791**	**70,610**

Personnel costs

The total amount of this item was EUR 29,101 thousand and consisted of salaries and wages, social security contributions, severance payments and other costs.

Amounts are shown in €/1,000	1st half 2024	1st half 2025
Salaries and wages	20,630	21,580
Social expenses	5,427	5,964
Severance payments	1,114	1,190
Other	314	367
Total	**27,485**	**29,101**

A total of 854 employees were active during the first half of 2025.

	31/12/2024	30/06/2025
Executives	19	18
Managers and clerical workers	422	437
Manual workers	384	389
Other employees	8	10
Total	**833**	**854**

Costs for services and use of third-party assets

The item totalled EUR 50,919 thousand and includes business costs, industrial costs, administrative and general costs and the cost of use of third-party assets for which IFRS 16 did not need to be applied.

Amounts are shown in €/1,000	1st half 2024	1st half 2025
Leased assets	644	685
Business costs	21,300	23,211
Industrial costs	14,842	17,105
Directors' remuneration	2,919	2,966
Statutory auditor and independent auditor fees	382	286
Consultancy	2,439	2,450
Insurance	665	741
Utilities	1,372	1,336
Other administrative and general costs	2,178	2,139
Total	**46,741**	**50,919**

The change in commercial costs compared to the first half of 2024 is mainly attributable to higher industrial and commercial costs incurred. As at 30 June 2025, commercial costs for trade fairs and Salone del Mobile totalled EUR 3,432 thousand, against Euro 3,076 thousand as at 30 June 2024.

For the period considered, directors' fees amounted to EUR 2,966 thousand, including the estimated share of the Long-term incentive plan for the CEO and the Managing Director (described in the paragraph "Long-term incentive plan") amounting to a total of EUR 71 thousand and the estimated share of the Long-term incentive plan for the Performance Shares plan amounting to a total of EUR 113 thousand.

Other operating costs

This item, which amounted to EUR 1,351 thousand, includes certain residual costs not included in the previous items, including membership contributions, local taxes such as TARI (Tassa sui rifiuti – Tax on waste disposal and management) and advertising tax, losses on receivables, unrealised losses and contingent liabilities.

Provisions and writedowns

This item, amounting to EUR 525 thousand, refers to the allocation to the provision for doubtful accounts in Note 7 and various other provisions to which reference is made in Note 13.

Amortisation, depreciation and writedowns of fixed assets

Please refer to Notes 1, 2 and 3.

Financial income and expenses

Financial income, amounting to EUR 10,260 thousand, refers to the reduction of the option liability of EUR 9,289 thousand (see Note 15), foreign exchange gains, interest income accrued on current accounts, interest receivable from customers and, residually, cash discounts applied by suppliers.

Financial expenses of EUR 5,911 thousand consisted of interest payable to banks, other lenders, exchange losses, and notional interest related to the debt for the purchase of the minorities of Cenacchi International, Flexalighting, Gamma Arredamenti International, Cubo Design and Turri based on the existing put & call option contracts.

Financial income

Amounts are shown in €/1,000	1st half 2024	1st half 2025
Financial income from banks	596	359
Active supplier discounts	8	10
Value adjustment income on financial liabilities	-	9,289
Foreign exchange profits	428	374
Other	562	229
Total	**1,594**	**10,260**

Financial expenses

Amounts are shown in €/1,000	1st half 2024	1st half 2025
Interest on ordinary loans	2,497	1,543
Interest on subsidised loans	8	28
Value adjustment charges on financial liabilities	277	238
Financial charges on rents (IFRS 16)	770	861
Imputed interest on options and earnout	2,698	2,037
Foreign exchange losses	170	996
Other	216	208
Total	**6,637**	**5,911**

Taxes

This item is made up as follows:

Amounts are shown in €/1,000	1st half 2024	1st half 2025
Current taxes	3,318	1,406
Tax paid in advance	(403)	(276)
Deferred taxes	(982)	(694)
Total	**1,933**	**436**

Other items of the statement of comprehensive income

Other components of the statement of other comprehensive income regard the effects of changes in exchange rates on the financial statements drafted in foreign currency (negative for EUR 415 thousand), as well as changes in the cash flow hedge provision in relation to the fair value measurement of derivatives that hedge financial risks against interest rate changes. These are interest rate swap instruments, described in the financial risks section under IFRS 7, which should be referred to for further details. Since these financial instruments have characteristics to allow for hedge accounting, changes in fair value are recognised directly under shareholders' equity, net of their tax effect.

In addition, as a result of the amendments to IAS 19, actuarial gains and losses are entered in the statement of other comprehensive income from 2013 onwards and will not be entered subsequently in the income statement.

The changes in the two components described above have a positive impact of EUR 9 thousand.

Earnings per share

The information on basic and diluted earnings per share required by IAS 33 is provided below.

	30/06/2024	30/06/2025
Net profit (Loss) attributable to the ordinary shareholders of the Parent Company for the purposes of basic and diluted earnings per share (in thousand euros)	1,028	(7,764)
Weighted average number of ordinary shares, including treasury shares, for the purpose of earnings per share	26,926,298	26,926,298
Weighted average number of treasury shares	63,873	252,606
Weighted average number of ordinary shares, excluding treasury shares, for the purpose of diluted earnings per share	26,862,425	26,673,693
Profit (Loss) per share: - **Basic**, for the earnings (loss) for the period attributable to the ordinary shareholders of the Parent Company - **Diluted**, for the earnings (loss) for the period attributable to the ordinary shareholders of the Parent Company	0.04 0.04	(0.29) (0.29)

The shares forming the share capital are ordinary shares and there are no requirements regarding dividend distribution or other preferred forms of performance allocation among the shares. Moreover, there are no outstanding instruments with a potential dilutive effect on the profit and loss of the shareholders of the Parent Company.

Cash flow statement

The cash absorption deriving from current operations, equal to EUR 11.6 million, is the result of the sum of (i) the cash flow before positive changes in net working capital of EUR 11.6 million and (ii) the cash absorption deriving from the increase in working capital (due to the financial dynamics of the collection of receivables, advances in the "Luxury Contract" segment, and the payment of payables) and the payment of taxes for a total negative impact of EUR 23.2 million.

The cash flow from investments, which is positive for EUR 28.8 million, consists mainly of the maturity date of time deposits contracted by the Parent Company for EUR 34 million (see Note 9), in part absorbed by investments in tangible assets for EUR 3.8 million (see Note 3).

The cash flow from financings, negative for EUR 19.4 million, is composed mainly of the repayment of loans for EUR 19.7 million, new loans for EUR 5.8 million and payments for leasing liabilities for EUR 4.3 million.

The change in cash and cash equivalents, which, as was already noted, includes loan repayments of EUR 19.7 million (see Note 14) was negative by EUR 2.2 million in the first half of 2025.

Turri

RELATED PARTIES

Amounts are shown in €/1,000	Related party of	Rental costs without the application of IFRS 16	Costs for services	Financial income and expenses
Il Castello S.p.a.	Gervasoni S.p.a.	252		
Ir-Ma S.r.l.	Modar S.p.a.	224		
AGP 2 S.r.l.	Cubo Design S.r.l.	313		
Olimpia S.r.l.	Turri S.r.l.	81		
T Group S.r.l.	Turri S.r.l.	429		
Amministratori			3,037	56
Total		**1,300**	**3,037**	**56**

Amounts are shown in €/1,000	Related party of	Financial payables	Trade payables	Other payables
Giaro Componenti S.r.l.	Cubo Design S.r.l.		(321)	
T.M.R. S.r.l.	Cubo Design S.r.l.		(129)	
Olimpia S.r.l.	Turri S.r.l.			(60)
T Group S.r.l.	Turri S.r.l.	(3,234)	(489)	
Amministratori		(1,800)		(646)
Total		**(5,034)**	**(939)**	**(706)**

The Group companies have leases in place with related parties with rental instalments paid in advance, the cost of which amounted to EUR 1,300 thousand in the first half of 2025.

The "Directors" item includes the remuneration and the share of the Long-Term Incentive Plan and Performance Shares for the period.

COMMITMENTS AND GUARANTEES

As at 30 June 2025, commitments and guarantees not reflected in the statement of financial position are shown in the following table:

Amounts are shown in €/1,000	Balance at 31/12/2024	Balance at 30/06/2025
Guarantees in favour of third parties	2,057	2,105
Total	**2,057**	**2,105**

Guarantees issued are mainly related to transactions of a commercial nature.

The Group pledged the units or shares of the subsidiaries to the banks that provided financing to the same subsidiaries as outlined in Note 14.

As at 30 June 2025, there were no commitments that were not stated in the financial statements.

MAIN RISKS AND UNCERTAINTIES TO WHICH THE GROUP IS EXPOSED

CREDIT RISK

Credit risk is connected to the inability of counterparties to meet their obligations and essentially relates to sales. Given the business segment, the customer portfolio of the Group companies is divided into many, often small, entities, and exposure is therefore limited.

Please note, solely with regard to Cenacchi International S.r.l., Modar S.p.A. and Turri S.r.l., that these subsidiaries reflect a moderate credit concentration, but that they operate on the global market with renowned institutional clients. It should be noted here that there is a concentration towards several companies that are traceable to a few economic entities with which the company management's relationships are very well established.

Credit risk is managed through the close and timely monitoring of customers and by assigning an exposure level to each of them, over which supply may be suspended. However, the risk is limited; for many EU customers and all non-EU customers, the Group companies normally require advance payment or guarantees.

LIQUIDITY RISK

Liquidity risk may arise when it is not possible to obtain, under favourable economic conditions, the financial resources necessary for the operation of the Group companies. Liquidity risk relates to the cash flows generated and absorbed by day-to-day operations and the resulting need to access financing to support business expansion. Liquidity risk is also linked to the existence of contractual obligations to comply with certain financial ratios ("covenants") to be calculated both on the individual financial statements of the subsidiaries and of the parent company.

Please note that, at the date of the drafting of these condensed consolidated half-year financial statements, for a loan taken out following the acquisition of a subsidiary, in light of the subsidiary's interim actual economic performance and the year-end estimates prepared by management, there is a reasonable risk of not complying with the NFP/EBITDA ratio envisaged by the covenant at year-end, which insists on the loan granted, of a residual nominal amount of EUR 7,353 thousand as at 30 June 2025 (nominal amount of EUR 6,434 thousand as at 31 December 2025). This situation is being carefully monitored by the management, which reserves the right to take the appropriate actions and possibly request a waiver from the bank, as management does not detect any potential critical issues, considering the Group's financial solidity and the size of the loan itself.

The analyses conducted do not currently reveal any further critical issues or potential covenant breaches on the other outstanding loans.

The evolution of cash flows and the use of credit facilities are closely monitored by the Group Finance Department and the directors in order to ensure that financial resources are used efficiently and effectively, including in terms of expenses and interest.

The Group's financial resources are mainly ensured by medium-long-term loans and undrawn credit lines for current operations granted by primary banking institutions.

FOREIGN EXCHANGE RISK

Foreign exchange risk is the risk that the fair value or future cash flows of an exposure will change due to fluctuations in exchange rates.

During the period, the strengthening of the euro against the dollar penalised the economic results, leading to a reduction in margins in some business areas.

The Group constantly monitors its exposure to exchange rate risk and considers the adoption of hedging instruments to mitigate the negative effects of currency fluctuations.

The use of currencies beyond the euro, US dollar, British pound and Chinese Renminbi in commercial transactions is almost zero.

The Group has entered into financial derivative transactions to hedge against the risk of exchange rate fluctuations in connection with sales in foreign currency. As at 30 June 2025, the fair value of the above-mentioned derivatives hedging exchange rate fluctuations was positive by EUR 129 thousand.

INTEREST RATE RISK

Interest rate risk can be defined as the risk that changes in market interest rates will result in a decrease in business profitability. The Group makes use of external financial resources in the form of debt. Changes in market interest rates influence the cost and return of various forms of financing by affecting financial expenses. Interest rate risk is partially managed through the use of derivative financial instruments in the form of interest rate swaps.

As at 30 June 2025, the Group had financial exposure to banks for financing in various technical forms for a total amount of EUR 49,241 thousand, on which interest rates accrue ranging from 3.2% to 6.3% in the first half of 2025, and cash and cash equivalents totalling EUR 32,133 thousand.

Interest rate swap contracts are in place to cover this exposure, with a total notional residual amount of EUR 17,696 thousand.

The contracts have a notion to scale on the basis of the amortisation plan of the underlying loans, as shown in the following table (values are expressed in thousands of euros):

National	Maturity date	Amount	Type of contract	Mark to market (assets)	Mark to market (liabilities)
UniCredit bullet line	31/10/2025	1,000	IR Swap	9	
Intesa amortising line	30/09/2025	417	IR Swap	1	
UniCredit amortising line	31/12/2026	3,000	IR Swap		(59)
UniCredit amortising line	30/06/2029	3,309	IR Swap		(128)
UniCredit amortising line	30/10/2025	357	IR Swap	3	
Intesa amortising line	31/01/2030	2,438	IR Swap		(74)
BPM amortising line	31/01/2030	2,438	IR Swap		(74)
Intesa bullet line	31/01/2030	1,500	IR Swap		(64)
BPM bullet line	31/01/2030	1,500	IR Swap		(64)
Intesa amortising line	30/07/2029	798	IR Swap	44	
Intesa amortising line	06/08/2029	940	IR Swap	40	
Total		**17,696**		**98**	**(464)**

FINANCIAL LIABILITY REMEASUREMENT RISK FOR EARNOUTS, PUT AND CALL OPTIONS AND THE LONG-TERM INCENTIVE PLAN AND PERFORMANCE SHARES

Liabilities include the best estimate of the present value of the earnouts and put and call options entered into with the minority shareholders of the acquired companies, as well as the Long-Term Incentive Plan and the Performance Shares Plan of the Chairman of the Board of Directors and Chief Executive Officer. The earn-out and put and call option values are directly linked to the achievement of certain economic and financial targets by the companies acquired in the periods following the taking over of control. The value of the Long-Term Incentive Plan is linked to the appreciation of the Company's share price. The value of the Performance Shares, on the other hand, is linked to the achievement of certain targets and, in part, to the increase in the Company's share price.

These financial liabilities are remeasured at every period-end, if impairment indicators arise or when the liquidation event occurs and its related effects are then reflected under financial income or expenses in the income statement, together with the estimated cost of discounting the financial liabilities.

SUBSEQUENT EVENTS

Listed below are the events that affected the Group after the reporting date of 30 June 2025:

- on 10 July 2025 Dexelance S.p.A. signed a binding agreement to acquire 65.0% of the capital of Mollura & C. S.p.A., which operates globally with an omnichannel model that includes an online platform and a team of designers specialised in the performance of furnishing projects, collaborating with the widest selection of high-end brands in lighting, design and furniture.
  The transaction is expected to be completed by the end of 2025;
- on 17 July 2025, Dexelance S.p.A. completed the acquisition of a non-controlling stake of 25% in the capital of Roda S.r.l.; the agreement, signed on 24 June 2025, provides for reciprocal call and put options, the exercise of which will allow the Group to reach a 60.0% shareholding in the company in 2028.
  The total investment price for the purchase of the 25% stake is EUR 8.5 million, financed by Dexelance through the use of bank debt for approximately EUR 6.0 million and, for the remainder, with its own funds. Please note that EUR 4.5 million were earmarked for the purchase of shares held by shareholders and EUR 4.0 million were used for the subscription of a dedicated capital increase;
- on 22 July 2025, the acquisition of the remaining 49% of the share capital of Flexalighting S.r.l. was completed, in performance of the put and call agreements entered into on 13 February 2020 at the time of Dexelance's initial investment, through which the Group had acquired an initial 51% stake. The price paid for the exercise of the option was EUR 9.7 million, in line with the amount recorded in the financial statements as at 30 June 2025, financed by Dexelance through recourse to bank debt for about EUR 6.7 million and, for the remainder, with its own funds.

Milan, 9 September 2025

On behalf of the Board of Directors
The **Chief Executive Officer**

Andrea Sasso

Cubo Design

STATEMENT OF THE CONDENSED CONSOLIDATED HALF-YEAR FINANCIAL STATEMENTS

in accordance with Article 154-bis of Legislative Decree No. 58/1998 of 24 February 1998 (Consolidated Finance Act), as amended

While taking into account the provisions of Article 154-bis, paragraphs 3 and 4 of Italian Legislative Decree No. 58 of 24 February 1998, the undersigned Andrea Sasso, as Chair and Chief Executive Officer, and Alberto Bortolin, as Chief Financial Officer and Director in charge of drawing up the financial accounts of the Dexelance Group, attest to:

- adequacy in relation to the characteristics of the undertaking;
- effective application of the administrative and accounting procedures for drawing up the half-year consolidated financial statements during the period from 1 January to 30 June 2025

It is also stated that the consolidated financial statements as at 30 June 2025:

- are drawn up in accordance with applicable international accounting standards recognised in the European Community under Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002;
- correspond to the findings in the accounting books and records;
- are appropriate to provide a true and fair view of the assets, liabilities, economic and financial position of the issuer and of all undertakings included in the consolidation.

The interim management report includes a reliable analysis of the references to major events that occurred in the first half of the year and their impact on the consolidated half-year financial statements and the operating result.

The interim management report also includes a reliable analysis of information on relevant related-party transactions.

Milan, 9 September 2025

The **Chair and Chief Executive Officer**

Andrea Sasso

Chief Financial Officer and Director in charge of drawing up the financial accounts

Alberto Bortolin

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Shape the future
with confidence

Review report on the interim condensed consolidated financial statements
(Translation from the original Italian text)

To the Shareholders of
Dexelance S.p.A.

Introduction

We have reviewed the accompanying half-yearly condensed consolidated financial statements of Dexelance S.p.A. and subsidiaries (the "Dexelance Group"), which comprise the consolidated statement and financial position, the consolidated income statement, the consolidated statement of comprehensive income, the consolidate statement of changes in shareholder's equity and the consolidated statement of cash flows for the six month period then ended, and the related explanatory notes. The Directors are responsible for the preparation of the half-yearly condensed consolidated financial statements in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as issued by the International Accounting Standards Board and adopted by the European Union. Our responsibility is to express a conclusion on the half-yearly condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with the criteria recommended by the Italian Regulatory Commission for Companies and the Stock Exchange ("Consob") for the review of the half-yearly financial statements under Resolution n° 10867 of July 31, 1997. A review of half-yearly condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying half-yearly condensed consolidated financial statements of the Dexelance Group as at June 30, 2025 are not prepared, in all material respects, in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as issued by the International Accounting Standards Board and adopted by the European Union.

Treviso, September 9, 2025

EY S.p.A.
Signed by: Mauro Fabbro, Statutory Auditor

This report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

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