

CONSOLIDATED RESULTS FOR THE FIRST HALF OF 2023 APPROVED

SOMEC: REVENUE MOMENTUM CONTINUED IN THE FIRST HALF OF THE YEAR, EBITDA IMPROVED

Oscar Marchetto, Chairman: “The untapped potential of the business, coupled with the actions taken by management, will enable us to improve key indicators as early as in the second half of the year, laying the foundations to fully unleash our great future development potential.”

- Revenues stood at 191.6 million Euro, up 26% from 152 million Euro in H1 2022 thanks to the organic performance across all divisions and the contribution from acquisitions
- EBITDA was up 7.4% to 9.8 million Euro from 9.1 million Euro in H1 2022. Profitability dropped to 5.1% from 6% previously due to increased production costs and expansion of Mestieri business unit
- Consolidated net loss of 1.8 million Euro compared to a loss of 0.4 million Euro in H1 2022, impacted by financial charges
- Operating cash outflow stood at 8 million Euro, while cash inflow totalled 16.5 million Euro in the first half of 2022, due to the expansion of business volume and delays and deferrals on orders, which are not attributable to the Group
- Pre-IFRS16¹ net financial position came in at 70.4 million Euro compared to 54.3 million Euro as at 31 December 2022, including the impact of the Gino Ceolin acquisition (3.8 million Euro)
- Revised guidance for the current financial year: revenues strongly in excess of 360 million Euro, with an EBITDA ranging between 26 and 29 million Euro and a Pre-IFRS16¹ net financial position between 40 and 50 million Euro

San Vendemiano (Treviso), 25 September 2023 – The Board of Directors of Somec S.p.A. (Euronext Milan: SOM), specialising in the engineering, production and deployment of complex turnkey projects in the civil and naval engineering sector, met today under the chairmanship of Oscar Marchetto to review and approve the Half-Yearly Financial Report as at 30 June 2023.

The results for the first six months of the financial year confirmed the strong development phase that the Group is currently experiencing, with revenues up 26% to a new record of 191.6 million Euro, mostly the result of the organic expansion of the business from which all three divisions benefited. Acquisitions, on the other hand, contributed 13.9 million Euro, allocated entirely to endeavours designed to strengthen “*Mestieri: Design and Production of Bespoke Interiors*” division.

EBITDA improved by 7.4% to 9.8 million Euro, even though it was affected by the impact on shipbuilding orders caused by the further across-the-board increase in production costs, as well as the costs incurred for the strengthening of Mestieri S.r.l. and its US subsidiary Mestieri USA, which will drive new orders for the Mestieri division as early as in the current interim period. The increase in net financial charges, which rose to 2.4 million Euro, resulted in a negative consolidated net result of 1.8 million Euro.

Cash flow dynamics were impacted by the increase in contract work in progress, which in turn was caused by higher production volumes and delays and deferrals at construction sites, which were not attributable to the Group. Cash flow from operating activities, down 8 million Euro – together with the impact of the acquisition of Gino Ceolin totalling 3.8 million Euro and 2.9 million Euro in dividends paid to Fabbrica’s minority shareholders

¹ This indicator corresponds to net financial debt including current and non-current derivative assets and net of current and non-current lease liabilities recognised in accordance with IFRS 16.

– contributed to the worsening of the Net Financial Position before IFRS16¹, which thus rose to 70.4 million Euro from 54.3 million Euro booked at 31 December 2022.

In the third quarter of the financial year, which was currently underway at the time of writing this report, the Group witnessed signs of improvement in the profitability of ongoing orders and a further increase in refitting volumes. Thanks to new and more focused management actions aimed at recovering profitability, especially in the marine glazing and professional kitchen segments, Management expects to make significant progress in the second half of the year, leading to an EBITDA ranging between 26 and 29 million Euro and a pre-IFRS16¹ Net Financial Position ranging between 40 and 50 million Euro in 2023, with revenues growing strongly in excess of 360 million Euro.

Oscar Marchetto, Somec Chairman, pointed out that: *“The robust growth in revenues and the award of increasingly prestigious contracts bear witness to the soundness of the strategic choices made in the past years and the development drivers we are focusing on: external growth, diversification, high-end and sustainability.*

All divisions posted strong performances and we are picking up signs that point in the same direction also in the current quarter, encouraging us to continue to monitor the market in search of new growth opportunities, particularly for the benefit of Mestieri.

The investments on structure and organisation, as well as the delays of some more historical and more inflation-impacted orders, inevitably affected half-year profitability, but the untapped potential of the business and the actions taken by Management will allow us to improve the main indicators already in the second half of the year.

The Somec Group operates in anti-cyclical sectors, supported by robust macro trends and full of prospects: it is up to us to accelerate the pace and lay the foundations to fully unleash our great future development potential”.

Revenues and order book

Revenues as at 30 June 2023 stood at 191.6 million Euro, up 39.6 million Euro from 152 million Euro in the first half of 2022 (+26%, of which 1.8% related to the favourable exchange rate effect).

Performance was driven by the organic development of all three divisions, which – net of acquisitions – recorded a combined growth of 16.9%, driven in particular by the progress of naval and civil orders and the expected increase in refitting activities.

Operations aimed at strengthen the *Mestieri: Design and Production of Bespoke Interiors* division, including three acquisitions, had a further positive effect on Group revenues, contributing 9.1% to the half-year performance.

Revenue breakdown by division

€m % incidence	Engineered Systems for Naval Architecture and Building Façades		Professional Kitchen Systems and Products		Mestieri: design and production of bespoke interiors		Total	
1H 2023	109.8	57.3%	33.9	17.7%	48.0	25.0%	191.6	100.0%
1H 2022	88.3	58.1%	30.8	20.2%	32.9	21.6%	152.0	100.0%
% change	+24.3%		+10.0%		+45.8%		+26.0%	

The **Engineered Systems for Naval Architecture and Building Façades** division posted revenues of 109.8 million Euro, up 24.3% from 88.3 million Euro in the corresponding period of 2022.

The favourable trend, in line with the performance of the entire Group, was the result of the positive dynamics of new shipbuilding and civil orders in the United States, as well as the contribution of refitting activities, which increased by more than 60%.

The **Professional Kitchen Systems and Products** division posted revenues of 33.9 million Euro, up 10% from 30.8 million Euro in the first half of 2022, due to the progress of the division’s naval orders.

Finally, revenues of the **Mestieri: Design and Production of Bespoke Interiors** division jumped to 48 million Euro from 32.9 million Euro in the same period last year, recording the strongest increase (45.8%). Compared to the first half of 2022, the division expanded its scope through the acquisitions of Budri and Lamp Arredo (second half of 2022) and Gino Ceolin (consolidated as of 1 January 2023). Expansion through acquisitions thus brought in 13.9 million Euro in additional revenues, accounting for a contribution of 42.1% at the division level, while organic growth was still positive at +3.7% considering that in the first six months of 2022 TSI had benefited from the award of a significant contract for the complete restyling of a cruise ship.

During the first half of the year, the Group's **order book** totalled 111 million Euro, including orders won by Fabbrica in Boston and New York (55 million USD in total), Bluesteel order in London (12 million Euro), orders received by Oxin for the Four Seasons cruise ships (14 million Euro), as well as many orders collected by Mestieri, sometimes together with Fabbrica itself, totalling 34 million Euro.

The Group's total backlog stood at 845 million Euro as at 30 June 2023, compared to 934 million Euro as at 31 December 2022, of which 23% under option, covering the 2023-2031 time horizon.

The drop is related to the economic phase in the cruise sector, where investment in new production capacity will be resumed only thanks to the strong recovery in passengers and profitability currently underway, with new orders currently expected to flow in between the end of 2023 and the beginning of 2024.

The latter aspect particularly affected the backlog of the Engineered Systems of Naval Architecture and Building Façades division, which stood at 578 million Euro (666 million Euro at the beginning of the year). The Professional Kitchens Systems and Products (156 million Euro, from 159 million Euro at 31 December) and Mestieri: Design and Production of Bespoke Interiors (111 million Euro from 109 million Euro previously) divisions were virtually stable.

It should therefore be noted that the backlog is expected to be an increasingly less significant performance gauge in view of Somec's expansion into businesses that involve more fragmented work lasting less than twelve months.

Profitability

EBITDA in the first half of 2023 stood at 9.8 million Euro, showing an increase of 7.4% compared to 9.1 million Euro in the same period of the previous year.

As opposed to a strong revenue performance, EBITDA margin decreased to 5.1% compared to 6% in H1 2022, which was also affected by the revision of the full-life margins of ongoing contracts due to higher raw material and energy costs.

The profitability was affected by a further across-the-board increase in production costs, as well as by the progress of contracts won in the past, whose profitability had been impacted by inflationary pressures.

EBITDA also suffered the expansion costs of Mestieri's Italian parent company and US subsidiary, as well as the emergence of losses related to Bluesteel's orders prior to its acquisition by Somec.

Ebitda breakdown by division

€m % incidence		Engineered Systems for Naval Architecture and Building Façades		Professional Kitchen Systems and Products		Mestieri: design and production of bespoke interiors		Total	
		€m	%	€m	%	€m	%	€m	%
1H 2023	EBITDA	5.4	55.5%	2.0	20.5%	2.4	24.1%	9.8	100.0%
	margin	4.9%		5.9%		4.9%		5.1%	
1H 2022	EBITDA	4.3	47.2%	1.9	20.7%	2.9	32.2%	9.1	100.0%
	margin	4.9%		6.1%		8.9%		6.0%	
change	€m	+1.1		+0.1		-0.6		+0.7	
	%	+26.4%		+6.4%		-19.7%		+7.4%	

Engineered Systems for Naval Architecture and Building Façades' EBITDA stood at 5.4 million Euro, up 1.1 million Euro compared to the first half of 2022 (+26.4%), accounting steadily for 4.9% of revenues.

The improvement is attributable to the good performance of the civil glazing segment in America, as well as the acceleration of refitting activities, which are known to generate a high margin. Marine glazing, on the other hand, suffered from a further reduction in the margins of historical orders, which in turn was due to inflationary pressures affecting the cost of production factors, from raw materials to labour.

Finally, the emergence of losses related to certain orders in Bluesteel's portfolio had a further negative impact.

Professional Kitchen Systems and Products' EBITDA stood at 2 million Euro, showing an increase of 6.4% compared to 1.9 million Euro in the first half of 2022, and a slightly lower profitability (5.9% of revenues compared to 6.1% in the corresponding period of 2022).

The strong performance of Oxin's cruise orders more than offset the poor sales volumes recorded by the other companies in the division.

The **Mestieri: Design and Production of Bespoke Interiors** BU generated an EBITDA of 2.4 million Euro, compared to 2.9 million Euro in the first half of 2022, which had benefited from an important order related to the refitting a cruise ship.

In spite of the contribution of the newly consolidated Budri, Lamp Arredo and Gino Ceolin, profitability dropped by 4% to 4.9%. This effect is, however, to be considered temporary, as it is related to the different time distribution of orders compared to the previous year, as well as the expansion costs of the Italian parent company Mestieri S.r.l. and the US subsidiary Mestieri USA. Significant human resources and marketing costs were incurred for the start-up of their operations, where revenues are expected to pick up as early as in the second half of the year.

EBIT for the six-month period just ended amounted to 1.2 million Euro, or 0.6% of revenues, compared to a break-even in the corresponding period of 2022.

The improvement is attributable to the aforementioned increase in EBITDA and the elimination of the significant provisions for doubtful receivables relating to two foreign customers, which had weighed on last year's profitability to the extent of 1.9 million Euro.

The **consolidated net result** showed a loss of 1.8 million Euro, a deterioration of 1.5 million Euro compared to the loss of 0.4 million Euro in the first half of 2022.

The result was burdened by net financial charges totalling 2.4 million Euro related to the increase in gross debt, as well as the increase in the cost of the short-term component thereof.

Statement of financial position

As at 30 June 2023, **net working capital** stood at 32.8 million Euro, up 12.2 million Euro from 20.6 million Euro as at 31 December 2022.

This was impacted by the increase in the volume of contract business and longer delivery times, due to no fault of the Group, for certain shipbuilding orders, which led to an increase in contract work in progress reflected in the Statements of Assets and Liabilities (+17.3 million Euro), against a decrease in the related liabilities due to advances received on progress (-4 million Euro).

On the other hand, a positive effect on working capital came from the increase in trade payables (+4.9 million Euro) due to the greater needs in procurement levels to meet production volumes.

The **Group's shareholders' equity** stood at 29.7 million Euro as at 30 June 2023, down from 32 million Euro as at 31 December 2022 as a result of the performance during the period.

The **Net Financial Position**, excluding the effects of the application of IFRS16¹ accounting standard, stood at 70.4 million Euro as at 30 June 2023, up by 16.2 million Euro from 54.3 million Euro as at 31 December 2022. The decline was caused in particular by the **cash flow from operating activities**, which was negative by 8 million Euro due to the use of resources in terms of net working capital level (it had been positive by 16.5 million Euro in the first half of 2022).

The impact of the acquisition of Gino Ceolin, including the share price, the valuation of earn-out and put-and-call clauses, and the net debt of the acquired company, amounted to 3.8 million Euro.

Finally, dividends to the extent of 2.9 million were paid to the minority shareholders of Fabbrica LLC during the half year.

Gross of the effects of IFRS16, the Net Financial Position amounted to 99 million Euro, up from 81.9 million Euro as at 31 December 2022 due to the same circumstances as mentioned above, while the impact of right of use liabilities rose from 27.7 million Euro to 28.5 million Euro (+0.9 million Euro, of which 0.7 million Euro related to Gino Ceolin).

Significant events in the first half of 2023

Completion of Gino Ceolin S.r.l. acquisition

On 25 January, Somec S.p.A. finalised the acquisition of 60% of the share capital of Gino Ceolin S.r.l. through its direct subsidiary Mestieri S.r.l.

The price paid was 1.2 million Euro, to which a variable price component can be added by way of earn-out in 2024 and 2025 up to a total amount of 0.3 million Euro. The remaining 40% of the capital is tied to put and call option rights that may be exercised within 90 days of the approval of the financial statements for the year ending 31 December 2026.

Proceedings of the Shareholders' Meeting

The Shareholders' Meeting of Somec S.p.A. met on 4 May to: (i) approve the financial statements for the year ended 31 December 2022; (ii) approve the allocation of the result for the period; (iii) appoint the Board of Directors, with Oscar Marchetto confirmed as Chairman; (iv) appoint the Board of Statutory Auditors; (v) approve the first and second sections of the report on the remuneration policy and emoluments paid; (vi) approve the authorisation to purchase and dispose of treasury shares; (vii) amend the Articles of Association, including for the purpose of introducing multiple voting.

Main resolutions of the new Board of Directors following the Shareholders' Meeting

Following the Shareholders' Meeting, the new Board of Directors of Somec S.p.A. met on 4 May to: (i) vest executive directors Oscar Marchetto, Alessandro Zanchetta, Gian Carlo Corazza and Davide Callegari with powers as appropriate; (ii) establish the internal board committees, appointing their members; (iii) appoint the secretary of the Board of Directors, the director responsible for establishing and maintaining the internal control and risk management system, the head of investor relations, the head of the internal audit function, the members of the supervisory body and the executive responsible for the preparation of corporate accounting documents; (iv) confirm the annual internal audit plan for the year 2023.

Appointment of the CEO of Mestieri S.r.l.

On 5 June, Flavio Chiari was appointed Chief Executive Officer of Mestieri S.r.l., the parent company of the "Mestieri: Design and Production of Bespoke Interiors" BU.

The appointment follows on the Group's objective of strengthening the internal managerialisation process and accelerating the Group's growth path, with Mestieri acting as a key enabler.

Adoption of the Multiple Voting Regulations

On 22 June, following the resolution of the Extraordinary Shareholders' Meeting held on 4 May 2023 and the ensuing amendment of the Articles of Association, the Board of Directors of Somec S.p.A. resolved to adopt the Multiple Voting Regulations. At the same time, it drew up the Special List of Shareholders who intend to take advantage of such voting.

Post-period end review

Reorganisation of Fabbrica Works S.r.l.

On 13 July, Somec S.p.A. entered into a preliminary agreement for the reorganisation of Fabbrica Works S.r.l., a company currently indirectly controlled through its American subsidiary Fabbrica LLC and established at the time to support the latter's commercial growth on the main reference markets from a technical and productive standpoint.

Following the finalisation of this agreement, on 26 July Fabbrica Works S.r.l. acquired ownership of the company complex it had been using until then under a lease agreement, while Somec S.p.A. directly acquired 16% of the capital of Fabbrica Works S.r.l., bringing its direct and indirect controlling interest to 86%. Subject to obtaining the lessor's consent, Fabbrica Works will eventually take over the leasing agreement for the production and executive site in San Biagio di Callalta (Treviso).

Agreement with one of the minority shareholders of Bluesteel S.r.l.

On 12 September, Somec S.p.A. entered into an agreement with one of the minority shareholders of subsidiary Bluesteel S.r.l. to settle a dispute pending between the parties, which arose in the first quarter of the year. Under this agreement, the sale by the minority shareholder to Somec of the remaining 34% stake in Bluesteel that it owned – without payment of a cash consideration by Somec – was also finalised on 18 September. Following the completion of the transaction, Somec reached 94% of Bluesteel share capital.

Outlook and guidance update for financial year 2023

Although revenues and EBITDA grew, the first-half results suffered from a still sub-optimal market environment, with special reference to the rise in production costs brought on by inflation, the effects of high interest rates, and the tendency of clients and customers to replan the completion of certain orders.

In the third quarter of the financial year, which was currently underway at the time of writing this report, Somec witnessed signs of improvement regarding both the profitability of ongoing orders and a further increase in refitting volumes. In addition to this, an agreement was reached with one of the minority shareholders of Bluesteel, which lays the foundations for the final turnaround and re-launch of the subsidiary, while operations came fully on stream at Mestieri S.r.l. and Mestieri USA, whose potential in terms of commercial expansion is already beginning to show.

At the same time, new and more focused management actions aimed at recovering profitability, especially in the marine glazing and professional kitchens segments, will allow EBITDA and cash inflow to improve significantly in the remaining part of the year.

Therefore, in the light of the foregoing and with reference to the income and financial forecasts (i.e., guidance) made on 22 March for the current year, Somec Management:

- Confirms its expectation of strong growth in **revenues**, the robust trend of which will push the 2023 final figure **well above the level of 360 million Euro** previously indicated;
- Currently expects **EBITDA to fall in the region of 26 and 29 million Euro**, compared to previous expectations in excess of 30 million Euro, but still up double-digit from 23.2 million Euro in the 2022 financial year;
- Forecasts a pre-IFRS16 net financial position¹ between 40 and 50 million Euro;
- Continues to expect a return to **payment of dividends** from the profits of financial year 2023.

Filing of documentation

The Interim Financial Report as at and for the six months ended 30 June 2023 and the Independent Auditors' Report will be available to Shareholders and the general public via the authorized storage provider 1INFO (www.1info.it) and on the Company website www.somecgruppo.com/en on Thursday 28 September 2023.

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Conference call

The Management of Somec will present H1 2023 results to financial market operators during a conference call presentation, scheduled for tomorrow, Tuesday 26 September 2023, at 11:00 am CET.

To join the conference call, which to be held in Italian, please dial one of the following numbers:

- Analysts and investors: +39 02 802 09 11
- Media (listen-only mode): +39 02 802 09 27

A slide presentation will be available on www.somecgruppo.com website, Investors / Presentations section, shortly before the beginning of the conference call.

A digital playback, in Italian, will be made available for download at the same link, within 48 hours of the end of the conference call, together with an English transcript.

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The manager in charge of preparing the corporate accounting documents, Federico Puppini, declares, pursuant to article 154-bis, paragraph 2, of Legislative Decree no. 58/98, that the accounting information contained in this press release corresponds to the accounting figures, books and records.

This document contains forward-looking statements, in particular in the section headed "Management Outlook" relating to future events, the operating income and financial results of the Group. These statements are based on the Group's current expectations and forecasts regarding future events and, by their nature involve risks and uncertainties since they refer to events and depend on circumstances which may, or may not, happen or occur in the future and, as such, they must not be unduly relied upon. The actual results could differ significantly from those contained in these statements due to a variety of factors, including changes in the macroeconomics and in economic growth and other changes in business conditions, changes in legal and institutional framework (both in Italy and abroad), and many other factors, most of which are beyond the Group's control.

The foregoing press release is not a public offer of financial instruments in Italy pursuant to Art. 1, § 1, lett. t), of Leg. Decree No. 58 of 24 February 1998. This press release (including the information it contains) is not, either as a whole or in part, a public offer of financial instruments nor a call for public tender for the purchase of financial instruments, and there will not be any offer of sale of such products in any jurisdiction for which such offer or sale is in violation of applicable law. This press release is not an offer of sale of financial instruments in the United States of America, in Australia, in Canada, in Japan or in any other jurisdiction in which this offer or sale is forbidden and therefore it may not be published or distributed, either directly or indirectly, in these countries. The financial instruments mentioned in this press release have not been and will not be registered under the Securities Act of 1933 of the United States of America, as amended; such products shall not be offered or sold in the United States of America without registration or without specific exemption from the obligations of registration. The documentation regarding the offer has not been/will not be submitted for approval to CONSOB and to Borsa Italiana S.p.A.

The foregoing press release may contain information that is forward-looking, including references that are not related exclusively to historical data or current events and that, therefore, as such are uncertain. Forward-looking information is based on assumptions, expectations, projections and forecast data regarding future events and are subject to very many uncertainties and to other factors out of the Company's and/or Group's control. There are many factors that may generate significantly different results and trends compared to the implicit or explicit contents of forward-looking information. For this reason, this kind of information is not a reliable indication of future performance. Somec S.p.A. denies any obligation to publicly update or review forward-looking information either as a result of future events or for any other reason, unless this is required under applicable laws. The information and the opinions contained in this press release are those available at the time of going to press and may be changed without warning. Moreover, the reference to past performance of the Company or of the Group must not be intended as indication of future performance.

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Somec

The Somec Group specialises in the engineering, design and deployment of complex turnkey projects in civil and naval engineering by relying on three business units: Engineered Systems of Naval Architecture and Building Façades, Professional Kitchen Systems and Products, Mestieri: Design and Production of Bespoke Interiors.

The Group's companies operate in an integrated and synergetic manner, according to strict quality and safety standards while guaranteeing a high level of customisation and specific know-how on the processing of different materials, a key requirement when delivering high value-added projects.

In over 40 years of history and by relying on rigorous certification and accreditation processes, Somec has achieved a reputation for quality and operational and financial reliability on a global scale.

Headquartered in San Vendemiano (Treviso), the Group's footprint spans 12 countries and 3 continents, employing approximately 1,000 people and with revenues totalling 329 million Euro in 2022.

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Summary tables

1) Revenues

- Total revenues breakdown by geographic area (% of total):

	Europe (including Italy)	America	Rest of the world	Total
1H 2023	54.9%	37.0%	8.1%	100%
1H 2022	51.7%	39.1%	9.2%	100%

2) Backlog

- Total Backlog semester by semester (million euro):

30.06.2019	31.12.2019	30.06.2020	31.12.2020	30.06.2021	31.12.2021	30.06.2022	31.12.2022	30.06.2023
552	638	720	767	826	921	923	934	845

- Total Backlog breakdown by scheduled year (% of total):

2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
20.7%	31.3%	20.8%	12.8%	7.2%	3.5%	2.2%	1.4%	0.2%	100%

- Total Backlog breakdown by business division (% of total):

Engineered systems for naval architecture and building façades	Professional kitchen systems and products	Mestieri: design and production of bespoke interiors division	Total
68.4%	18.5%	13.1%	100%

- Backlog by cruise operator (% of total):

A	B	C	D	E	Others ancillary	Backlog not related to cruise operator	Total
13.0%	12.7%	10.0%	8.3%	6.2%	8.8%	41.0%	100%

3) Reclassified Income Statement

<i>In Euro thousand</i>	1H 2023	%	1H 2022	%	Δ	Δ %
Revenue from contracts with customers	190,146	99.2%	150,575	99.1%	39,571	26.3%
Other revenues and income	1,442	0.8%	1,427	0.9%	15	1.1%
Total revenues	191,588	100.0%	152,002	100.0%	39,586	26.0%
Materials, services and other costs	(150,257)	-78.4%	(115,211)	-75.8%	(35,046)	30.4%
Personnel costs	(31,543)	-16.5%	(27,681)	-18.2%	(3,862)	14.0%
Operating costs	(181,800)	-94.9%	(142,892)	-94.0%	(38,908)	27.2%
EBITDA	9,788	5.1%	9,110	6.0%	678	7.4%
Depreciation and amortisation	(8,607)	-4.5%	(9,091)	-6.0%	484	-5.3%
EBIT	1,181	0.6%	19	0.0%	1,162	6115.8%
Net financial income (expenses)	(2,367)	-1.2%	5	0.0%	(2,372)	47440.0%
Net results from associate companies	46	0.0%	44	0.0%	2	4.5%
EBT	(1,140)	-0.6%	68	0.0%	(1,208)	-1776.5%
Income taxes	(699)	-0.4%	(418)	-0.3%	(281)	67.2%
Consolidated Net Result	(1,839)	-1.0%	(350)	-0.2%	(1,489)	425.4%
Non-controlling interests	467	0.2%	(165)	-0.1%	632	-383.0%
Group Net Result	(2,306)	-1.2%	(185)	-0.1%	(2,121)	1146.5%

4) Reclassified Balance Sheet

<i>In Euro thousand</i>	30.06.2023	31.12.2022
Intangible assets	58,761	59,517
<i>of which Goodwill</i>	37,951	36,699
Tangible assets	19,791	20,893
Right-of-use assets	28,297	27,387
Investments in associates	301	351
Non-current financial assets	231	233
Other non-current assets and liabilities	(3,647)	(5,138)
Employee benefits	(5,625)	(5,130)
Net fixed assets	98,109	98,113
Trade receivables	83,817	84,152
Inventory and payments on account	27,550	26,213
Contract work in progress	44,558	27,285
Liabilities for contract work in progress and customer advances	(39,181)	(43,215)
Trade payables	(84,196)	(79,324)
Provisions for risk and charges	(1,309)	(1,322)
Other current assets and liabilities	1,571	6,828
Net working capital	32,810	20,617
Net Invested capital	130,919	118,730
	-	-
Group equity	(29,676)	(31,993)
Non-controlling interest in equity	(2,283)	(4,817)
Net financial position	(98,960)	(81,920)
Sources of funding	(130,919)	(118,730)

5) Net Financial Position

<i>In Euro thousand</i>	30.06.2023	31.12.2022	Δ
A. Cash and cash equivalents	52	71	(19)
B. Bank deposits	38,990	54,273	(15,283)
C. Total liquidity (A+B)	39,042	54,344	(15,302)
D. Current financial assets	5,139	4,608	531
E. Current bank debt	(22,659)	(27,756)	5,097
F. Current portion of long-term debt	(19,118)	(14,881)	(4,237)
G. Other current financial liabilities	(2,833)	(740)	(2,093)
H. Current financial position (E+F+G)	(44,610)	(43,377)	(1,233)
I. Current net financial position (C+D+H)	(429)	15,575	(16,004)
J. Non-current financial assets	2,575	2,383	192
K. Non-current bank debt	(62,828)	(61,094)	(1,734)
L. Bonds issued	-	-	-
M. Other non-current financial liabilities	(9,749)	(11,129)	1,380
N. Non-current financial position (J+K+L+M)	(70,002)	(69,840)	(162)
O. Net financial position before IFRS 16 (I+N)	(70,431)	(54,265)	(16,166)
	0	0	0
P. IFRS 16 – Lease impact	(28,529)	(27,655)	(874)
Current portion	(5,102)	(4,757)	(345)
Non-current portion	(23,427)	(22,898)	(529)
Q. Net financial position (O+P IFRS 16 impact)	(98,960)	(81,920)	(17,040)

6) Reclassified Cash Flow Statement

	1H 2023	1H 2022
Cash flows from operating activities	(7,953)	16,514
Cash flows from investing activities	(1,931)	(4,451)
Free Cash Flow	(9,884)	12,063
Cash flows from financing activities	(4,955)	2,507
Effect of exchange rate changes on cash and cash equivalents	(463)	1,818
Net cash flow	(15,302)	16,388
Cash and cash equivalents at the beginning of the period	54,344	47,645
Cash and cash equivalents at the end of the period	39,042	64,033