



The Clean Air Group  
Driving the Future

**HALF-YEAR FINANCIAL REPORT  
AT 30 JUNE 2024**

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## 1. GENERAL INFORMATION

### 1.1. CORPORATE OFFICERS AND INFORMATION

On the date on which this Half-Year Financial Report was drafted, the company officers were as follows:

#### **Board of Directors**

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Executive Chairman	Stefano Landi
Vice Chairman	Sergio Iasi
Chief Executive Officer	Annalisa Stupenengo
Director	Silvia Landi
Director	Massimo Lucchini
Director	Andrea Landi
Independent Director	Pamela Morassi
Independent Director	Sara Fornasiero (*)
Independent Director	Anna Maria Artoni

#### **Board of Statutory Auditors**

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Chairman of the Board of Statutory Auditors	Fabio Zucchetti
Statutory Auditor	Luca Aurelio Guarna
Statutory Auditor	Diana Rizzo
Alternate Auditor	Luca Zoani
Alternate Auditor	Gian Marco Amico di Meane

#### **Control, Risks and Sustainability Committee**

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Chairperson	Sara Fornasiero
Committee Member	Sergio Iasi
Committee Member	Anna Maria Artoni

#### **Appointment and Remuneration Committee**

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Chairperson	Pamela Morassi
Committee Member	Massimo Lucchini
Committee Member	Anna Maria Artoni

#### **Committee for Transactions with Related Parties**

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Committee Member	Sara Fornasiero
Committee Member	Pamela Morassi
Committee Member	Anna Maria Artoni

#### **Supervisory Board (Italian Legislative Decree 231/01)**

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Chairperson	Jean-Paule Castagno
Board Member	Domenico Sardano
Board Member	Filippo Alliney

#### **Independent Auditing Firm**

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PricewaterhouseCoopers S.p.A.

#### **Financial Reporting Manager**

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Paolo Cilloni

(\*) The Director also holds the office of Lead Independent Director

#### **Registered office and company details**

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Landi Renzo S.p.A.  
Via Nobel 2  
42025 Corte Tegge – Cavriago (RE) – Italy  
Tel. +39 0522 9433  
Fax +39 0522 944044  
Share capital: Euro 22,500,000  
Tax ID and VAT Reg. No. IT00523300358

This report is available online at:  
[www.landirenzogroup.com](http://www.landirenzogroup.com)

## 1.2. GROUP STRUCTURE

Description	Registered Office	% stake at 30 June 2024		Notes
		Direct investment	Indirect investment	
<b>Parent Company</b>				
Landi Renzo S.p.A.	Caviago (Italy)	Parent Company		
<b>Companies consolidated using the line-by-line method</b>				
Landi International B.V.	Amsterdam (The Netherlands)	100.00%		
Landi Renzo Polska Sp.Zo.O.	Warsaw (Poland)		100.00%	(1)
LR Industria e Comercio Ltda	Rio de Janeiro (Brazil)	99.99%		
Beijing Landi Renzo Autogas System Co. Ltd	Beijing (China)	100.00%		
L.R. Pak (Pvt) Limited	Karachi (Pakistan)	70.00%		
Landi Renzo Pars Private Joint Stock Company	Tehran (Iran)	99.99%		
Landi Renzo RO S.r.l.	Bucharest (Romania)	100.00%		
Landi Renzo USA Corporation	Wilmington - DE (USA)	100.00%		
AEB America S.r.l.	Buenos Aires (Argentina)	96.00%		
Officine Lovato Private Limited	Mumbai (India)	74.00%		
OOO Landi Renzo RUS	Moscow (Russia)	51.00%		
SAFE&CEC S.r.l.	San Giovanni Persiceto (Italy)	51.00%		
SAFE S.p.A.	San Giovanni Persiceto (Italy)		100.00%	(2)
IMW Industries LTD	Chilliwak (Canada)		100.00%	(2)
IMW Industries del Perú S.A.C.	Lima (Peru)		100.00%	(3)
IMW Industries LTDA	Cartagena (Colombia)		100.00%	(3)
IMW Energy Tech LTD	Suzhou (China)		100.00%	(3)
IMW Industries LTD Shanghai	Shanghai (China)		100.00%	(3)
Metatron S.p.A.	Castel Maggiore (Italy)	100.00%		
Metatron Control System (Shanghai)	Shanghai (China)		84.00%	(4)
<b>Associates and subsidiaries consolidated using the equity method</b>				
Krishna Landi Renzo India Private Ltd Held	Gurugram - Haryana (India)	51.00%		(5)
<b>Other minor companies</b>				
Landi Renzo VE.CA.	Caracas (Venezuela)	100.00%		(6)
Lovato do Brasil Ind Com de Equipamentos para Gas Ltda	Curitiba (Brazil)	100.00%		(6)
EFI Avtosanoat-Landi Renzo LLC	Navoiy Region (Uzbekistan)	68.45%		(5) (6)
Metatron Technologies India Plc	Mumbai (India)		100.00%	(4) (6)

### Detailed notes on investments:

- (1) Held indirectly through Landi International B.V.
- (2) Held indirectly through SAFE&CEC S.r.l.
- (3) Held indirectly through IMW Industries LTD
- (4) Held indirectly through Metatron S.p.A.
- (5) Company joint venture
- (6) Not consolidated as a result of their irrelevance

### 1.3. LANDI RENZO GROUP FINANCIAL HIGHLIGHTS

(Thousands of Euro)

<b>ECONOMIC INDICATORS FOR THE SECOND QUARTER</b>	<b>Q2 2024</b>	<b>Q2 2023</b>	<b>Change</b>	<b>Change %</b>
Revenue	70,370	80,637	-10,267	-12.7%
Adjusted Gross Operating Profit (EBITDA) (1)	521	4,881	-4,360	-89.3%
Gross operating profit (EBITDA)	-2,080	1,779	-3,859	
Net operating profit (EBIT)	-5,896	-2,539	-3,357	
Earnings before taxes (EBT)	-8,994	-5,561	-3,433	
Net profit (loss) for the Group and minority interests	-9,472	-10,995	1,523	
Adjusted Gross Operating Profit (EBITDA) / Revenue	0.7%	6.1%		
Gross Operating Profit (EBITDA) / Revenue	-3.0%	2.2%		
Net profit (loss) for the Group and minority interests / Revenue	-13.5%	-13.6%		

(Thousands of Euro)

<b>ECONOMIC INDICATORS FOR THE FIRST HALF-YEAR</b>	<b>30/06/2024</b>	<b>30/06/2023</b>	<b>Change</b>	<b>Change %</b>
Revenue	139,142	151,805	-12,663	-8.3%
Adjusted gross operating profit (EBITDA) (1)	55	3,920	-3,865	-98.6%
Gross operating profit (EBITDA)	-3,704	-312	-3,392	
Net operating profit (EBIT)	-11,474	-8,823	-2,651	
Earnings before taxes (EBT)	-17,982	-15,618	-2,364	
Net profit (loss) for the Group and minority interests	-18,461	-20,934	2,473	
Adjusted gross operating profit (EBITDA) / Revenue	0.0%	2.6%		
Net operating profit (EBIT) / Revenue	-2.7%	-0.2%		
Net profit (loss) for the Group and minority interests / Revenue	-13.3%	-13.8%		

(Thousands of Euro)

<b>STATEMENT OF FINANCIAL POSITION</b>	<b>30/06/2024</b>	<b>31/12/2023</b>	<b>30/06/2023</b>
Net fixed assets and other non-current assets	139,503	142,475	147,449
Operating capital (2)	60,518	52,683	56,251
Non-current liabilities (3)	-12,120	-12,549	-12,633
<b>NET INVESTED CAPITAL</b>	<b>187,901</b>	<b>182,609</b>	<b>191,067</b>
Net financial position (4)	135,320	112,405	103,884
Net Financial Position - adjusted (5)	123,935	98,592	89,706
Shareholders' equity	52,581	70,204	87,183
<b>BORROWINGS</b>	<b>187,901</b>	<b>182,609</b>	<b>191,067</b>

(Thousands of Euro)

<b>KEY INDICATORS</b>	<b>30/06/2024</b>	<b>31/12/2023</b>	<b>30/06/2023</b>
Operating capital / Turnover (rolling 12 months)	20.8%	17.4%	17.9%
Adjusted net financial position (5) / Shareholders' equity	2.36	1.40	1.03
Adjusted net financial position (5) / Adjusted EBITDA (rolling 12 months)	39.29	14.05	7.10
Personnel (peak)	946	964	944

(Thousands of Euro)

<b>CASH FLOWS</b>	<b>30/06/2024</b>	<b>31/12/2023</b>	<b>30/06/2023</b>
Gross operational cash flow	-19,273	-5,632	-6,504
Net cash flow for investment activities	-4,580	-9,134	-4,123
<b>Gross Free Cash Flow</b>	<b>-23,853</b>	<b>-14,766</b>	<b>-10,627</b>
Non-recurring expenditure for voluntary resignation incentives	-252	-1,334	-252
<b>Net Free Cash Flow</b>	<b>-24,105</b>	<b>-16,100</b>	<b>-10,879</b>
Repayment of leases (IFRS 16)	-1,733	-3,808	-1,898
<b>Overall cash flow</b>	<b>-25,838</b>	<b>-19,908</b>	<b>-12,777</b>

(1) The data does not include the recognition of non-recurring costs. As EBITDA is not identified as an accounting measure under IAS/IFRS, it may be calculated in different manners. EBITDA is a measure used by the company's management to monitor and evaluate its operating performance. Management believes that EBITDA is an important parameter to measure the company's operating performance, as it is not influenced by the effects of the different criteria for determining the tax base, the amount and characteristics of invested capital and relative amortization and depreciation policies. The company's way of calculating EBITDA may not be the same as the methods adopted by other companies/groups, and therefore its value may not be comparable with the EBITDA calculated by others.

(2) This is calculated as the difference between Trade Receivables, Inventories, Contract Work in Progress, Other Current Assets and Trade Payables, Tax liabilities, Other Current Liabilities (net of payables for the purchase of equity investments).

(3) These are calculated by totaling Deferred Tax Liabilities, Defined Benefit Plans for employees and Provisions for Risks and Charges.

(4) The net financial position is calculated in accordance with the provisions of Consob Communication DEM/6064293 of 28 July 2006 as amended (as most recently amended on 5 May 2021, to adopt the new ESMA recommendations 32-232-1138 of 4 March 2021).

(5) Not including the effects of the adoption of IFRS 16 - Leases, the fair value of derivative financial instruments and the payable for the commitment to acquire equity investments.

- On 23 January 2024, the Board of Directors of Landi Renzo S.p.A. approved the 2024-2028 Business Plan, drafted with the support of a leading strategic consulting firm.
- On 8 March 2024, the Board of Directors of Landi Renzo S.p.A. revised the calendar of board and shareholders' meetings for the approval of the financial data at 31 December 2023 (as well as for the approval of the first 2024 quarterly report). These changes were required as it was necessary to redefine the medium/long-term loan agreements with financial institutions, activities carried out with the support of Mediobanca as financial advisor, with the duty of supporting the Company in the analysis of the Group's economic and financial situation and providing assistance in the formulation of a financial structure reorganization and optimization strategy. In this context, the Board of Directors also examined the unaudited preliminary consolidated results at 31 December 2023 in terms of Revenue, Adjusted EBITDA and the Net Financial Position.

## 2. INTERIM REPORT ON OPERATING PERFORMANCE

### 2.1. DIRECTORS' OBSERVATIONS ON BUSINESS PERFORMANCE

The following table sets out the main economic indicators of the Group for the first six months of 2024 compared with the same period of the previous year.

(Thousands of Euro)	30/06/2024				30/06/2023 (restated)			
	Green Transportat ion	Clean Tech. Solutio ns	Adjustments	Landi Renzo Consolid ated	Green Transportat ion	Clean Tech. Solutio ns	Adjustments	Landi Renzo Consolid ated
<b>Net sales outside the Group</b>	<b>102,462</b>	<b>36,680</b>		<b>139,142</b>	<b>104,260</b>	<b>47,545</b>		<b>151,805</b>
Intersegment sales	253		-253		348		-348	
Total Revenues from net sales and services	102,715	36,680	-253	139,142	104,608	47,545	-348	151,805
Other revenues and income	408	50		458	833	191		1,024
Operating costs	-102,414	-37,384	253	-139,545	-105,282	-43,975	348	-148,909
<b>Adjusted gross operating profit</b>	<b>709</b>	<b>-654</b>	<b>0</b>	<b>55</b>	<b>159</b>	<b>3,761</b>	<b>0</b>	<b>3,920</b>
Non-recurring costs	-2,804	-955		-3,759	-3,451	-781		-4,232
<b>Gross operating profit</b>	<b>-2,095</b>	<b>-1,609</b>	<b>0</b>	<b>-3,704</b>	<b>-3,292</b>	<b>2,980</b>	<b>0</b>	<b>-312</b>
Amortization, depreciation and impairment	-6,417	-1,353		-7,770	-7,071	-1,440		-8,511
<b>Net operating profit</b>	<b>-8,512</b>	<b>-2,962</b>	<b>0</b>	<b>-11,474</b>	<b>-10,363</b>	<b>1,540</b>	<b>0</b>	<b>-8,823</b>
Financial income				531				447
Financial expenses				-6,048				-5,399
Exchange gains (losses)				-257				-1,624
Net income (expenses) from hyperinflation				-812				-212
Income (expenses) from equity investments				-548				-27
Income (expenses) from joint ventures measured using the equity method				626				20
<b>Profit (loss) before tax</b>				<b>-17,982</b>				<b>-15,618</b>
Taxes				-479				-5,316
<b>Net profit (loss) for the Group and minority interests, including:</b>				<b>-18,461</b>				<b>-20,934</b>
Minority interests				-1,733				21
<b>Net profit (loss) for the Group</b>				<b>-16,728</b>				<b>-20,955</b>

The figure at 30 June 2023 was restated with a view to aligning the comparative figure with the classifications used to draft the consolidated income statement at 30 June 2024.

Consolidated revenues for the first six months of 2024 totaled Euro 139,142 thousand, decreasing by Euro 12,663 thousand (-8.3%) compared with the same period of the previous year. The Green Transportation segment recorded revenue substantially in line with the same period of the previous year (-1.7%) and characterized by a downturn in sales in the OEM Passenger Car channel due to the trend in orders from a major customer, a change nearly entirely offset by growth in the After Market and the Mid & Heavy Duty OEM channels, with resulting positive effects on margins; following delays in certain projects relating to hydrogen business products, which are particularly complex and innovative, and the

slowdown in the receipt of orders in the early months of the half-year period, the Clean Tech Solutions segment instead recorded a drop in sales of Euro 10,865 thousand (-22.9%) compared with the same period of the previous year which, following the increased incidence of fixed costs and direct costs that cannot be cut, considerably influenced profit margins for the half-year period both for the sector and the Group.

Costs of raw materials, consumables and goods and changes in inventories overall went from Euro 94,405 thousand as at 30 June 2023 to Euro 84,737 thousand as at 30 June 2024, due to the overall turnover trend.

The costs of services and use of third-party assets amounted to Euro 29,956 thousand, compared with Euro 28,386 thousand in the same period of the previous year, and are inclusive of non-recurring costs relating to strategic consultancy of Euro 2,869 thousand.

Personnel costs amounted to Euro 26,649 thousand as at 30 June 2024, up compared with the same period of the previous year (Euro 25,124 thousand as at 30 June 2023) following the strengthening of the organizational structure by hiring new managers, as well as due to higher costs for voluntary redundancy payments.

The Group heavily invested in highly specialized resources to support the increasing research and development performed for new products and solutions, particularly for the Heavy Duty market and hydrogen and biomethane mobility, capitalized when they meet the requirements laid out in IAS 38.

The Group had a total of 946 employees at 30 June 2024, including 362 relating to the Clean Tech Solutions segment.

Allocations, write-downs and other operating expenses totaled Euro 1,962 thousand (Euro 5,226 thousand at 30 June 2023) and mainly relate to provisions for warranties. The significant provisions recognized in the first half of 2023 were primarily connected to the extraordinary, non-recurring provision of roughly Euro 2 million for potential risks for service campaigns on OEM components for product warranties, as well as higher provisions for bad debts.

Despite the positive performance in terms of margins recorded by the Green Transportation segment, the above-mentioned delays in production and the receipt of orders in the Clean Tech Solutions segment compromised the Group's performance during the half-year period. Indeed, following this business trend in the course of the first half of 2024, the adjusted gross operating profit (EBITDA) as at 30 June 2024 reached Euro 55 thousand compared with Euro 3,920 thousand in the same period of the previous year.

The Gross Operating Loss (EBITDA) was Euro 3,704 thousand (loss of Euro 312 thousand as at 30 June 2023), inclusive of non-recurring costs of Euro 3,759 thousand (Euro 4,232 thousand as at 30 June 2023).

(Thousands of Euro)	30/06/2024	30/06/2023	Change
<b>NON-RECURRING COSTS</b>			
Strategic consultancy	2,869	1,237	1,632
Cyber attack consultancy	0	138	-138
Other extraordinary costs	0	611	-611
Extraordinary accruals - warranties	0	1,913	-1,913
Non-recurring expenditure for voluntary resignation incentives	890	252	638
Customer penalties for delivery delays	0	81	-81
<b>Total</b>	<b>3,759</b>	<b>4,232</b>	<b>-473</b>

The Net Operating Loss (EBIT) for the year was Euro 11,474 thousand (loss of Euro 8,823 thousand at 30 June 2023), after accounting for amortization, depreciation and impairment of Euro 7,770 thousand (Euro 8,511 thousand at 30 June 2023), of which Euro 1,661 thousand due to the application of IFRS - 16 Leases (Euro 1,710 thousand at 30 June 2023).

Total financial expenses (interest income, interest charges and exchange rate differences) amounted to Euro 5,774 thousand (Euro 6,576 thousand as at 30 June 2023) and include negative exchange effects of Euro 257 thousand (negative and equal to Euro 1,624 thousand as at 30 June 2023).

Financial expenses alone, amounting to Euro 6,048 thousand, rose compared with the same period of the previous year (Euro 5,399 thousand) and are a direct consequence of bank borrowing trends.

Net expenses from hyperinflation, amounting to Euro 812 thousand at 30 June 2024 (Euro 212 thousand at 30 June 2023), included the effects deriving from the application by the Argentine branch of IAS 29 - Financial reporting in hyperinflationary economies.

Income from joint ventures refers to the valuation at equity of the Indian joint venture Krishna Landi Renzo. The Indian joint venture was subject to an audit by the local tax and customs authorities, which identified a different interpretation for the purposes of the customs classification of certain products it imported in the 2019-2024 period. The management of the Indian company immediately worked to request an audit by two different leading advisors specialized in customs matters in the Indian market, which, after analyzing the associated documentation, confirmed that the actions of the company were consistent with the customs regulations in force in India. After the receipt on 13 August 2024 of the measure sent to the Indian company by the local tax and customs authorities, the management of the Indian company engaged a leading legal advisor to prepare the relative defense documents, also taking into account the results of the above-mentioned audits performed by the advisors engaged. Considering the foregoing and taking into account the information currently available, the directors of the Indian company decided that, although with the uncertainty typical of analogous procedures, as things currently stand the prerequisites are not met to recognize provisions in the financial statements of the Indian company with reference to this situation. The management of the Landi Renzo Group will continue to monitor the evolution of the audit currently being performed by the local Indian authorities in order to evaluate its effects in terms of risk at Landi Renzo Group level.

The first half of 2024 closed with a pre-tax loss (EBT) of Euro 17,982 thousand. The half-year period as at 30 June 2023 closed with a pre-tax loss (EBT) of Euro 15,618 thousand.

The net result of the Group and minority interests as at 30 June 2024 showed a loss of Euro 18,461 thousand compared with a Group and minority interest loss of Euro 20,934 thousand as at 30 June 2023.

## SEGMENT REPORTING

The management has identified two operating segments in which the Landi Renzo Group operates, or:

- The **Green Transportation** segment, referring primarily to the design, manufacture and sale through the OEM and After Market channels of mechanical and electronic systems and components for the use of automotive gas (CNG - Compressed Natural Gas, LNG – Liquid Natural Gas, LPG, RNG – Renewable Natural Gas/Biomethane and Hydrogen) as well as, to a lesser extent, anti-theft alarms. This segment mainly includes the Landi Renzo, Metatron, AEB, Lovato and Med brands.

- The **Clean Tech Solutions** segment, referring to the design and manufacture of compressors for the processing and distribution of gas (CNG, RNG and Hydrogen) as well as operations in the Oil&Gas market. The broad range of SAFE&CEC Group products makes it possible to satisfy multiple market requirements for the construction of automotive CNG, RNG and hydrogen distribution stations. This segment mainly includes the SAFE, IMW and Idro Meccanica brands.

### Breakdown of sales by business segment

#### Second quarter of 2024 compared with second quarter of 2023

(Thousands of Euro)

Distribution of revenues by segment	Q2 2024	% of revenues	Q2 2023	% of revenues	Changes	%
Green Transportation segment	51,441	73.1%	56,206	69.7%	-4,765	-8.5%
Clean Tech Solutions	18,929	26.9%	24,431	30.3%	-5,502	-22.5%
<b>Total revenues</b>	<b>70,370</b>	<b>100.0%</b>	<b>80,637</b>	<b>100.0%</b>	<b>-10,267</b>	<b>-12.7%</b>

#### First half of 2024 compared with first half of 2023

(Thousands of Euro)

Distribution of revenues by segment	30/06/2024	% of revenues	30/06/2023	% of revenues	Changes	%
Green Transportation segment	102,462	73.6%	104,260	68.7%	-1,798	-1.7%
Clean Tech Solutions	36,680	26.4%	47,545	31.3%	-10,865	-22.9%
<b>Total revenues</b>	<b>139,142</b>	<b>100.0%</b>	<b>151,805</b>	<b>100.0%</b>	<b>-12,663</b>	<b>-8.3%</b>

Consolidated revenues declined compared with the same period of the previous year by Euro 12,663 thousand (-8.3%), primarily due to the performance of the Clean Tech Solutions segment, which was impacted by delays in the production of certain particularly complex and innovative projects relating to hydrogen business products, as well as delays in the receipt of orders during the initial months of the half-year period, especially in the North America area.

Already in the initial months subsequent to the end of the half-year period, the receipt of orders has increased considerably, particularly for hydrogen and biomethane projects.

## Breakdown of sales by geographical area

### Second quarter of 2024 compared with second quarter of 2023

(Thousands of Euro)						
Geographical distribution of revenues	Q2 2024	% of revenues	Q2 2023	% of revenues	Changes	%
Italy	7,689	10.9%	8,851	11.0%	-1,162	-13.1%
Europe (excluding Italy)	37,407	53.2%	42,911	53.2%	-5,504	-12.8%
America	8,947	12.7%	14,989	18.6%	-6,042	-40.3%
Asia and Rest of the World	16,327	23.2%	13,886	17.2%	2,441	17.6%
<b>Total</b>	<b>70,370</b>	<b>100.0%</b>	<b>80,637</b>	<b>100.0%</b>	<b>-10,267</b>	<b>-12.7%</b>

### First half of 2024 compared with first half of 2023

(Thousands of Euro)						
Geographical distribution of revenues	At 30/06/2024	% of revenues	At 30/06/2023	% of revenues	Changes	%
Italy	15,106	10.9%	15,328	10.1%	-222	-1.4%
Europe (excluding Italy)	74,525	53.5%	83,506	55.0%	-8,981	-10.8%
America	21,262	15.3%	28,976	19.1%	-7,714	-26.6%
Asia and Rest of the World	28,249	20.3%	23,995	15.8%	4,254	17.7%
<b>Total</b>	<b>139,142</b>	<b>100.0%</b>	<b>151,805</b>	<b>100.0%</b>	<b>-12,663</b>	<b>-8.3%</b>

Regarding the geographical distribution of revenues, during the first six months of 2024 the Group realised 89.1% (89.9% at 30 June 2023) of its consolidated revenues abroad (53.5% in Europe and 35.6% outside Europe).

## Profitability

### Green Transportation operating segment performance

(Thousands of Euro)				
GREEN TRANSPORTATION	30/06/2024	30/06/2023	Changes	%
<b>Net sales outside the Group</b>	<b>102,462</b>	<b>104,260</b>	<b>-1,798</b>	<b>-1.7%</b>
Intersegment sales	253	348	-95	-27.3%
Total Revenues from net sales and services	102,715	104,608	-1,893	-1.8%
Other revenues and income	408	833	-425	-51.0%
Operating costs	-102,414	-105,282	2,868	-2.7%
<b>Adjusted gross operating profit (EBITDA)</b>	<b>709</b>	<b>159</b>	<b>550</b>	<b>345.9%</b>
Non-recurring costs	-2,804	-3,451	647	
<b>Gross operating profit (EBITDA)</b>	<b>-2,095</b>	<b>-3,292</b>	<b>1,197</b>	
Amortisation, depreciation and impairment	-6,417	-7,071	654	
<b>Net operating profit (EBIT)</b>	<b>-8,512</b>	<b>-10,363</b>	<b>1,851</b>	
<b>Adjusted EBITDA margin</b>	<b>0.7%</b>	<b>0.2%</b>		
<b>EBITDA margin</b>	<b>-2.0%</b>	<b>-3.2%</b>		

## Sales revenues

Revenues from sales in the Green Transportation segment as at 30 June 2024 amounted to Euro 102,462 thousand, down slightly compared with the same period of the previous year (-1.7%). Despite the substantial stability of overall revenue, during the first half of 2024 there was a different sales mix across the various channels in which the Group operates. Specifically, the decline in sales in the Passenger Car OEM channel, due to the order trend of a major customer, was for the most part offset by the positive performance of the After Market channel (+4.6% compared with the first half of 2023), driven by certain markets in the Latam area, as well as the recovery of sales in the Mid & Heavy Duty OEM channel, with positive effects on profit margins as well.

Group sales in the OEM channel amounted to Euro 62.4 million, compared with Euro 65.9 million as at 30 June 2023, and relate to sales to automotive manufacturers operating in the passenger car channel and the Mid & Heavy Duty channel.

Sales in the After Market channel, amounting to Euro 40.1 million (compared with Euro 38.4 million at 30 June 2023), primarily relate to orders from distributors and authorised installers, both domestic and foreign.

## Revenue by geographical area

A breakdown of revenues from sales in the Green Transportation segment by geographical area is provided below.

(Thousands of Euro)						
<b>GREEN TRANSPORTATION</b>	<b>At 30/06/2024</b>	<b>% of revenues</b>	<b>At 30/06/2023</b>	<b>% of revenues</b>	<b>Changes</b>	<b>%</b>
Italy	11,484	11.1%	12,232	11.7%	-748	-6.1%
Europe (excluding Italy)	57,045	55.7%	61,027	58.5%	-3,982	-6.5%
America	10,515	10.3%	9,997	9.6%	518	5.2%
Asia and Rest of the World	23,418	22.9%	21,004	20.1%	2,414	11.5%
<b>Total</b>	<b>102,462</b>	<b>100.0%</b>	<b>104,260</b>	<b>100.0%</b>	<b>-1,798</b>	<b>-1.7%</b>

### Italy

The Group's sales in Italy reached Euro 11,484 thousand, marking a downturn compared with the same period of the previous year (-6.1%). According to UNRAE (Association of foreign car makers operating in Italy) data, more than 9% of total vehicle registrations during the half-year in any event continue to be for vehicles with CNG and LPG engines.

### Europe

The rest of Europe represents 55.7% of total sales (58.5% in the first six months of 2023) and is down (-6.5%) compared with the same period of the previous year due to the trend in orders from a major passenger car OEM customer.

### America

Sales made in the first half of 2024 on the American continent, amounting to 10.3% of total sales, rose by 5.2% especially due to the positive trend in the Latam area.

### Asia and Rest of the World

Sales in Asia and the Rest of the World amounted to 22.9% of total revenue (20.1% in the first six months of 2023), recording an increase of 11.5% mainly thanks to the performance of sales in the Mid & Heavy Duty OEM channel in the Chinese market.

## Profitability

(Thousands of Euro)

<b>GREEN TRANSPORTATION</b>	<b>Q1 2024</b>	<b>Q2 2024</b>	<b>30/06/2024</b>	<b>Q1 2023</b>	<b>Q2 2023</b>	<b>30/06/2023</b>
Revenue	51,021	51,441	<b>102,462</b>	48,054	56,206	<b>104,260</b>
Adjusted gross operating profit (EBITDA)	92	617	<b>709</b>	-2,521	2,680	<b>159</b>
% of revenues	0.2%	1.2%	<b>0.7%</b>	-5.2%	4.8%	<b>0.2%</b>
Gross operating profit (EBITDA)	-710	-1,385	<b>-2,095</b>	-3,407	115	<b>-3,292</b>
% of revenues	-1.4%	-2.7%	<b>-2.0%</b>	-7.1%	0.2%	<b>-3.2%</b>
Net operating profit (EBIT)	-3,995	-4,517	<b>-8,512</b>	-6,905	-3,458	<b>-10,363</b>
% of revenues	-7.8%	-8.8%	<b>-8.3%</b>	-14.4%	-6.2%	<b>-9.9%</b>
Change in Revenues compared with the previous year	2,967	-4,765	<b>-1,798</b>			
Change %	6.2%	-8.5%	<b>-1.7%</b>			

In the first half of 2024, the adjusted Gross Operating Profit (EBITDA) of the Green Transportation segment, net of non-recurring costs of Euro 2,804 thousand, amounted to Euro 709 thousand, equivalent to 0.7% of revenues, marking a net improvement compared with the same period of the previous year (Euro 159 thousand, equal to 0.2% of revenues and net of non-recurring costs of Euro 3,451 thousand). The result in terms of margins recorded in the second quarter of 2024 is particularly significant considering the fact that during the second quarter of 2023, an agreement was entered into with the Group's main customer for the recognition of the costs incurred during the entire half-year period.

The decline in sales in the passenger car OEM channel, historically characterised by limited operating profitability, was to a significant extent offset by higher sales in the After Market and Mid & Heavy Duty OEM channels, the higher incidence of which allowed for a recovery in adjusted profit margins compared with the same period of the previous year.

The Gross Operating Loss (EBITDA) in the Green Transportation segment at 30 June 2024 was Euro 2,095 thousand (inclusive of non-recurring costs of Euro 2,804 thousand), marking an improvement compared with a loss of Euro 3,292 thousand as at 30 June 2023.

## Clean Tech Solutions operating segment performance

(Thousands of Euro)

<b>CLEAN TECH SOLUTIONS</b>	<b>30/06/2024</b>	<b>30/06/2023</b>	<b>Changes</b>	<b>%</b>
<b>Net sales outside the Group</b>	<b>36,680</b>	<b>47,545</b>	<b>-10,865</b>	<b>-22.9%</b>
Intersegment sales	0	0	0	0.0%
Total Revenues from net sales and services	36,680	47,545	-10,865	-22.9%
Other revenues and income	50	191	-141	-73.8%
Operating costs	-37,384	-43,975	6,591	-15.0%
<b>Adjusted gross operating profit (EBITDA)</b>	<b>-654</b>	<b>3,761</b>	<b>-4,415</b>	<b>-117.4%</b>
Non-recurring costs	-955	-781	-174	
<b>Gross operating profit (EBITDA)</b>	<b>-1,609</b>	<b>2,980</b>	<b>-4,589</b>	
Amortization, depreciation and impairment	-1,353	-1,440	87	
<b>Net operating profit (EBIT)</b>	<b>-2,962</b>	<b>1,540</b>	<b>-4,502</b>	
<b>Adjusted EBITDA margin</b>	<b>-1.8%</b>	<b>7.9%</b>		
<b>EBITDA margin</b>	<b>-4.4%</b>	<b>6.3%</b>		

## Sales revenues

The Clean Tech Solutions segment recorded revenue of Euro 36,680 thousand, compared with Euro 47,545 thousand in the same period of the previous year. This trend is linked to delays in the production of certain particularly complex and innovative projects relating to hydrogen business products, as well as delays in the receipt of orders during the early months of the half-year period, especially in North America.

Already in the initial months subsequent to the end of the half-year period, the receipt of orders has increased considerably, particularly for hydrogen and biomethane projects.

## Revenue by geographical area

(Thousands of Euro)						
CLEAN TECH SOLUTIONS	At 30/06/2024	% of revenues	At 30/06/2023	% of revenues	Changes	%
Italy	3,622	9.9%	3,096	6.5%	526	17.0%
Europe (excluding Italy)	17,480	47.7%	22,479	47.3%	-4,999	-22.2%
America	10,747	29.3%	18,979	39.9%	-8,232	-43.4%
Asia and Rest of the World	4,831	13.1%	2,991	6.3%	1,840	61.5%
<b>Total</b>	<b>36,680</b>	<b>100.0%</b>	<b>47,545</b>	<b>100.0%</b>	<b>-10,865</b>	<b>-22.9%</b>

Given its extreme variability depending on the projects completed during the period, revenue by geographical area is not a significant indicator for the Clean Tech Solutions segment. As described previously, revenue during the half-year was significantly influenced by the postponement of certain significant projects in North America.

## Profitability

(Thousands of Euro)						
CLEAN TECH SOLUTIONS	Q1 2024	Q2 2024	30/06/2024	Q1 2023	Q2 2023	30/06/2023
Revenue	17,751	18,929	<b>36,680</b>	23,114	24,431	<b>47,545</b>
Adjusted gross operating profit (EBITDA)	-558	-96	<b>-654</b>	1,560	2,201	<b>3,761</b>
% of revenues	-3.1%	-0.5%	<b>-1.8%</b>	6.7%	9.0%	<b>7.9%</b>
Gross operating profit (EBITDA)	-914	-695	<b>-1,609</b>	1,316	1,664	<b>2,980</b>
% of revenues	-5.1%	-3.7%	<b>-4.4%</b>	5.7%	6.8%	<b>6.3%</b>
Net operating profit (EBIT)	-1,583	-1,379	<b>-2,962</b>	621	919	<b>1,540</b>
% of revenues	-8.9%	-7.3%	<b>-8.1%</b>	2.7%	3.8%	<b>3.2%</b>
Change in Revenues compared with the previous year	-5,363	-5,502	<b>-10,865</b>			
Change %	-23.2%	-22.5%	<b>-22.9%</b>			

For the Clean Tech Solutions segment, adjusted EBITDA net of non-recurring costs of Euro 955 thousand (primarily relating to strategic consultancy) came to Euro -654 thousand (-1.8% of revenues), compared with a positive Euro 3,761 thousand (7.9% of revenues) in the same period of the previous year. This performance was caused by the decline in revenues, with the resulting increased incidence of fixed costs and direct costs that cannot be cut.

## Invested capital

(Thousands of Euro)			
Statement of Financial Position	30/06/2024	31/12/2023	30/06/2023
Trade receivables	75,676	72,821	65,093
Inventories and contract work in progress	88,183	93,637	96,022
Trade payables	-83,295	-100,115	-94,554
Other net current assets (liabilities) (*)	-20,046	-13,660	-10,310
<b>Net operating capital</b>	<b>60,518</b>	<b>52,683</b>	<b>56,251</b>
Tangible fixed assets	13,016	13,232	13,411
Intangible assets	103,934	105,153	106,290
Right-of-use assets	9,967	11,945	13,305
Other non-current assets	12,586	12,145	14,443
<b>Fixed capital</b>	<b>139,503</b>	<b>142,475</b>	<b>147,449</b>
TFR (employee severance indemnity) and other provisions	-12,120	-12,549	-12,633
<b>Net invested capital</b>	<b>187,901</b>	<b>182,609</b>	<b>191,067</b>
<b>Financed by:</b>			
Net Financial Position	135,320	112,405	103,884
Group shareholders' equity	49,141	64,927	80,646
Minority interests	3,440	5,277	6,537
<b>Borrowings</b>	<b>187,901</b>	<b>182,609</b>	<b>191,067</b>
Ratios	30/06/2024	31/12/2023	30/06/2023
Net operating capital	60,518	52,683	56,251
Net operating capital/Turnover (rolling)	20.8%	17.4%	17.9%
Net invested capital	187,901	182,609	191,067
Net capital employed/Turnover (rolling)	64.6%	60.2%	60.9%

(\*) Net of the remaining payable for the commitment to acquire equity investments

Net operating capital at the end of the period stood at Euro 60,518 thousand. This is an increase compared with the same figure at 31 December 2023 (Euro 52,683 thousand) and at 30 June 2023 (Euro 56,251 thousand). In terms of percentages on rolling turnover, there was an increase in this figure, from 17.4% as at 31 December 2023 to the current 20.8% (17.9% as at 30 June 2023).

Trade receivables stood at Euro 75,676 thousand (of which Euro 19,997 thousand relating to the Clean Tech Solutions segment) and increased compared with 30 June 2023 (Euro 65,093 thousand) and 31 December 2023 (Euro 72,821 thousand). The increase in this item, net of the effects deriving from the decline in turnover of the Clean Tech Solutions segment, can primarily be attributed to the disposals carried out by the Group by means of non-recourse factoring transactions with crediting on maturity. Pending negotiations with the banking sector for the signing of amendments to the main Group loans, credit assignments were temporarily suspended, while waiting for a new agreement to be signed, also within the context of the financial optimization transaction. At 30 June 2024, derecognized receivables stood at Euro 2.4 million, compared with Euro 15.8 million at 31 December 2023 and Euro 18.1 million at 30 June 2023.

Inventories and contract work in progress stood at Euro 88,183 thousand, down compared with 31 December 2023 (Euro 93,637 thousand) and 30 June 2023 (Euro 96,022 thousand), especially following the policies undertaken by the management to optimize inventories, with resulting effects on cash flows for the period as well.

Trade payables came to Euro 83,295 thousand at 30 June 2024 (of which Euro 22,022 thousand relating to the Clean Tech Solutions segment) and decreased compared with 31 December 2023 (Euro 100,115 thousand) as well as 30 June 2023 (Euro 94,554 thousand). The increase in trade payables at 31 December 2023 was primarily due to the effect of the rescheduling agreements reached with some of the main suppliers in order to optimize the Group's financial management. The significant decline in this item at 30 June 2024 compared with the end of the previous year, net of the effects deriving from the decline in turnover of the Clean Tech Solutions segment, is linked primarily to compliance by the Group companies with the repayment plans agreed upon with suppliers. Please note that as negotiations continue with the banking sector, in order to sign amendments to the main Group loans, also given the temporary suspension of factoring transactions with crediting on maturity, the Group was forced to take initiatives to optimize cash flows and meet its commitments, namely:

- new agreements were entered into with the Group's strategic suppliers;
- recourse factoring assignments were made; and
- the early repayment compared with expected maturities was requested of temporary investments previously made in money market transactions in the form of a "time deposit".

Fixed capital amounts to Euro 139,503 thousand and is inclusive of Euro 9,967 thousand for right-of-use assets recognized pursuant to IFRS 16 - Leases.

As at 30 June 2024, TFR (employee severance indemnity) and other provisions totaled Euro 12,120 thousand (Euro 12,549 thousand at 31 December 2023).

Net invested capital (Euro 187,901 thousand, equal to 64.6% of rolling turnover) is basically aligned with 31 December 2023 (Euro 182,609 thousand, equal to 60.2% of turnover).

## Net financial position and cash flows

(Thousands of Euro)	30/06/2024	31/03/2024	31/12/2023	30/06/2023
Cash and cash equivalents	18,771	26,210	26,495	25,034
Current financial assets	618	584	20,647	25,000
Current assets for derivative financial instruments	0	0	0	161
Bank financing and short-term loans	-109,763	-51,302	-51,987	-102,051
Current liabilities for rights of use	-2,479	-2,577	-2,792	-3,140
Other current financial liabilities	-12,935	-7,758	-7,459	-4,941
<b>Net short term indebtedness</b>	<b>-105,788</b>	<b>-34,843</b>	<b>-15,096</b>	<b>-59,937</b>
Non-current bank loans	-5,130	-67,264	-67,785	-11,296
Other non-current financial liabilities	-15,496	-17,578	-18,503	-21,452
Non-current liabilities for rights of use	-8,308	-9,228	-10,090	-11,099
Non-current assets for derivative financial instruments	25	26	39	372
Non-current liabilities for derivative financial instruments	-80	-643	-515	0
<b>Net medium-long term indebtedness</b>	<b>-28,989</b>	<b>-94,687</b>	<b>-96,854</b>	<b>-43,475</b>
Commitments for the purchase of equity investments	-543	-491	-455	-472
<b>Net Financial Position</b>	<b>-135,320</b>	<b>-130,021</b>	<b>-112,405</b>	<b>-103,884</b>
<b>Net Financial Position - adjusted (*)</b>	<b>-123,935</b>	<b>-117,108</b>	<b>-98,592</b>	<b>-89,706</b>
<i>of which Green Transportation</i>	-106,479	-98,925	-82,041	-80,543
<i>of which Clean Tech Solutions</i>	-17,456	-18,183	-16,551	-9,163

(\*) Not including the effects of the adoption of IFRS 16 - Leases, the fair value of derivative financial instruments and the payable for equity investment purchase commitments

The Net Financial Position as at 30 June 2024 is equal to Euro 135,320 thousand (Euro 112,405 thousand as at 31 December 2023), of which Euro 10,787 thousand due to the application of IFRS 16 - Leases, an overall negative amount of Euro 55 thousand relating to the fair value of derivative financial instruments and Euro 543 thousand relating to the payable for the put/call options relating to Metatron Control System shares. The adjusted Net Financial Position net of these amounts would have amounted to Euro 123,935 thousand, of which Euro 106,479 thousand linked to the Green Transportation segment and Euro 17,456 thousand to the Clean Tech Solutions segment.

While negotiations are underway with the banking sector in order to define the financial maneuver, details about which are provided in paragraph 4.2.2 “Going concern” in the notes, the leverage ratio financial parameter of the Parent Company’s main outstanding loans at 30 June 2024 was not respected. Following the above-mentioned negotiations, on 1 August 2024 the relative amendments were signed which, inter alia, called for a reset of the financial parameter, without prejudice to the fact that, with reference to the calculation dates of 30 June 2024 and 31 December 2024, this financial parameter is not checked. As these agreements were signed after 30 June 2024, the financial payables relating to such loans were reclassified in full to current liabilities, consistent with international accounting standards.

The following table illustrates the trend in total cash flow:

(Thousands of Euro)	30/06/2024	31/03/2024	31/12/2023	30/06/2023
Gross operational cash flow	-19,273	-16,885	-5,632	-6,504
Cash flow for investment activities	-4,580	-1,536	-9,134	-4,123
<b>Gross Free Cash Flow</b>	<b>-23,853</b>	<b>-18,421</b>	<b>-14,766</b>	<b>-10,627</b>
Non-recurring expenditure for voluntary resignation incentives	-252	0	-1,334	-252
<b>Net Free Cash Flow</b>	<b>-24,105</b>	<b>-18,421</b>	<b>-16,100</b>	<b>-10,879</b>
Repayment of leases (IFRS 16)	-1,733	-964	-3,808	-1,898
<b>Overall cash flow</b>	<b>-25,838</b>	<b>-19,385</b>	<b>-19,908</b>	<b>-12,777</b>

In the first half of 2024, there was cash absorption of Euro 25,838 thousand, mainly associated with operations (Euro -19,525 thousand - inclusive of non-recurring outlays for voluntary retirement incentives), investment activities (Euro 4,580 thousand) and cash outflows for leases (Euro 1,733 thousand).

As described previously, the temporary suspension of factoring with crediting on maturity had a significant effect on the Group’s financial position, pending the signing of a new agreement as part of the financial optimization transaction. To be able to have the necessary funds available to meet commitments (and particularly the rescheduling agreements made with suppliers), the Company had to request the early repayment compared with expected maturities of temporary investments of liquidity previously made in money market transactions in the form of a “time deposit”.

Aside from what was previously reported, please note that on 2 August 2024, in execution of the agreements signed as part of the financial maneuver, the majority shareholder GBD - Green by Definition S.p.A. made a payment for a future share capital increase of around Euro 15 million.

### Financial Optimization Project

The three main guidelines underlying the financial maneuver approved on 17 July 2024 by the Board of Directors are listed below:

1. a capitalization of Landi Renzo S.p.A. through the injection of new own funds to be carried out through a share capital increase under option for a total (including share premium) of up to Euro 25 million, by issuing ordinary shares, with regular dividend entitlement, guaranteed up to an amount of Euro 20 million by the current majority shareholder of Landi Renzo S.p.A., GBD - Green by Definition S.p.A., to be offered under option to the Company’s

shareholders pursuant to Article 2441 of the Italian Civil Code, and to be paid up by means of contributions in cash and through voluntary offsetting, pursuant to Article 1252 of the Italian Civil Code, with receivables due to subscribers from the Company (the “Share Capital Increase under Option”);

2. a capitalization of Landi Renzo S.p.A. through the injection of new own funds to be carried out through an indivisible paid share capital increase in cash reserved for Invitalia - Agenzia nazionale per l'attrazione degli investimenti e lo sviluppo d'impresa S.p.A., in its capacity as manager of the “Fund for the protection of employment levels and the continuation of business activity”, - for a total (including share premium) of Euro 20 million, by means of the issue of unlisted special class shares convertible into ordinary shares at a ratio of 1:1, with the same characteristics as the ordinary shares outstanding, as well as certain administrative rights recognized by the articles of association (the “Reserved Share Capital Increase”); and
3. a rescheduling of payments on the Company’s outstanding medium/long-term financial debt to its lending banks (i.e. Intesa Sanpaolo S.p.A., UniCredit S.p.A. and Sagitta SGR S.p.A., on behalf of the closed-end alternative investment fund reserved for professional investors named “UTP Restructuring Corporate”, the latter having taken over for Banco BPM S.p.A. as of July 2024, jointly, the “Lenders”), which is consistent with the generation of operating cash flows to service the debt in light of the economic/financial projections set forth in the 2024-2028 Business Plan, as well as the results of the sensitivity scenario prepared by the independent business advisor as part of the Independent Business Review.

For a more comprehensive description of the characteristics of the financial maneuver, the relative execution timing and the resulting effects on the use of the going concern assumption in this half-year financial report, please refer to section 4.2.2 “Going concern” in the notes.

Following the full payment of the Share Capital Increase Under Option and the Reserved Share Capital Increase, expected by 31 December 2024, the Company will obtain new own funds for a maximum total of Euro 45 million and, in any event, no less than Euro 40 million.

## Investments

Investments in property, plant, machinery and other equipment totaled Euro 1,880 thousand (Euro 1,763 thousand as at 30 June 2023) and refer to the investments made by the Group in production plants and molds to be used in the launch of new products.

The increase in intangible assets amounted to Euro 3,026 thousand (Euro 2,627 thousand as at 30 June 2023), confirming the Landi Renzo Group’s desire to continue to invest in new innovative products. Specifically, these projects basically refer to:

- new products for the Green Transportation segment, particularly for the After Market and OEM channels (also for new Heavy Duty solutions) and for Hydrogen mobility;
- new hydrogen and biomethane products for the Clean Tech Solutions segment.

## Performance of the Parent Company

In the first half of 2024, Landi Renzo S.p.A. generated revenues of Euro 69,117 thousand compared with Euro 70,916 thousand in the same period of the prior year. EBITDA totaled Euro -2,079 thousand (inclusive of Euro 2,804 thousand in non-recurring costs), compared with Euro -2,162 thousand at 30 June 2023 (of which non-recurring costs of Euro 2,362 thousand), while the net financial position was Euro -105,593 thousand (Euro -102,782 thousand, net of the effects

deriving from the application of IFRS 16 and the fair value of financial derivative contracts) compared with Euro -81,712 thousand at 31 December 2023 (Euro -77,186 thousand, net of the effects deriving from the application of IFRS 16 and the fair value of financial derivative contracts).

At the end of the six-month period, the Parent Company's workforce numbered 296 employees, basically in line with 31 December 2023 (287).

## STATEMENT OF RECONCILIATION BETWEEN THE DATA OF THE PARENT COMPANY'S FINANCIAL STATEMENTS AND THE DATA OF THE CONSOLIDATED FINANCIAL STATEMENTS

The following is a reconciliation statement between the results for the period and the capital and reserves of the Group with the corresponding values of the Parent Company.

(Thousands of Euro)	Shareholders' equity at 30/06/2024	Profit (loss) for the period 2024	Shareholders' equity at 30/06/2023	Profit (loss) for the period 2023
<b>RECONCILIATION STATEMENT</b>				
<b>Shareholder's equity and profit (loss) of the Parent Company</b>	<b>37,185</b>	<b>-12,520</b>	<b>68,124</b>	<b>-17,880</b>
Difference between the carrying amount of equity investments and pro rata value of the shareholders' equity of consolidated companies	16,341	1,214	20,608	130
Results achieved by investees	0	-7,294	0	-4,247
Elimination of the effects of intra-group commercial transactions	-566	35	-1,041	-36
Elimination of impairment loss on investments	0	0	0	1,138
Elimination of the effects of intra-group assets	-379	104	-471	-22
Other minor effects	0	0	-37	-17
<b>Shareholders' equity and profit (loss) from condensed half-year consolidated financial statements</b>	<b>52,581</b>	<b>-18,461</b>	<b>87,183</b>	<b>-20,934</b>
Shareholders' equity and profit (loss) of minority interests	3,440	-1,733	6,537	21
<b>Shareholder's equity and profit (loss) of the Group</b>	<b>49,141</b>	<b>-16,728</b>	<b>80,646</b>	<b>-20,955</b>

## 2.2. INNOVATION, RESEARCH AND DEVELOPMENT

Research and development activities during the first half of 2024 saw the continuation of new projects focusing in particular on systems and components for gas, biomethane and hydrogen, alternatives to fossil fuels that offer significant benefits and advantages, aside from new systems for the OEM - Mid & Heavy Duty channel.

## 2.3. SHAREHOLDERS AND FINANCIAL MARKETS

The Landi Renzo Group maintains constant dialogue with its Shareholders through a responsible and transparent activity of communication carried out by the Investor Relations office, with the aim of providing a clear explanation of the company's evolution. The Investor Relations office is also assigned the task of organizing presentations, events and "Road shows" that enable a direct relationship between the financial community and the Group's Top management. For further information and to consult the economic-financial data, corporate presentations, periodic publications, official communications and real time updates on the share price, visit the Investors section of the website [www.landirenzogroup.com](http://www.landirenzogroup.com).

The following table summarizes the main share and stock market data for the six-month period.

Price at 02 January 2024	0.4545
Price at 28 June 2024	0.2695
Maximum price 2024 (02 January 2024 - 28 June 2024)	0.4545
Minimum price 2024 (02 January 2024 - 28 June 2024)	0.2695
Market Capitalization at 30 June 2024 (thousands of Euro)	60,638
Group equity and minority interests at 30 June 2024 (thousands of Euro)	52,581
Number of shares representing the Share Capital	225,000,000

The share capital as at 30 June 2024 is made up of 225,000,000 shares with a nominal value of Euro 0.10 per share, for a total of Euro 22,500,000.00.

## 2.4. POLICY FOR ANALYZING AND MANAGING RISKS CONNECTED WITH THE ACTIVITIES OF THE GROUP

The Group is exposed to various risks associated with its activities, primarily in relation to the following types:

- External risks:
  - Russia-Ukraine conflict: on the basis of available information and the fact that exposure to the Russian market is limited for the Landi Renzo Group, there are no particular critical issues to be reported. In this regard, please note that the Group will continue to evaluate the upcoming developments of the conflict and the relative impacts, particularly on gas and energy costs.
  - Israel-Hamas conflict: on the basis of available information and the fact that the Landi Renzo Group has no direct activities in the areas concerned, there are no particular critical issues to be reported.
- Strategic risks relating to the macroeconomic and sector situation and recoverability of intangible assets, particularly goodwill. Intangible assets totaling Euro 103,934 thousand are reported in the condensed half-year consolidated financial statements at 30 June 2024 (including Euro 9,874 thousand for development expenditure, Euro 80,132 thousand for goodwill and Euro 13,928 thousand for patents and trademarks), in

addition to Euro 9,967 thousand for right-of-use assets and net deferred tax assets totaling Euro 8,500 thousand.

- Commercial risks, in detail:
  - a) risks relating to OEM customer relations;
  - b) the highly competitive context in which the Group operates;
  - c) product liability;
  - d) the protection of intellectual property.
- Operating risks, in detail:
  - a) scarcity of raw materials and parts;
  - b) operational continuity of plants;
  - c) availability of human and technical resources with adequate skills;
  - d) continuity of information systems and telecommunications.
- Financial risks, specifically:
  - a) Interest rate risk, linked to fluctuations in the interest rates applied on Group variable-rate loans;
  - b) Exchange rate risk, relating both to the marketing of products in countries outside the Euro area and to the conversion of financial statements of subsidiaries not belonging to the European Monetary Union for inclusion in the consolidated financial statements;
  - c) Credit risk related to non-fulfilment of contractual obligations by a customer or counterparty;
  - d) Liquidity risk, related to possible difficulties in meeting obligations associated with financial liabilities.
- Climate change risk: the Landi Renzo Group is highly committed to responding to the challenges of climate change to improve the Group's resilience and take advantage of the opportunities deriving from the transition to a low-carbon economy. In this regard, please refer to what is described in the Non-Financial Report at 31 December 2023.

The Half-Year Financial Report at 30 June 2024 does not include all the information on the management of the above-mentioned risks required for the annual financial statements, and should be read in conjunction with the Annual Financial Report prepared for the year ended 31 December 2023.

## 2.5. OTHER INFORMATION

### Impact of the Russia-Ukraine and Israel-Hamas conflict on the activities of the Landi Renzo Group

The Russia-Ukraine conflict is not having a significant direct impact on the activities of the Landi Renzo Group. Indeed, as far as the Green Transportation segment is concerned, these markets are residual, while for the Clean Tech Solutions segment, projects outstanding when the conflict began have been transferred to other countries. As regards the indirect impacts of the war, particularly the increase in energy and raw material prices, they are now basically behind us, although potential tensions remain in the market, which is still characterized by high volatility and higher prices than in the past.

No direct impacts on Group operations are expected from the Israel-Hamas conflict, as the Landi Renzo Group has no direct business in the areas involved. The conflict is indirectly affecting the supply chain, generating delays in the delivery

of materials that need to transit through the Suez Canal, resulting in the redefinition of global trade routes by sea and thus increasing transport costs.

These situations are contributing towards the continuation of uncertainties in the geopolitical, economic and financial context, requiring the Group to take the necessary steps to mitigate the resulting direct and indirect risks and impacts.

### **Transactions with related parties**

The Landi Renzo Group deals with related parties at conditions considered to be arm's length on the markets in question, taking account of the characteristics of the goods and the services supplied.

Transactions with related parties include:

- the service contracts between Gireimm S.r.l. and Landi Renzo S.p.A. for rent of the property used as the operational headquarters of the company located in Corte Tegge - Cavriago;
- the service contracts between Gireimm S.r.l. and SAFE S.p.A. for rent of the property used as the operational headquarters of the company located in San Giovanni in Persiceto (Bologna);
- the service contracts between Gestimm S.r.l. and Landi Renzo S.p.A. for rent of the production plant on Via dell'Industria in Cavriago;
- the service contracts between Reggio Properties LLC, a company in which a stake is held by Girefin S.p.A., for the rents on properties used by the US company;
- the loan granted by Landi Renzo S.p.A. to the Indian joint venture Krishna Landi Renzo;
- supply of goods and services to the Indian joint venture Krishna Landi Renzo;
- supplies of products and materials to Clean Energy US, Clean Energy Fueling Services and Clean Energy Fuels.

### **Positions or transactions deriving from atypical and/or unusual transactions**

Pursuant to Consob communication no. 6064293 of 28 July 2006, note that during the period no atypical and/or unusual transactions occurred outside the normal operation of the company that could give rise to doubts regarding the correctness and completeness of the information in the financial statements, conflicts of interest, protection of company assets and safeguarding of minority shareholders.

### **Treasury shares and shares of parent companies**

In compliance with the provisions of Article 2428 of the Italian Civil Code, it is confirmed that during 2023 and the first half of 2024, the Parent Company did not negotiate any treasury shares or shares of parent companies and does not at present hold any treasury shares or shares of parent companies.

### **Sub-offices**

No sub-offices were established.

## 2.6. SIGNIFICANT EVENTS AFTER CLOSING OF THE SIX-MONTH PERIOD AND FORECAST FOR OPERATIONS

### Significant events after closing of the six-month period

- On 10 July 2024, the Board of Directors of Landi Renzo S.p.A. notified the market that it had received the acceptance of the banking sector to the review of its medium/long-term loan agreements as part of a capital strengthening operation involving the investment of the Business Protection Fund promoted by the Ministry of Enterprises and Made in Italy (MIMIT) and managed by Invitalia, Agenzia Nazionale per lo sviluppo in Landi Renzo S.p.A. This investment will take place by means of a share capital increase under option for a maximum total of Euro 25 million, guaranteed up to Euro 20 million by the majority shareholder GBD – Green by definition S.p.A. and, subject to the execution of the former for at least Euro 20 million, a share capital increase of Euro 20 million reserved to Invitalia.

In this regard, Landi Renzo S.p.A. has received:

- a notification from Invitalia concerning the approval by its Board of Directors of the investment in Landi Renzo, subject to several conditions precedent, including the successful outcome of the necessary ministerial authorization steps and the finalization of contractual documentation concerning the Financial Optimization Project;
  - acceptance by the banks providing the pool loans (Banco BPM S.p.A., Intesa Sanpaolo S.p.A. and UniCredit S.p.A.) of the proposed financial and capital optimization initiative. Indeed, all credit institutions approved the extension of credit line maturities, confirmed existing economic conditions and agreed on the definition of new covenant levels.
- On 17 July 2024, the Board of Directors of Landi Renzo S.p.A. approved the draft financial optimization project aimed at stabilizing the Company's capital structure and ensuring that the company will have the necessary resources for the implementation of the new five-year business plan. The approved maneuver is broken down into three steps:
    - I. a share capital increase under option for a maximum total of Euro 25 million, guaranteed up to Euro 20 million by the majority shareholder GBD – Green by definition S.p.A.; and
    - II. a share capital increase of Euro 20 million reserved to Invitalia;
    - III. a rescheduling of payments on the Company's outstanding medium/long-term financial debt to its lending banks.
  - Also on 17 July 2024, the Board of Directors of Landi Renzo S.p.A., after obtaining the non-binding favorable opinion of the Committee for Transactions with Related Parties, authorized the renewal of lease agreements with Gireimm S.r.l. (related party pursuant to the Related Parties Procedure as Gireimm S.r.l., along with Girefin S.p.A., companies owned by the Landi Trust, indirectly hold control over the Company through GBD Green by Definition S.p.A.) on the property for commercial and production use located in Cavriago (RE), as well as on the prefabricated units used for technical and technological systems serving the real estate complex for production use. The transaction was assessed as a "transaction with related parties of lesser significance" by the Committee for Transactions with Related Parties pursuant to what is set forth in the applicable regulations and rules.
  - On 17 July 2024, the employment relationship was consensually terminated with Mr Corrado Belicchi, Group Chief Operating Officer of Landi Renzo S.p.A., who no longer has any role in the Landi Renzo Group.
  - As most recently announced to the market on 23 July 2024, the Board of Directors of Landi Renzo S.p.A., considering the timing connected to the financial maneuver, as well as the signing of the relative agreements, updated the calendar of board and shareholders' meetings.

- On 1 August 2024, as part of and in execution of the financial maneuver approved on 17 July 2024 by the Board of Directors, GBD – Green by definition S.p.A., Invitalia, as well as, limited to certain conditions, Girefin S.p.A., Gireimm S.r.l. and Itaca GAS S.r.l., shareholders of GBD – Green by definition S.p.A., signed an investment agreement governing, inter alia, the execution of a share capital increase under option for the current shareholders of the Company for a maximum total of Euro 25 million, guaranteed up to Euro 20 million by the majority shareholder GBD – Green by definition S.p.A. and, subject to the execution of the first increase for at least Euro 20 million, a second share capital increase of Euro 20 million reserved to Invitalia, through the issue of unlisted special class shares, increases that will be subject to the approval of the competent corporate bodies.

The investment agreement establishes that at the date of execution of the reserved share capital increase, subject to the fulfilment of specific conditions precedent, (i) Girefin, Gireimm and Itaca GAS will sign a shareholders' agreement with Invitalia, which will govern certain commitments made by the shareholders of GBD – Green by definition S.p.A. with reference to the circulation of shares of GBD – Green by definition S.p.A.; (ii) GBD and Invitalia will sign a shareholders' agreement concerning the governance of Landi Renzo regarding, inter alia, the recognition to Invitalia of certain administrative rights concerning the special class shares it has subscribed, as well as the circulation of shares of the Company held by GBD – Green by definition S.p.A. and Invitalia; and (iii) Girefin S.p.A. and Gireimm S.r.l. will sign an amendment with Itaca GAS S.r.l. of the shareholders' agreement entered into on 14 July 2022 governing, inter alia, the circulation of shares of GBD – Green by definition S.p.A. and the governance of GBD – Green by definition S.p.A. and Landi Renzo.

- Also on 1 August 2024, the Company and the lending banks (i.e. UniCredit S.p.A., Intesa Sanpaolo S.p.A. and Sagitta SGR S.p.A., the latter having taken over for Banco BPM S.p.A.) also signed amendments of the medium/long-term pool loan agreements previously entered into on 29 June 2022 in order to implement the financial maneuver. Specifically, the repayment profile the pool loans was amended consistent with the generation of cash flows to service the debt pursuant to the 2024-2028 Business Plan, and the financial parameters set forth therein were reviewed accordingly, all with a confirmation of economic conditions in force. These amendments will become effective (with effect backdated to 28 June 2024) by 30 August 2024 after the conditions precedent set forth therein are met and will be subject to the condition subsequent, inter alia, of the completion of the share capital increase under option and the reserved share capital increase within the agreed timeframes.
- The Board of Directors of Landi Renzo S.p.A. approved the draft financial statements and the consolidated financial statements at 31 December 2023 on 5 August 2024 and the Interim Management Report at 31 March 2024 on 7 August 2024.

### Likely future developments

The slow decline in inflation at global level and the continuation of various conflicts will continue to impact the markets in which the Group operates in 2024 as well. The results for the first six months of the year suggest that a decline will be recorded for 2024 compared with the previous year 2023, with a strong management focus on the implementation of business initiatives and the completion of the financial strengthening activities required for development in the subsequent years of the plan. In the Green Transportation segment, results are expected to be aligned with or slightly lower than the year 2023, with a more balanced mix of sales between Aftermarket and OEM (Passenger car and Mid & Heavy Duty). In the Clean Tech Solutions segment, the increase in projects linked to the emerging biomethane, hydrogen and Oil & Gas markets continues. However, the still early stage of development of these new markets, along with the complexity of new products, significantly reduced the Value of Production in the first part of the year, so that a decrease compared with the previous year is forecast for year-end.

**Chief Executive Officer**

**Annalisa Stupenengo**

### 3. CONDENSED HALF-YEAR CONSOLIDATED FINANCIAL STATEMENTS AS AT 30 JUNE 2024

#### 3.1. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Thousands of Euro)			
ASSETS	Notes	30/06/2024	31/12/2023
<b>Non-current assets</b>			
Land, property, plant, machinery and other equipment	1	13,016	13,232
Development costs	2	9,874	9,987
Goodwill	3	80,132	80,132
Other intangible assets with finite useful lives	4	13,928	15,034
Right-of-use assets	5	9,967	11,945
Equity investments measured using the equity method	6	3,216	2,498
Other non-current financial assets	7	870	902
Deferred tax assets	8	8,500	8,745
Non-current assets for derivative financial instruments	9	25	39
<b>Total non-current assets</b>		<b>139,528</b>	<b>142,514</b>
<b>Current assets</b>			
Trade receivables	10	75,676	72,821
Inventories	11	73,426	76,260
Contract work in progress	12	14,757	17,377
Other receivables and current assets	13	18,032	17,355
Current financial assets	14	618	20,647
Cash and cash equivalents	15	18,771	26,495
<b>Total current assets</b>		<b>201,280</b>	<b>230,955</b>
<b>TOTAL ASSETS</b>		<b>340,808</b>	<b>373,469</b>

(Thousands of Euro)			
SHAREHOLDERS' EQUITY AND LIABILITIES	Notes	30/06/2024	31/12/2023
<b>Shareholders' equity</b>			
Share capital		22,500	22,500
Other reserves		43,369	77,596
Profit (loss) for the period		-16,728	-35,169
<b>Total Shareholders' equity of the Group</b>		<b>49,141</b>	<b>64,927</b>
Minority interests		3,440	5,277
<b>TOTAL SHAREHOLDERS' EQUITY</b>	16	<b>52,581</b>	<b>70,204</b>
<b>Non-current liabilities</b>			
Non-current bank loans	17	5,130	67,785
Other non-current financial liabilities	18	15,496	18,503
Non-current liabilities for rights of use	19	8,308	10,090
Provisions for risks and charges	20	5,819	6,244
Defined benefit plans for employees	21	3,317	3,257
Deferred tax liabilities	22	2,984	3,048
Non-current liabilities for derivative financial instruments	9	80	515
<b>Total non-current liabilities</b>		<b>41,134</b>	<b>109,442</b>
<b>Current liabilities</b>			
Bank financing and short-term loans	23	109,763	51,987
Other current financial liabilities	24	12,935	7,459
Current liabilities for rights of use	25	2,479	2,792
Trade payables	26	83,295	100,115
Tax liabilities	27	1,968	2,440
Other current liabilities	28	36,653	29,030
<b>Total current liabilities</b>		<b>247,093</b>	<b>193,823</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>		<b>340,808</b>	<b>373,469</b>

### 3.2. CONSOLIDATED INCOME STATEMENT

(Thousands of Euro)

<b>CONSOLIDATED INCOME STATEMENT</b>	<b>Notes</b>	<b>30/06/2024</b>	<b>30/06/2023 (restated)</b>
Revenues from sales and services	29	139,142	151,805
Other revenues and income	30	458	1,024
Cost of raw materials, consumables and goods and change in inventories	31	-84,737	-94,405
Costs for services and use of third-party assets	32	-29,956	-28,386
Personnel costs	33	-26,649	-25,124
Allocations, write-downs and other operating expenses	34	-1,962	-5,226
<b>Gross operating profit</b>		<b>-3,704</b>	<b>-312</b>
Amortization, depreciation and impairment	35	-7,770	-8,511
<b>Net operating profit</b>		<b>-11,474</b>	<b>-8,823</b>
Financial income	36	531	447
Financial expenses	37	-6,048	-5,399
Exchange gains (losses)	38	-257	-1,624
Net income (expenses) from hyperinflation	39	-812	-212
Income (expenses) from equity investments	40	-548	-27
Income (expenses) from joint ventures measured using the equity method	41	626	20
<b>Profit (loss) before tax</b>		<b>-17,982</b>	<b>-15,618</b>
Taxes	42	-479	-5,316
<b>Net profit (loss) for the Group and minority interests, including:</b>		<b>-18,461</b>	<b>-20,934</b>
Net profit (loss) of minority interests		-1,733	21
<b>Net profit (loss) of the Group</b>		<b>-16,728</b>	<b>-20,955</b>
Basic earnings (loss) per share	43	-0.0743	-0.0931
Diluted earnings (loss) per share	43	-0.0743	-0.0931

The figure at 30 June 2023 was restated with a view to aligning the comparative figure with the classifications used to draft the consolidated income statement closed at 30 June 2024.

### 3.3. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Thousands of Euro)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME		Notes	30/06/2024	30/06/2023
<b>Net profit (loss) for the Group and minority interests:</b>			<b>-18,461</b>	<b>-20,934</b>
<i>Profits (Losses) that will not be subsequently reclassified in the Income Statement</i>				
Remeasurement of employee defined benefit plans (IAS 19)	21		17	79
<b>Total Profits (Losses) that will not be subsequently reclassified in the income statement</b>			<b>17</b>	<b>79</b>
<i>Profits (Losses) that could be subsequently reclassified in the income statement</i>				
Measurement of investments with the equity method	6		93	-29
Fair value of derivatives, change for the period	10		308	36
Exchange rate differences from the translation of foreign operations	16		-278	2,147
<b>Total profits/losses that could subsequently be reclassified on the Income Statement</b>			<b>123</b>	<b>2,154</b>
<b>Profits (Losses) recorded directly in Shareholders' Equity after tax effects</b>			<b>140</b>	<b>2,233</b>
<b>Total Consolidated Income Statement for the period</b>			<b>-18,321</b>	<b>-18,701</b>
Net profit (loss) of the Group			-16,456	-19,271
Net profit (loss) of minority interests			-1,865	570

### 3.4. CONSOLIDATED CASH FLOW STATEMENT

(Thousands of Euro)

CONSOLIDATED CASH FLOW STATEMENT	30/06/2024	30/06/2023 (restated)
<b>Cash flows from operations</b>		
Pre-tax profit (loss) for the period	-17,982	-15,618
<i>Adjustments for:</i>		
Depreciation of property, plant and machinery	1,865	2,105
Amortization of intangible assets	4,244	4,696
Depreciation of right-of-use assets	1,661	1,710
Loss (Profit) from disposal of tangible and intangible assets	-76	-338
Share-based incentive plans	0	0
Impairment loss on receivables	338	869
Net financial (income) expenses	5,774	6,576
Net (income) expenses from hyperinflation	812	212
(Income) expenses from equity investments	548	27
(Income) expenses from joint ventures measured using the equity method	-626	-20
	<b>-3,442</b>	<b>219</b>
<i>Changes in:</i>		
Inventories and contract work in progress	5,455	1,086
Trade receivables and other receivables	-4,870	7,341
Trade payables and other payables	-14,062	-12,458
Provisions and employee benefits	-345	903
<b>Cash generated from operations</b>	<b>-17,264</b>	<b>-2,909</b>
Interest paid	-2,278	-3,520
Interest received	286	93
Taxes paid	-269	-420
<b>Net cash generated (absorbed) by operations</b>	<b>-19,525</b>	<b>-6,756</b>
<b>Financial flows from investments</b>		
Proceeds from the sale of property, plant and machinery	326	267
Purchase of property, plant and machinery	-1,880	-1,763
Purchase of intangible assets	-354	-211
Development costs	-2,672	-2,416
<b>Net cash absorbed by investment activities</b>	<b>-4,580</b>	<b>-4,123</b>
<b>Free Cash Flow</b>	<b>-24,105</b>	<b>-10,879</b>
<b>Financial flows from financing activities</b>		
Disbursements (reimbursements) of medium/long-term loans	-3,636	-252
Change in short-term bank debts	1,226	-218
Repayment of leases (IFRS 16)	-1,733	-1,898
<b>Net cash generated (absorbed) by financing activities</b>	<b>-4,143</b>	<b>-2,368</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>-28,248</b>	<b>-13,247</b>
Cash and cash equivalents at 1 January	26,495	62,968
Net decrease/(increase) in short-term deposits (*)	20,029	-25,000
Effect of exchange rate fluctuation on cash and cash equivalents	495	313
<b>Closing cash and cash equivalents</b>	<b>18,771</b>	<b>25,034</b>

(\*) Monetary time deposit loan granted

The figure at 30 June 2023 was restated with a view to aligning the comparative figure with the classifications used to draft the consolidated cash flow statement at 30 June 2024.

### 3.5. CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(Thousands of Euro)

	Share capital	Statutory reserve	Extraordinary and other reserves	Share premium reserve	Future share capital increase contributions	Profit (loss) for the year	Group shareholders' equity	Profit (Loss) attributable to minority interests	Capital and reserves attributable to minority interests	Total shareholders' equity
<b>Balance at 31/12/2022</b>	<b>22,500</b>	<b>2,250</b>	<b>13,462</b>	<b>67,119</b>	<b>8,867</b>	<b>-14,281</b>	<b>99,917</b>	<b>14</b>	<b>5,953</b>	<b>105,884</b>
Profit (loss) for the year						-20,955	-20,955	21		-20,934
Actuarial gains/losses (IAS 19)			79				79			79
Translation difference			1,598				1,598		549	2,147
Measurement of investments using the equity method			-29				-29			-29
Change in the cash flow hedge reserve			36				36			36
<b>Total overall profits/losses</b>	<b>0</b>	<b>0</b>	<b>1,684</b>	<b>0</b>	<b>0</b>	<b>-20,955</b>	<b>-19,271</b>	<b>21</b>	<b>549</b>	<b>-18,701</b>
Variation in the consolidation area							0		0	0
Allocation of profit			1,469	-15,750		14,281	0	-14	14	0
<b>Balance at 30/06/2023</b>	<b>22,500</b>	<b>2,250</b>	<b>16,615</b>	<b>51,369</b>	<b>8,867</b>	<b>-20,955</b>	<b>80,646</b>	<b>21</b>	<b>6,516</b>	<b>87,183</b>
<b>Balance at 31/12/2023</b>	<b>22,500</b>	<b>2,250</b>	<b>15,110</b>	<b>51,369</b>	<b>8,867</b>	<b>-35,169</b>	<b>64,927</b>	<b>-1,270</b>	<b>6,547</b>	<b>70,204</b>
Profit (loss) for the year						-16,728	-16,728	-1,733		-18,461
Actuarial gains/losses (IAS 19)			17				17			17
Translation difference			-145				-145		-132	-277
Valuation of investments using equity method			92				92			92
Valuation of cash flow hedge reserve			308				308			308
<b>Total overall profits/losses</b>	<b>0</b>	<b>0</b>	<b>272</b>	<b>0</b>	<b>0</b>	<b>-16,728</b>	<b>-16,456</b>	<b>-1,733</b>	<b>-132</b>	<b>-18,321</b>
Monetary revaluation (IAS 29)			670				670		28	698
Allocation of profit			-2	-35,167		35,169	0	1,270	-1,270	0
<b>Balance at 30/06/2024</b>	<b>22,500</b>	<b>2,250</b>	<b>16,050</b>	<b>16,202</b>	<b>8,867</b>	<b>-16,728</b>	<b>49,141</b>	<b>-1,733</b>	<b>5,173</b>	<b>52,581</b>

## **4. EXPLANATORY NOTES TO THE CONDENSED HALF-YEAR CONSOLIDATED FINANCIAL STATEMENTS AS AT 30 JUNE 2024**

### **4.1. GENERAL INFORMATION**

The Landi Renzo Group (the “Group”) has been active in the motor propulsion fuel supply system sector for more than sixty years: designing, producing, installing and selling environmentally-friendly LPG, CNG and hydrogen fuel supply systems (Green Transportation segment), and compressors for gas treatment and distribution (Clean Tech Solutions segment).

In the Green Transportation segment, the Group manages all phases of the process that leads to the production and sale of automotive fuel supply systems; it sells both to the main automobile manufacturers at a world-wide level (OEM channel) and to independent retailers and importers (After Market channel).

In the Clean Tech Solutions segment, the Group is present throughout the value chain for the distribution of natural gas, biomethane and hydrogen, through its subsidiary SAFE&CEC, which designs and distributes advanced systems for the compression and management of those gases from the “post-generation” phase to midstream and final distribution at fuel supply stations or in industrial applications.

The Parent Company of the Landi Renzo Group is Landi Renzo S.p.A. (the “Parent Company” or the “Company”) with registered office in Cavriago (RE), Italy, listed in the FTSE Italia STAR segment of the Milan Stock Exchange.

Landi Renzo S.p.A. is not subject to management or coordination, and GBD – Green By Definition S.p.A. with headquarters in Milan is the company that prepares the consolidated financial statements that include the data of Landi Renzo S.p.A. and its subsidiaries. These consolidated financial statements are available from the Milan Register of Companies.

These Condensed Half-Year Consolidated Financial Statements are subject to limited auditing by PricewaterhouseCoopers S.p.A.

### **4.2. GENERAL ACCOUNTING STANDARDS AND CONSOLIDATION PRINCIPLES**

#### **4.2.1. Structure and content of the condensed half-year consolidated financial statements**

The condensed half-year consolidated financial statements at 30 June 2024 have been prepared pursuant to Article 154-ter of Italian Legislative Decree 58/1998 (the “Consolidated Financial Law” or the “TUF”), in accordance with the provisions of international accounting standards (IAS/IFRS) adopted by the European Union, and, in particular, those of IAS 34 “Interim Financial Reporting”. As a partial exception to the provisions of IAS 34, this report provides detailed rather than summary tables in order to provide a clearer view of the economic-equity and financial dynamics over the six-month period. The explanatory notes are also presented in compliance with the information required by IAS 34 with the supplements considered useful for a clearer understanding of the half-year financial statements.

The Condensed Half-Year Consolidated Financial Statements at 30 June 2024, approved by the Board of Directors on 06 September 2024, must be read in conjunction with the Consolidated Annual Financial Statements at 31 December 2023.

The consolidation method for the financial statements of the Group companies is specified below in these notes.

The valuation criteria used for the preparation of the consolidated financial statements for the six months ending 30 June 2024 are consistent with those used for the consolidated financial statements at 31 December 2023.

In addition to the interim values of the Consolidated Income Statement and the Consolidated Statement of Comprehensive Income at 30 June 2024, the balance sheet figures for the year ending 31 December 2023 and the income statement figures at 30 June 2023 are included in the tables below for purposes of comparison.

The functional and reporting currency is the Euro. Figures in the statements and tables in these condensed half-year consolidated financial statements are in thousands of Euro, unless specified otherwise.

#### **4.2.2. Going Concern**

Over recent years, the Group's economic and financial performance has been negatively affected by, inter alia, a series of external events, including the COVID-19 pandemic and, more recently, the outbreak of the Russia-Ukraine conflict, which triggered turbulence in global energy trends (particularly in CNG and LNG prices), leading to growing inflationary pressures as well as difficulties in procuring certain raw materials, which has impacted both demand for the products supplied by the Group and the associated profit margins.

In this regard and with reference to the financial parameters to be tested 30 June 2023 and 31 December 2023 on the main Landi Renzo S.p.A. medium/long-term loans, please note that during the year the Company presented requests to the various financial institutions for waiver letters containing some specific requests for consent and/or exemption, particularly with reference to the failure to comply with the parameter on leverage (the "leverage ratio") at 30 June 2023 and the expected possibility of non-compliance with that ratio at 31 December 2023.

Following timely negotiations, on 11 September 2023 all of the lending banks issued waiver letters confirming their consent to the one-off exemption from that financial parameter with reference to the calculation dates of 30 June and 31 December 2023 ("covenant holiday"). Please also note that such waiver letters also required respect for additional conditions, including an update of the business plan, with the request that it be subjected to an Independent Business Review ("IBR") by an independent business advisor, as well as the establishment and maintenance of a balance of Group cash and cash equivalents at 31 December 2023 equal to a minimum amount no lower than Euro 38 million. Both of these conditions were met.

With regard to the financial parameters at 31 December 2023 established on the debenture loan issued by the subsidiary SAFE S.p.A. and subscribed by Finint (Finanziaria Internazionale Investments SGR S.p.A.), please note that on 29 December 2023, Finint SGR issued the relative waiver letter which provided a holiday period with reference to the financial covenants to be calculated as at 31 December 2023.

In July 2023, also in order to best tackle the complex macroeconomic scenario described in brief above, the Board of Directors of Landi Renzo S.p.A. co-opted Annalisa Stupenengo as Chief Executive Officer and General Manager of the Group, entrusting her with the task of preparing the new 2024-2028 business plan (the "Business Plan"), drafted with the support of a leading strategic consulting firm, which was approved by the Board of Directors of Landi Renzo S.p.A. on 23 January 2024. As requested by the lending banks, the Business Plan was subjected to an IBR by an independent business advisor, which confirmed the substantial sustainability of the relative assumptions and which, along with the absence of external events during the initial months of the year that could jeopardize the estimates made, permitted the Company's Board of Directors to confirm that Business Plan on 17 July 2024.

Furthermore, within this context, the management engaged a financial advisor to analyze the economic and financial situation of the Group and provide assistance in developing a financial structure reorganization and optimization strategy

(the “Financial Optimization Project”), while also initiating negotiations with the banking sector to redefine medium/long-term loan agreements. On 17 July 2024, the Board of Directors of Landi Renzo S.p.A. approved the Financial Optimization Project, giving the Chairman and Chief Executive Officer, separately, the necessary powers to sign documents relevant to the review of agreements with banks and to do what is necessary to execute them.

Considering the timing connected to the definition of the review of medium/long-term loan agreements with the banking sector and the reorganization and optimization of the inherent financial structure, the Board of Directors deemed it appropriate to update the calendar of board and shareholders’ meetings for the approval of the financial data at 31 December 2023 multiple times.

The Financial Optimization Project is based on three main guidelines:

1. a capitalization of Landi Renzo S.p.A. through the injection of new own funds to be carried out through a share capital increase under option for a total (including share premium) of up to Euro 25 million, by issuing ordinary shares, with regular dividend entitlement, guaranteed up to an amount of Euro 20 million by the current majority shareholder of Landi Renzo S.p.A., GBD - Green by Definition S.p.A. (“GBD”), to be offered as an option to shareholders of the Company pursuant to Article 2441 of the Italian Civil Code, and to be paid up by means of contributions in cash and through voluntary offsetting, pursuant to Article 1252 of the Italian Civil Code, with receivables due to subscribers from the Company (the “Share Capital Increase under Option”);
2. a capitalization of Landi Renzo S.p.A. through the injection of new own funds to be carried out through an indivisible paid share capital increase in cash reserved for Invitalia - Agenzia nazionale per l’attrazione degli investimenti e lo sviluppo d’impresa S.p.A. (“Invitalia”), in its capacity as manager of the “Fund for the protection of employment levels and the continuation of business activity”, - for a total (including share premium) of Euro 20 million, by means of the issue of unlisted special class shares convertible into ordinary shares at a ratio of 1:1, with the same characteristics as the ordinary shares outstanding, as well as certain administrative rights recognized by the articles of association (the “Reserved Share Capital Increase” and, along with the Share Capital Increase under Option, the “Transaction”); and
3. a rescheduling of payments on the Company’s outstanding medium/long-term financial debt to its lending banks (i.e. Intesa Sanpaolo S.p.A., UniCredit S.p.A. and Sagitta SGR S.p.A., on behalf of the closed-end alternative investment fund reserved for professional investors named “UTP Restructuring Corporate”, the latter having taken over for Banco BPM S.p.A. as of July 2024, jointly, the “Lenders”), which is consistent with the generation of operating cash flows to service the debt in light of the economic/financial projections set forth in the Business Plan, as well as the results of the sensitivity scenario prepared by the independent business advisor as part of the IBR.

Please note that, following the full payment of the Share Capital Increase under Option and the Reserved Share Capital Increase, expected by 31 December 2024, the Company will obtain new own funds for a maximum total of Euro 45 million and, in any event, no less than Euro 40 million.

As part of the above-mentioned process of reviewing the medium/long-term loan agreements with the banking sector, as well as the Transaction involving the Invitalia investment, on 5 August 2024 the Board of Directors acknowledged:

- the signing on 1 August 2024 of the investment agreement between GBD, Invitalia and, limited to certain contractual clauses, Gireimm S.r.l., Girefin S.p.A. and Itaca GAS S.r.l. (the “GBD Shareholders”), holding 100% of the share capital of GBD (the “Investment Agreement”), of which they received a copy signed by all parties concerned on 1 August 2024 which establishes, inter alia, GBD’s commitment to subscribe its pro rata share of the Share Capital Increase under Option (the “Guaranteed Minimum Share”), as well as to subscribe

any unopted rights after the auction, for a maximum of Euro 20 million, inclusive of the Guaranteed Minimum Share (the “Guaranteed Maximum Share”), under the terms and conditions set forth in the Investment Agreement, with the specification that the execution of the commitments to subscribe the Share Capital Increase under Option and the Reserved Share Capital Increase is subject to the following conditions (the “Conditions Precedent”):

- i) the approval by the Company’s Extraordinary Shareholders' Meeting of the assignment, pursuant to Article 2443 of the Italian Civil Code, to the Board of Directors of a delegation to carry out the Share Capital Increase under Option and the Reserved Share Capital Increase, establishing that the share subscription price, equal for both capital increases, will be determined by the Board of Directors close to the Share Capital Increase under Option subscription period;
  - ii) the exercise of the Delegation by the Company’s Board of Directors and the establishment of the subscription price of the ordinary shares and the special class shares according to the methodology and criteria set forth in the Investment Agreement;
  - iii) the approval by the Ordinary Shareholders' Meeting of the Company of the resolutions concerning the composition of the corporate bodies of Landi Renzo S.p.A. following the signing of the Investment Agreement;
  - iv) the adoption by the Extraordinary Shareholders' Meeting of Landi Renzo S.p.A. of the new Articles of Association and the Apostille which will establish that the amendments made to the Articles of Association will become effective only at the date of and in conjunction with the full subscription by Invitalia of the Reserved Share Capital Increase;
  - v) the determination of the value of Landi Renzo S.p.A. prior to the Share Capital Increase under Option by means of the fairness opinion drafted by an independent advisor engaged by Invitalia, which also takes into account an assessment, performed on the basis of a generally accepted methodology such as the internal rate of return or the net present value, of the return on investment or investment benchmarking, as well as the growth and development outlooks of the Landi Renzo Group and the sectors in which it carries on business - in order to verify that such value is equal to or higher than that which will be determined by the Board of Directors of Landi Renzo S.p.A. as part of the Transaction according to what is set forth in the Investment Agreement;
  - vi) the approval by Consob of the prospectus concerning the Transaction;
  - vii) the signing by the Company with the Lenders of binding agreements (albeit subject to conditions precedent) relating to the Financial Maneuver;
  - viii) the conclusion of the Share Capital Increase under Option with the subscription, if the terms and conditions set forth in the Investment Agreement are met, of the Guaranteed Maximum Share by GBD; and
  - ix) the issue of the POSI Policy and, for such purposes, the full payment of the relative premiums and costs by Landi Renzo S.p.A. according to what is set forth in the Investment Agreement;
- the fact that in July 2024, the Ministry of Enterprises and Made in Italy confirmed the lack of grounds to object to the acceptance of the relaunch program submitted by the Company to Invitalia and subsequently formalized in the above-mentioned investment agreement;
  - the signing, on 1 August 2024, of the amendment to the medium/long-term loan agreement for a total maximum of Euro 21 million entered into on 29 June 2022 between Landi Renzo S.p.A. and the Lenders, backed by an irrevocable first demand guarantee issued by SACE S.p.A., pursuant to Italian Decree Law No. 23/2020, and the amendment to the medium/long-term unsecured loan agreement for a total maximum of Euro 52 million entered into on 29 June 2022 also between Landi Renzo S.p.A. and the Lenders (jointly, the “Amendments”), of which they received a copy signed by all parties concerned on 1 August 2024 and which in particular call for (a) the rescheduling of current repayment plans; (b) a reset of the leverage ratio financial

parameter without prejudice to the fact that, with reference to the calculation dates of 30 June 2024 and 31 December 2024, the above-mentioned financial parameter will no longer be checked; (c) the introduction of the new Adjusted EBITDA financial parameter, to be tested exclusively with regard to the calculation dates of 30 June 2025 and 31 December 2025; and (d) with reference only to the loan agreement with the SACE guarantee, the introduction of a prohibition on the distribution of dividends and/or the acquisition of treasury shares for the entire year 2024, with the specification that the Amendments will become effective (with effect backdated to 28 June 2024) following the fulfilment of the conditions precedent set forth therein (the “Lender Conditions Precedent”) including, *inter alia*, GBD’s payment for a future capital increase of Landi Renzo S.p.A. in the amount of Euro 14,981,665.33 by 5 August 2024 (the “Payment”), and will also be subject to conditions subsequent including, *inter alia*, the failure to finalize the Transaction in the amount of at least Euro 40 million by 31 December 2024 (the “Condition Subsequent”). In this regard, please note that all Lender Conditions Precedent (considering that the above-mentioned future share capital increase payment has already been made) have been met to date;

- the signing, on 1 August 2024, by GBD and the GBD Shareholders of a commitment (the “Equity Commitment Letter”) calling for the irrevocable commitment of GBD and the GBD Shareholders to the Lenders, (i) subject to the approval of the Company’s draft financial statements at 31 December 2023 by the Company’s Board of Directors, to make the Payment by no later than 5 August 2024 (in this regard, please note that GBD made the Payment to the Company on 2 August 2024 in an amount equal to the Guaranteed Minimum Share corresponding to Euro 14,981,665.33); and (ii) subject to the fulfilment of the Conditions Precedent set forth in the Investment Agreement, with the exception of the Condition Precedent pursuant to point (viii) above, to subscribe the Guaranteed Minimum Share by means of offsetting with the Payment pursuant to Article 1252 of the Italian Civil Code, as well as to subscribe the Guaranteed Maximum Share under the terms and conditions set forth in the Investment Agreement.

In consideration of the fact that:

- the Share Capital Increase under Option and the Reserved Share Capital Increase represent a fundamental element of the Financial Maneuver;
- the finalization of the Share Capital Increase under Option and the Reserved Share Capital Increase is exposed to a complex procedural process due to the technical aspects established by the rules governing the market as well as the laws underlying the Investment Agreement, which includes Conditions Precedent, the fulfilment of some of which depends on the occurrence of events outside the Company’s control, such as obtaining a fairness opinion provided by an independent advisor engaged by Invitalia determining the value of Landi Renzo S.p.A. prior to the Share Capital Increase under Option and which confirms that such value is equal to or greater than that which will be determined by the Board of Directors of Landi Renzo S.p.A. for the purposes of the Transaction;
- at the present date, the fairness opinion mentioned above is unavailable and as a result it is not possible to “objectively” know what the independent advisor will decide;

it is believed that, if the Condition Precedent relating to the fairness opinion is not fulfilled by 31 December 2024, there is significant uncertainty which could give rise to doubts as to the company’s capacity to continue to operate as a going concern, as this circumstance could influence the success of the Share Capital Increase under Option and the Reserved Share Capital Increase and as a result of the financial maneuver as a whole.

Specifically with regard to the capacity of Landi Renzo S.p.A. to continue to operate as a going concern, the Board of Directors of the Company, on the basis of currently available information, also taking into account the forecasts included in the Liquidity Plan sent to the banking sector in execution of the agreement signed, believes that, as things currently

stand, there are no circumstances and/or elements that can lead to the assumption, aside from what is described above, that:

- in general, the Conditions Precedent will not be met with the planned timing;
- the fairness opinion of the independent advisor may indicate that the value of Landi Renzo prior to the Transaction (the fair value) is lower than that which will be determined by the Board of Directors of the Company as part of the Transaction, as the Company has elements available (such as, inter alia, the values resulting from the impairment test and the consolidated book shareholders' equity of the Company at 31 December 2023 and 30 June 2024) which lead it to believe that the fair value of the Company should be higher than the subscription price of the shares as part of the Transaction, also considering the fact that to determine the subscription price of the shares within the context of the Transaction, the Board of Directors will also take into account the trend in the Landi Renzo share price in the months leading up to the Transaction, which to date does not reflect the fair value of the Company according to the information available to the Company and with the specification that the price thus determined will be subject to a discount with respect to the TERP;
- the Transaction may not be completed by no later than 31 December 2024.

As a result, although there is significant uncertainty with regard to the application of the going concern assumption correlated with the fact that the condition precedent relating to the fairness opinion may not be met by 31 December 2024, no indicators or circumstances have emerged that could lead to the assumption that the value of Landi Renzo prior to the share capital increase resulting from the fairness opinion will be lower than that determined by the Board of Directors of Landi Renzo S.p.A. for the purposes of the share capital increases, and therefore, albeit with the uncertainty typical of analogous procedures, the use of the going concern assumption in the preparation of the Landi Renzo Group's condensed half-year consolidated financial statements at 30 June 2024 is deemed appropriate.

#### 4.2.3. Accounting standards

##### Amendments and revised accounting standards applied by the Group for the first time

The accounting standards adopted in preparing the condensed half-year consolidated financial statements at 30 June 2024 are consistent with those adopted for the preparation of the consolidated financial statements at 31 December 2023, with the exception of the adoption of the new accounting standards, amendments, improvements and interpretations applicable as of 1 January 2024 listed below.

EU endorsement regulation	Description
(EU) 2023/2822 20 December 2023	<p>The amendments to IAS 1 clarify the presentation of liabilities in company financial statements. In particular:</p> <ul style="list-style-type: none"> <li>- the classification of liabilities between current and non-current should be based on rights existing at the end of the period for which the reporting is prepared, and in particular the right to defer payment by at least 12 months;</li> <li>- the classification is not influenced by expectations concerning the entity's decision to exercise its right to defer payment relating to a liability;</li> <li>- the payment refers to the transfer to the counterparty of money, equity instruments, other assets or services.</li> </ul>

(EU) 2023/2579 21 November 2023	The amendment to IFRS 16 “Sale and Leaseback” clarifies how to account for a sale and leaseback transaction subsequent to the transaction date.
(EU) 2024/1317 16 May 2024	The additions to IAS 7 “Statement of cash flows” and IFRS 7 “Financial instruments: disclosures” clarify the characteristics of supplier finance arrangements (such as reverse factoring instruments) and define the information that needs to be provided on the impact of these arrangements on the company’s liabilities and cash flows (e.g., terms and conditions, carrying amount and line item in which financial payables are recognized, with an indication of those for which the finance provider has already paid off the corresponding portion of the trade payable, the range of payment due dates and comparable trade payables that are not part of a supplier finance arrangement).

The accounting principles and modifications to the accounting principles described above have not had significant effects on the Group’s financial statements.

#### Accounting standards, amendments and interpretations not yet applicable and not adopted in advance by the Group

The IASB made amendments to several international accounting standards issued previously and published new international accounting standards, for which the approval process has not yet been completed.

Date	Description
15 August 2023	On 15 August 2023, the IASB issued the amendment to IAS 21 “The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability”, which clarifies when a currency cannot be converted into another, how to estimate the exchange rate and the disclosure to be provided in the notes to the financial statements. The amendment comes into force on 1 January 2025 and early application is permitted.
9 April 2024	On 9 April 2024, the IASB issued IFRS 18 “Presentation and Disclosure in Financial Statements”, which will provide investors with more transparent and comparable information on the company’s financial performance, thus allowing for better investment decisions. IFRS 18 introduces three series of new requirements for improving reporting on the financial performance of companies and providing investors with a better basis for analyzing and comparing companies: better comparability in the income statement, more transparency of the performance measures defined by the management and a more useful grouping of information in the financial statements. IFRS 18 replaces IAS 1 - Presentation of Financial Statements and will be in force for annual reporting periods beginning on or after 1 January 2027. Early application is permitted.
9 May 2024	On 9 May 2024, the IASB issued IFRS 19 - Subsidiaries without Public Accountability: Disclosures, which allows subsidiaries to apply IFRSs with reduced disclosures. The application of IFRS 19 will reduce the costs of drafting the financial statements of subsidiaries while maintaining useful information for users of their financial statements.
30 May 2024	On 30 May 2024, the IASB issued amendments to IFRS 9 - Financial instruments and IFRS 7 - Financial instruments: disclosures, aimed at clarifying several interpretation issues emerging after the implementation of IFRS 9. The document proposes amendments connected to: - the settlement of financial liabilities using an electronic payment system;

	- the assessment of the contractual cash flow characteristics of financial assets, including those with environmental, social and governance (ESG) features.
18 July 2024	On 18 July 2024, the IASB published “Annual Improvements to IFRS Accounting Standards – Volume 11”, which includes clarifications, simplifications and corrections aimed at improving the consistency of different accounting standards, particularly IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7. The amendments will enter into force for financial years starting on or after 1 January 2026, with the possibility of early application.

The Group is evaluating the effects that the adoption of such standards may have on its financial statements.

#### **4.2.4. Consolidation procedures and valuation criteria**

The preparation of the Condensed Half-Year Consolidated Financial Statements requires the directors to apply accounting standards and methods that are sometimes based on difficult and subjective assessments and estimates derived from past experience and based on assumptions that are considered reasonable and realistic given the circumstances. Application of these estimates and assumptions affects the amounts presented in the financial statements, such as the Consolidated Statement of Financial Position, the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement, and in disclosures provided. Estimates are used in recognizing goodwill, impairment of fixed assets, development costs, taxes, provisions for bad debts and inventories write-down, employee benefits and other provisions. The estimates and assumptions are reviewed periodically and the effects of each variation are immediately reflected in the Income Statement.

However, some valuation processes, especially the more complex ones such as establishing any loss in value of non-current assets, are normally carried out to a fuller extent only during the preparation of the annual financial statements, when all the necessary information is available, except for those cases in which there are impairment indicators that require an immediate assessment of possible losses in value.

The Group performs activities that do not on the whole present significant seasonal variations, although there could be increases in sale volumes in the final part of the year, primarily due to supply contracts in the OEM channel which may have planned and differing delivery schedules in the individual quarters.

#### **4.2.5. Translation of the financial statements of foreign companies**

The financial statements in the currency of the foreign subsidiaries are converted into the accounting currency, adopting the half-year end exchange rate for the consolidated Statement of Financial Position and the average exchange rate over the six months for the Consolidated Income Statement. The conversion differences deriving from the adjustment of the opening Equity according to the current exchange rates at the end of the period, and those due to the different method used for conversion of the result for the period, are recorded in the Statement of Comprehensive Income and classified among other reserves.

The following table specifies the main exchange rates used for the conversion of financial statements expressed in currencies other than the accounting currency.

Exchange rate (Currency against the Euro)						
	At 30/06/2024	H1 Ave. 2024	At 31/12/2023	Average 2023	At 30/06/2023	H1 Ave. 2023
Real – Brazil	5.892	5.492	5.362	5.401	5.279	5.483
Renminbi – China	7.775	7.801	7.851	7.660	7.898	7.489
Rupee - Pakistan	298.019	301.506	310.429	302.433	311.261	294.426
Zloty – Poland	4.309	4.317	4.340	4.542	4.439	4.624
Leu - Romania	4.977	4.974	4.976	4.947	4.964	4.934
Dollar - US	1.071	1.081	1.105	1.081	1.087	1.081
Peso - Argentina	975.388	929.013	892.924	314.113	278.502	229.138
Peso - Colombia	4,463.000	4,238.831	4,267.520	4,675.001	4,545.455	4,960.430
Canadian Dollar - Canada	1.467	1.468	1.464	1.459	1.442	1.457
Nuevo Sol - Peru	4.102	4.055	4.082	4.047	3.948	4.061
Rupee - India	89.250	89.986	91.905	89.300	89.207	88.844

#### 4.3. SCOPE OF CONSOLIDATION

The scope of consolidation includes the Parent Company Landi Renzo S.p.A. and the companies in which it holds a direct or indirect controlling stake according to IFRS.

The consolidation scope has not experienced any changes compared with 31 December 2023.

The list of equity investments included in the scope of consolidation and the relative consolidation method is provided below.

Description	Registered Office	% stake at 30 June 2024		Notes
		Direct investment	Indirect investment	
<b>Parent Company</b>				
Landi Renzo S.p.A.	Caviago (Italy)	Parent Company		
<b>Companies consolidated using the line-by-line method</b>				
Landi International B.V.	Amsterdam (The Netherlands)	100.00%		
Landi Renzo Polska Sp.Zo.O.	Warsaw (Poland)		100.00%	(1)
LR Industria e Comercio Ltda	Rio de Janeiro (Brazil)	99.99%		
Beijing Landi Renzo Autogas System Co. Ltd	Beijing (China)	100.00%		
L.R. Pak (Pvt) Limited	Karachi (Pakistan)	70.00%		
Landi Renzo Pars Private Joint Stock Company	Tehran (Iran)	99.99%		
Landi Renzo RO S.r.l.	Bucharest (Romania)	100.00%		
Landi Renzo USA Corporation	Wilmington - DE (USA)	100.00%		
AEB America S.r.l.	Buenos Aires (Argentina)	96.00%		
Officine Lovato Private Limited	Mumbai (India)	74.00%		
OOO Landi Renzo RUS	Moscow (Russia)	51.00%		

SAFE&CEC S.r.l.	San Giovanni Persiceto (Italy)	51.00%	
SAFE S.p.A.	San Giovanni Persiceto (Italy)	100.00%	(2)
IMW Industries LTD	Chilliwak (Canada)	100.00%	(2)
IMW Industries del Perú S.A.C.	Lima (Peru)	100.00%	(3)
IMW Industries LTDA	Cartagena (Colombia)	100.00%	(3)
IMW Energy Tech LTD	Suzhou (China)	100.00%	(3)
IMW Industries LTD Shanghai	Shanghai (China)	100.00%	(3)
Metatron S.p.A.	Castel Maggiore (Italy)	100.00%	
Metatron Control System (Shanghai)	Shanghai (China)	84.00%	(4)
<b>Associates and subsidiaries consolidated using the equity method</b>			
Krishna Landi Renzo India Private Ltd Held	Gurugram - Haryana (India)	51.00%	(5)
<b>Other minor companies</b>			
Landi Renzo VE.CA.	Caracas (Venezuela)	100.00%	(6)
Lovato do Brasil Ind Com de Equipamentos para Gas Ltda	Curitiba (Brazil)	100.00%	(6)
EFI Avtosanoat-Landi Renzo LLC	Navoiy Region (Uzbekistan)	68.45%	(5) (6)
Metatron Technologies India Plc	Mumbai (India)	100.00%	(4) (6)

**Detailed notes on investments:**

- (1) Held indirectly through Landi International B.V.
- (2) Held indirectly through SAFE&CEC S.r.l.
- (3) Held indirectly through IMW Industries LTD
- (4) Held indirectly through Metatron S.p.A.
- (5) Company joint venture
- (6) Not consolidated as a result of their irrelevance

#### 4.4. SEGMENT REPORTING

The management has identified two Cash Generating Units (“CGUs”), coinciding with the operating segments in which the Landi Renzo Group operates, or:

- the **Green Transportation** CGU referring primarily to the design, manufacture and sale through the OEM and After Market channels of mechanical and electronic systems and components for the use of automotive gas (CNG - Compressed Natural Gas, LNG – Liquid Natural Gas, LPG, RNG – Renewable Natural Gas/Biomethane and Hydrogen) as well as, to a lesser extent, anti-theft alarms. This segment mainly includes the Landi Renzo, Metatron, AEB, Lovato and Med brands;
- the **Clean Tech Solutions** CGU, referring to the design and manufacture of compressors for the processing and distribution of gas (CNG, RNG and Hydrogen) as well as operations in the Oil&Gas market. The broad range of SAFE&CEC Group products makes it possible to satisfy multiple market requirements for the construction of automotive CNG, RNG and hydrogen distribution stations. This segment mainly includes the SAFE, IMW and Idro Meccanica brands.

Please see the “Segment Reporting” section of this Half-Year Financial Report for information by operating segment and by geographical area.

#### 4.5. EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The changes reported hereafter have been calculated on the balances at 31 December 2023 as regards balance sheet items and on the values of the first half of 2023 as regards income statement items.

##### NON-CURRENT ASSETS

##### 1. LAND, PROPERTY, PLANT, MACHINERY AND OTHER EQUIPMENT

The following is an analysis of changes in “Land, property, plant, machinery and other equipment” that took place during the first half of 2023:

(Thousands of Euro)

Net value	31/12/2022	Increases	Decreases	Depreciation	Other changes	30/06/2023
Land and buildings	2,229	96	0	-207	13	2,131
Plant and machinery	4,942	298	-28	-549	104	4,767
Industrial and commercial equipment	5,202	853	-286	-1,050	152	4,871
Other tangible assets	1,067	382	47	-299	-14	1,183
Assets in progress and payments on account	575	134	0	0	-250	459
<b>Total</b>	<b>14,015</b>	<b>1,763</b>	<b>-267</b>	<b>-2,105</b>	<b>5</b>	<b>13,411</b>

The following is an analysis of changes in “Land, property, plant, machinery and other equipment” that took place during the first half of 2024:

(Thousands of Euro)

Net value	31/12/2023	Increases	Decreases	Depreciation	Other changes	30/06/2024
Land and buildings	1,977	31	-67	-115	6	1,832
Plant and machinery	4,719	836	0	-495	491	5,551
Industrial and commercial equipment	4,572	231	-195	-931	79	3,756
Other tangible assets	1,315	363	-21	-324	32	1,365
Assets in progress and payments on account	649	419	0	0	-556	512
<b>Total</b>	<b>13,232</b>	<b>1,880</b>	<b>-283</b>	<b>-1,865</b>	<b>52</b>	<b>13,016</b>

Tangible assets showed an overall net decrease of Euro 216 thousand, from Euro 13,232 thousand at 31 December 2023 to Euro 13,016 thousand at 30 June 2024, after accounting for depreciation of Euro 1,865 thousand.

Increases for the half-year, amounting to Euro 1,880 thousand, primarily refer to the acquisition of molds and new production lines.

The item “Assets in progress and payments on account”, totaling Euro 512 thousand as at 30 June 2024 (Euro 649

thousand as at 31 December 2023), primarily includes works for investments in the completion phase, in assets expected to be used in the production process in the coming months.

The column “Other changes” includes, aside from reclassifications of assets under construction completed during the period to the relative item, the conversion differences on assets held by companies abroad.

## 2. DEVELOPMENT EXPENDITURE

An analysis of changes in development expenditure during the first half of 2023 is shown in detail below:

(Thousands of Euro)					
	31/12/2022	Increases	Amortization	Other changes	30/06/2023
Development costs	11,141	2,416	-3,203	-327	10,027

An analysis of changes in development expenditure during the first half of 2024 is shown in detail below:

(Thousands of Euro)					
	31/12/2023	Increases	Amortization	Other changes	30/06/2024
Development costs	9,987	2,672	- 2,769	-16	9,874

Development costs amounted to Euro 9,874 thousand (Euro 9,987 thousand at 31 December 2023) and include the costs incurred by the Group in relation to internal personnel and services provided by third parties, for projects meeting the requirements of IAS 38 to be capitalized.

Costs capitalized in the first half of 2024 totaled Euro 2,672 thousand (Euro 2,416 thousand at 30 June 2023).

Development expenditure in the first half of 2024 regarded: for the Green Transportation segment, the capitalization of development costs for projects relating to new products for the OEM and After Market channels, as well as for the Heavy Duty segment; for the Clean Tech Solutions segment, new hydrogen and biomethane products.

The analysis of the recoverability of the values recognized for development activities, which the Group attributes to specific projects, carried out by comparing the margins expected from sales of the products to which the above-mentioned costs refer, and the relative net carrying amounts at the date of 30 June 2024, did not bring to light any impairment.

## 3. GOODWILL

The item Goodwill totaled Euro 80,132 thousand and experienced no changes compared with 31 December 2023.

(Thousands of Euro)			
CGU	30/06/2024	31/12/2023	Change
Green Transportation	47,863	47,863	0
Clean Tech Solutions	32,269	32,269	0
<b>Total</b>	<b>80,132</b>	<b>80,132</b>	<b>0</b>

Considering the timing connected to the definition of the review of medium/long-term loan agreements with the banking sector and the reorganization and optimization of the inherent financial structure, the Board of Directors deemed it appropriate to update the calendar of board and shareholders' meetings for the approval of the financial data at 31 December 2023 multiple times, with the resulting approval on 5 August 2024 of the financial results at 31 December 2023 (which will be approved by the Shareholders' Meeting on 24 September 2024).

In preparation, on 23 July 2024, the Parent Company's Board of Directors approved the results of the annual impairment test conducted with the support of an independent third-party expert on the Group's goodwill in order to prepare the financial results at 31 December 2023, which brought to light no impairment losses.

These impairment tests were subject to specific sensitivity analyses, as required by valuation practice, which did not bring to light any critical elements with regard to the recoverable amount of the goodwill recognized.

Please also note that, in this regard, in order to further corroborate the results obtained, additional sensitivity analyses were performed which took into consideration:

- the results of the Independent Business Review ("IBR") performed by a leading independent business and strategic advisory firm on the 2024-2028 Business Plan;
- the forecast at 31 December 2024 prepared by the management, in order to take into consideration the preliminary results of the first 6 months of the year of the two CGUs.

The results of these sensitivity analyses also did not bring to light impairment losses with reference to the carrying amount of goodwill and in general of net invested capital at 31 December 2023.

As required by IAS 36, the Directors checked for the existence of impairment indicators with reference to the condensed half-year consolidated financial statements at 30 June 2024 and, taking into account the above, as well as the results for the first half of the year, did not believe it was necessary to perform impairment testing on the goodwill recognized in the condensed half-year consolidated financial statements at 30 June 2024.

In this regard, please note that on the basis of (i) the analysis of the significant events taking place during the half-year period and subsequent to the closure of the half-year period at 30 June 2024, (ii) the results of the above-mentioned impairment test on goodwill recognized in the consolidated financial statements at 31 December 2023, (iii) the fact that the analyses performed by the directors on 17 July 2024 confirmed the substantial sustainability of the relative assumptions of the 2024-2028 economic and financial plan approved by the Board of Directors on 23 January 2024, the data from which were used in the impairment test mentioned above, (iv) the trend in the average value of the stock market capitalization which as of 1 July 2024 stood at values no lower than the value of consolidated shareholders' equity at 30 June 2024, the Directors did not identify any events or circumstances leading them to assume the existence of impairment indicators. As a result, it was not deemed necessary to test goodwill for impairment again.

#### 4. OTHER INTANGIBLE ASSETS WITH FINITE USEFUL LIVES

Changes in other intangible assets with finite useful lives that occurred during the first half of 2023 are shown in detail below:

(Thousands of Euro)					
	31/12/2022	Increases	Amortization	Other changes	30/06/2023
Other intangible assets with finite useful lives	17,263	211	-1,495	152	16,131

Changes in other intangible assets with finite useful lives that occurred during the first half of 2024 are shown in detail below:

(Thousands of Euro)					
	31/12/2023	Increases	Amortization	Other changes	30/06/2024
Other intangible assets with finite useful lives	15,034	354	-1,475	15	13,928

Other intangible assets with finite useful lives decreased from Euro 15,034 thousand at 31 December 2023 to Euro 13,928 thousand at 30 June 2024, and include licenses for management application programs and relating to specific applications supporting research and development activities, in addition to the net value of trademarks owned by the Group, such as Lovato, AEB, SAFE, Metatron and other minor ones. These trademarks are currently in use, and are entered in the consolidated accounts according to the fair value at the time of purchase according to evaluations made by independent professionals, net of the accumulated amortization. These values are amortized over up to 20 years, the period deemed to represent the useful lifetime of the trademarks.

The decrease during the period, equal to Euro 1,106 thousand, is mainly due to amortization during the half-year.

#### 5. RIGHT-OF-USE ASSETS

Changes in right-of-use assets that occurred during the first half of 2023 are shown in detail below:

(Thousands of Euro)					
	31/12/2022	Increases	Depreciation	Other changes	30/06/2023
Buildings	12,741	1,093	-1,493	13	12,354
Plant and machinery	498	0	-50	43	491
Motor vehicles	379	248	-167	0	460
<b>Total</b>	<b>13,618</b>	<b>1,341</b>	<b>-1,710</b>	<b>56</b>	<b>13,305</b>

Changes in right-of-use assets that occurred during the first half of 2024 are shown in detail below:

(Thousands of Euro)					
	31/12/2023	Increases	Depreciation	Other changes	30/06/2024
Buildings	10,838	0	-1,452	-602	8,784
Plant and machinery	431	256	-61	0	626
Motor vehicles	676	28	-148	1	557
<b>Total</b>	<b>11,945</b>	<b>284</b>	<b>-1,661</b>	<b>-601</b>	<b>9,967</b>

Other changes are mainly linked to the early termination of the lease agreement relating to the warehouse building in San Polo (RE).

Furthermore, on 17 July 2024, the Board of Directors of Landi Renzo S.p.A., after obtaining the non-binding favorable opinion of the Committee for Transactions with Related Parties, authorized the renewal of lease agreements with Gireimm S.r.l. (related party pursuant to the Related Parties Procedure as Gireimm S.r.l., along with Girefin S.p.A., companies owned by the Landi Trust, indirectly hold control over the Company through GBD Green by Definition S.p.A.) on the property for commercial and production use located in Cavriago (RE), as well as on the prefabricated units used for technical and technological systems serving the real estate complex for production use. The transaction was assessed as a “transaction with related parties of lesser significance” by the Committee for Transactions with Related Parties pursuant to what is set forth in the applicable regulations and rules. The new lease agreement was signed on 25 July 2024.

## 6. EQUITY INVESTMENTS MEASURED USING THE EQUITY METHOD

This item, equal to Euro 3,216 thousand, includes the value of the Indian joint venture Krishna Landi Renzo, assessed using the equity method.

(Thousands of Euro)				
Equity investments measured using the equity method	31/12/2023	Increases	Decreases	30/06/2024
Krishna Landi Renzo	2,498	718	0	3,216
<b>Total</b>	<b>2,498</b>	<b>718</b>	<b>0</b>	<b>3,216</b>

The Indian joint venture was subject to an audit by the local tax and customs authorities, which identified a different interpretation for the purposes of the customs classification of certain products it imported in the 2019-2024 period. The management of the Indian company immediately worked to request an audit by two different leading advisors specialized in customs matters in the Indian market, which, after analyzing the associated documentation, confirmed that the actions of the company were consistent with the customs regulations in force in India. After the receipt on 13 August 2024 of the measure sent to the Indian company by the local tax and customs authorities, the management of the Indian company engaged a leading legal advisor to prepare the relative defense documents, also taking into account the results of the above-mentioned audits performed by the advisors engaged. Considering the foregoing and taking into account the information currently available, the directors of the Indian company decided that, although with the uncertainty typical of analogous procedures, as things currently stand the prerequisites are not met to recognize provisions in the financial statements of the Indian company with reference to this situation. The management of the Landi Renzo Group will continue to monitor the evolution of the audit currently being performed by the local Indian authorities in order to evaluate its effects in terms of risk at Landi Renzo Group level.

## 7. OTHER NON-CURRENT FINANCIAL ASSETS

This item breaks down as follows:

(Thousands of Euro)

<b>Other non-current financial assets</b>	<b>30/06/2024</b>	<b>31/12/2023</b>	<b>Change</b>
Loan to Krishna Landi Renzo	600	600	0
Guarantee deposits	262	294	-32
Other financial assets	8	8	0
<b>Total</b>	<b>870</b>	<b>902</b>	<b>-32</b>

Other non-current financial assets, amounting to Euro 870 thousand (Euro 902 thousand at 31 December 2023), primarily include the Euro 600 thousand loan disbursed in 2020 by the Parent Company to the joint venture Krishna Landi Renzo in order to finance current operations; this 5-year loan bears half-year interest at market rates.

## 8. DEFERRED TAX ASSETS

This item breaks down as follows:

(Thousands of Euro)

<b>Offsettable deferred tax assets and liabilities</b>	<b>30/06/2024</b>	<b>31/12/2023</b>	<b>Change</b>
Deferred tax assets	9,491	9,697	-206
Deferred tax liabilities	-991	-952	-39
<b>Total net deferred tax assets</b>	<b>8,500</b>	<b>8,745</b>	<b>-245</b>

Net deferred tax assets, totaling Euro 8,500 thousand (Euro 8,745 thousand at 31 December 2023), related to both temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding values recognized for tax purposes, and to the tax losses deemed to be recoverable on the basis of company plans, the realization of which is subject to the intrinsic risk of non-implementation inherent in its provisions.

As no significant events or circumstances emerged after 5 August 2024, the date of approval of the draft annual financial statements at 31 December 2023 of Landi Renzo S.p.A., which would lead to the assumption that the deferred tax assets recognized in these condensed half-year consolidated financial statements are unrecoverable, such deferred tax assets were considered recoverable in full.

Please also note that the Group's Italian companies did not recognize deferred tax assets on losses for the first half of 2024.

## 9. NON-CURRENT ASSETS, NON-CURRENT LIABILITIES FOR DERIVATIVE FINANCIAL INSTRUMENTS

The item includes the fair value measurement of financial derivative contracts signed by the Group, recognized under hedge accounting, i.e. with a contra-entry in other comprehensive income, as they meet the requirements laid out in IFRS 9.

The breakdown and changes in Non-current assets for derivative financial instruments are shown below:

(Thousands of Euro)

Non-current assets for derivative financial instruments	Fair value hierarchy	Notional	30/06/2024	31/12/2023	Change
<b>Derivatives on interest rates</b>					
Loans	2	1,000	25	39	-14
<b>Total</b>			<b>25</b>	<b>39</b>	<b>-14</b>

The breakdown and changes in Non-current liabilities for derivative financial instruments are shown below:

(Thousands of Euro)

Non-current liabilities for derivative financial instruments	Fair value hierarchy	Notional	30/06/2024	31/12/2023	Change
<b>Derivatives on interest rates</b>					
Loans	2	34,367	80	515	-435
<b>Total</b>			<b>80</b>	<b>515</b>	<b>-435</b>

The Parent Company entered into financial derivative contracts (IRSs) to cover 70% of the pool loan of Euro 52 million.

## CURRENT ASSETS

### 10. TRADE RECEIVABLES

Trade receivables, stated net of the related write-down reserve, are shown divided by geographical area below:

(Thousands of Euro)

Trade receivables by geographical area	30/06/2024	31/12/2023	Change
Italy	11,322	13,447	-2,125
Europe (excluding Italy)	26,700	22,362	4,338
America	20,686	10,763	9,923
Asia and Rest of the World	27,530	36,825	-9,295
Provision for bad debts	-10,562	-10,576	14
<b>Total</b>	<b>75,676</b>	<b>72,821</b>	<b>2,855</b>

Trade receivables totaled Euro 75,676 thousand at 30 June 2024, net of the provision for bad debts equal to Euro 10,562 thousand, compared with Euro 72,821 thousand at 31 December 2023.

The increase in this item, net of the effects deriving from the decline in turnover of the Clean Tech Solutions segment, can primarily be attributed to the disposals carried out by the Group by means of non-recourse factoring transactions with crediting on maturity. Pending negotiations with the banking sector for the signing of amendments to the main Group loans, credit assignments were temporarily suspended, while waiting for a new agreement to be signed, also within the context of the financial optimization transaction. At 30 June 2024, derecognized receivables stood at Euro 2.4 million, compared with Euro 15.8 million at 31 December 2023 and Euro 18.1 million at 30 June 2023.

There are no non-current trade receivables or receivables secured by collateral guarantees.

Receivables from related parties totaled Euro 10,838 thousand (Euro 6,888 thousand at 31 December 2023) and mainly related to supplies of goods to the joint venture Krishna Landi Renzo and the companies Clean Energy US and Clean Energy Fueling Services. All the related transactions are carried out at arm's length conditions.

The provision for bad debts, which was calculated using analytical criteria on the basis of the data available and, in general, of the historical trend, changed as follows:

(Thousands of Euro)					
Provision for bad debts	31/12/2023	Allocation	Uses	Other changes	30/06/2024
Provision for bad debts	10,576	338	-286	-66	10,562

The provisions recognized during the year, necessary in order to adjust the carrying amount of the receivables to their assumed recovery value, amounted to Euro 338 thousand (compared with Euro 869 thousand at 30 June 2023) and were allocated by the management by updating the assessments concerning the recoverability of Group receivables on the basis of information relating to the half-year.

The column "Other changes" includes translation differences.

The following table provides information on the maximum credit risk divided by past due credit classes, gross of the bad debt provision:

	Total	Not past due	Past due		
			0-30 days	30-60 days	60 and beyond
Trade receivables at 30/06/2024	86,238	51,593	7,665	3,036	23,944
Trade receivables at 31/12/2023	83,397	47,792	6,357	3,045	26,203

## 11. INVENTORIES

This item breaks down as follows:

(Thousands of Euro)			
Inventories	30/06/2024	31/12/2023	Change
Raw materials and parts	53,310	51,133	2,177
Work in progress and semi-finished products	16,178	19,335	-3,157
Finished products	15,636	18,150	-2,514
Inventory write-down reserve	-11,698	-12,358	660
<b>Total</b>	<b>73,426</b>	<b>76,260</b>	<b>-2,834</b>

Closing inventories totaled Euro 73,426 thousand, net of the inventory write-down reserve of Euro 11,698 thousand, a

decrease of Euro 2,834 thousand compared with 31 December 2023, especially thanks to the policies undertaken by the management aimed at inventory optimization, with ensuing benefits on cash flows for the period as well.

The Group estimated the size of the inventory write-down reserve so as to take account of the risks of technical obsolescence of inventories and to align the book value with their assumed recovery value. At 30 June 2024, this item totaled Euro 11,698 thousand, down compared with 31 December 2023 (Euro 12,358 thousand) following the scrapping of some materials that could no longer be marketed during the half-year period.

## 12. CONTRACT WORK IN PROGRESS

(Thousands of Euro)			
<b>Contract work in progress</b>	<b>30/06/2024</b>	<b>31/12/2023</b>	<b>Change</b>
Contract work in progress	14,757	17,377	-2,620
<b>Total</b>	<b>14,757</b>	<b>17,377</b>	<b>-2,620</b>

Contract work in progress, totaling Euro 14,757 thousand at 30 June 2024 (Euro 17,377 thousand as at 31 December 2023), refers in full to Clean Tech Solutions segment contracts in progress, stated using the percentage of completion method with the cost to cost criterion.

This decrease of Euro 2,620 thousand is mainly linked to delays in the receipt of orders during the early months of the half-year period, especially in North America.

## 13. OTHER RECEIVABLES AND CURRENT ASSETS

This item breaks down as follows:

(Thousands of Euro)			
<b>Other receivables and current assets</b>	<b>30/06/2024</b>	<b>31/12/2023</b>	<b>Change</b>
Tax assets	7,532	10,397	-2,865
Receivables from others	8,395	5,313	3,082
Accruals and deferrals	2,105	1,645	460
<b>Total</b>	<b>18,032</b>	<b>17,355</b>	<b>677</b>

Tax assets consist primarily of VAT recoverable from the tax authorities for Euro 4,411 thousand and income tax credit of Euro 2,660 thousand.

Receivables from others relate to payments on account to suppliers, credit notes to be received and other receivables. The increase over 31 December 2023 is due primarily to advances disbursed by the Group's Canadian branch SAFE&CEC to a major supplier for the supply of the strategic components required for several important projects.

Accruals and deferrals relate mainly to prepaid expenses for long-term business services, insurance premiums, leases, association fees and hardware/software maintenance fees paid in advance, in addition to costs incurred in advance on commercial projects which will have economic benefits starting from next half-year.

#### 14. CURRENT FINANCIAL ASSETS

(Thousands of Euro)			
<b>Current financial assets</b>	<b>30/06/2024</b>	<b>31/12/2023</b>	<b>Change</b>
Short-term time deposit	618	20,647	-20,029
<b>Total</b>	<b>618</b>	<b>20,647</b>	<b>-20,029</b>

To be able to have the necessary funds available to meet the commitments made (particularly the rescheduling plans agreed upon with suppliers), the Company had to request the early repayment compared with expected maturities of investments made in money market transactions in the form of a "time deposit".

#### 15. CASH AND CASH EQUIVALENTS

This item, consisting of the positive balances of bank current accounts and cash in hand in both Euro and foreign currency, is shown in detail below:

(Thousands of Euro)			
<b>Cash and cash equivalents</b>	<b>30/06/2024</b>	<b>31/12/2023</b>	<b>Change</b>
Bank and post office accounts	18,739	26,469	-7,730
Cash	32	26	6
<b>Total</b>	<b>18,771</b>	<b>26,495</b>	<b>-7,724</b>

Cash and cash equivalents totaled Euro 18,771 thousand (Euro 26,495 thousand at 31 December 2023). For analysis of the production and absorption of cash during the half-year, please refer to the Consolidated Statement of Cash Flows. The credit risk relating to Cash and cash equivalents is therefore deemed to be limited since the deposits are split over primary national and international banking institutions.

#### 16. SHAREHOLDERS' EQUITY

The following table provides a breakdown of shareholders' equity items:

(Thousands of Euro)			
<b>Shareholders' equity</b>	<b>30/06/2024</b>	<b>31/12/2023</b>	<b>Change</b>
Share capital	22,500	22,500	0
Other reserves	43,369	77,596	-34,227
Profit (loss) for the period	-16,728	-35,169	18,441
<b>Total Shareholders' equity of the Group</b>	<b>49,141</b>	<b>64,927</b>	<b>-15,786</b>
Capital and Reserves attributable to minority interests	5,173	6,547	-1,374
Profit (loss) attributable to minority interests	-1,733	-1,270	-463
<b>Total minority interests</b>	<b>3,440</b>	<b>5,277</b>	<b>-1,837</b>
<b>Total consolidated equity</b>	<b>52,581</b>	<b>70,204</b>	<b>-17,623</b>

The share capital stated as at 30 June 2024 is the fully subscribed and paid-up share capital of the company Landi Renzo S.p.A. which is equal to a nominal Euro 22,500 thousand, subdivided into a total of 225,000,000 shares, with a nominal value equal to Euro 0.10.

Consolidated shareholders' equity at 30 June 2024 shows a negative variation of Euro 17,623 thousand compared with 31 December 2023, mainly due to the loss for the period. For further details on the changes compared with 31 December 2023, please refer to the Consolidated Statement of Changes in Equity.

The other reserves are shown in detail below:

(Thousands of Euro)

<b>Other reserves</b>	<b>30/06/2024</b>	<b>31/12/2023</b>	<b>Change</b>
Statutory reserve	2,250	2,250	0
Extraordinary reserve and Other reserves	24,917	23,977	940
Share Premium Reserve	16,202	51,369	-35,167
<b>Total Other Reserves of the Group</b>	<b>43,369</b>	<b>77,596</b>	<b>-34,227</b>

The balance of the Statutory Reserve amounted to Euro 2,250 thousand, unchanged compared with 31 December 2023.

The Extraordinary Reserve and Other reserves increased by Euro 940 thousand mainly as a result of the following changes:

- the change in the translation reserve for a negative amount of Euro 145 thousand;
- the recognition, according to hedge accounting rules, of financial derivative contracts for a positive Euro 308 thousand;
- changes connected with the application of IAS 19 on employee benefits for a positive total of Euro 17 thousand;
- measurement of equity investments at equity for a positive amount of Euro 92 thousand;
- monetary revaluation due to hyperinflation (IAS 29) for a positive amount of Euro 670 thousand.

The Share Premium Reserve amounted to Euro 16,202 thousand and decreased following its partial use to cover the loss for the year 2023 of the Parent Company.

The minority interest represents the share of equity and result for the year attributable to minority interests of companies not owned in full by the Group.

## NON-CURRENT LIABILITIES

### 17. NON-CURRENT BANK LOANS

This item breaks down as follows:

(Thousands of Euro)			
<b>Non-current bank loans</b>	<b>30/06/2024</b>	<b>31/12/2023</b>	<b>Change</b>
Loans and financing	5,130	68,113	-62,983
Amortized cost	0	-328	328
<b>Total</b>	<b>5,130</b>	<b>67,785</b>	<b>-62,655</b>

While negotiations are underway with the banking sector in order to define the financial maneuver, details about which are provided in paragraph 4.2.2 “Going concern” in the notes, the leverage ratio financial parameter of the Parent Company’s main outstanding loans at 30 June 2024 was not respected. Following the above-mentioned negotiations, on 1 August 2024 the relative amendments were signed which, inter alia, called for a reset of the financial parameter, without prejudice to the fact that, with reference to the calculation dates of 30 June 2024 and 31 December 2024, this financial parameter will not be checked. As these agreements were signed after 30 June 2024, the financial payables relating to such loans were reclassified in full to current liabilities, consistent with international accounting standards.

The structure of debt to banks is exclusively at a variable rate indexed to the Euribor and increased by a spread aligned with the normal market conditions, partially hedged by financial derivatives.

The borrowing currency is the Euro, except for the loan provided in United States dollars by the Bank of Montreal, totaling USD 4 million. The loans are not secured by real collateral and there are no clauses other than the early payment clauses normally envisaged by commercial practice.

The annual repayment plan for loans and financing, based on the balances at 30 June 2024, is shown below.

<b>Maturities</b>	<b>Loans and financing</b>
2024 (H2)	81,016
2025 (H1)	2,753
Amortized cost	-428
<b>Current payables for loans and financing</b>	<b>83,341</b>
2025 (H2)	1,247
2026	1,883
2027	1,000
2028	1,000
2029	0
2030 and beyond	0
Amortized cost	0
<b>Non-current payables for loans and financing</b>	<b>5,130</b>
<b>Total</b>	<b>88,472</b>

Taking into account events taking place after the end of the year described above, the annual repayment plan for the Group's medium/long-term loans if the above-mentioned financial parameter had been met is shown below.

Maturities	Loans and financing
2024 (H2)	19,455
2025 (H1)	10,878
Amortized cost	-175
<b>Current payables for loans and financing</b>	<b>30,158</b>
2025 (H2)	9,372
2026	20,133
2027	26,750
2028	2,312
2029	0
2030 and beyond	0
Amortized cost	-253
<b>Non-current payables for loans and financing</b>	<b>58,314</b>
<b>Total</b>	<b>88,472</b>

Please note that the restatement mentioned above was carried out based on the amortization schedule of the loans subject to financial parameters outstanding at the closing date of these condensed half-year consolidated financial statements and does not take into account the contractual amendments subsequently agreed upon by the Parent Company with the banking sector.

### Financial Optimization Project

For a comprehensive description of the characteristics of the financial maneuver, the relative execution timing and the resulting effects on the use of the going concern assumption in this half-year financial report, please refer to section 4.2.2 "Going concern".

## 18. OTHER NON-CURRENT FINANCIAL LIABILITIES

At 30 June 2024, other non-current financial liabilities totaled Euro 15,496 thousand (Euro 18,503 thousand at 31 December 2023) and relate:

- for Euro 9,728 thousand (net of the amortized cost) to the non-current share of the loan taken out in March 2022 by Landi Renzo S.p.A. from Invitalia (Agenzia Nazionale per l'Attrazione degli Investimenti e lo sviluppo di impresa SpA) with a duration of 5 years - of which one year of pre-amortization - at a facilitated rate, drawn on the Fund Supporting Large Companies in difficulty - art. 37 of Italian Decree-Law no. 41/2021, Italian Interministerial Decree of 5 July 2021 and Italian Executive Decree of 3 September 2021;
- for Euro 4,375 thousand (net of the amortized cost) to the bond issued on 30 December 2021 by the subsidiary SAFE S.p.A. and subscribed by Finint;
- for Euro 750 thousand to the loans disbursed by Simest to the parent company Landi Renzo S.p.A. and the subsidiaries SAFE S.p.A. and Metatron S.p.A.;
- for Euro 643 thousand to the non-current portion of the financial payable of the subsidiary IMW Canada to the lessor of the Canadian plant for improvements made by that lessor on the building in which the company carries on business.

The annual repayment plan of other financial liabilities, both current and non-current, based on the balances at 30 June 2024, is shown below.

(Thousands of Euro)

Maturities	Other financial liabilities
H2 2024	8,577
H1 2025	4,376
Amortized cost	-18
<b>Other current financial liabilities</b>	<b>12,935</b>
H2 2025	2,975
2026	5,995
2027	6,055
2028	69
2029 and beyond	401
Amortized cost	1
<b>Other non-current financial liabilities</b>	<b>15,496</b>
<b>Total</b>	<b>28,431</b>

## 19. NON-CURRENT LIABILITIES FOR RIGHTS OF USE

This item breaks down as follows:

(Thousands of Euro)

	31/12/2023	Increases	Repayments	Other changes	30/06/2024
Buildings	11,738	0	-1,471	-334	9,933
Plant and machinery	464	256	-109	-316	295
Motor vehicles	680	28	-153	4	559
<b>Total</b>	<b>12,882</b>	<b>284</b>	<b>-1,733</b>	<b>-646</b>	<b>10,787</b>
of which current	2,792				2,479
of which non-current	10,090				8,308

## 20. PROVISIONS FOR RISKS AND CHARGES

This item breaks down as follows:

(Thousands of Euro)

Provisions for risks and charges	31/12/2023	Allocation	Utilization	Release	Other changes	30/06/2024
Provision for product warranties	4,668	1,234	-1,634	-27	-5	4,236
Provision for lawsuits in progress	302	0	-6	-63	-1	232
Provisions for pensions	30	0	0	0	2	32
Other provisions	1,244	100	-25	0	0	1,319
<b>Total</b>	<b>6,244</b>	<b>1,334</b>	<b>-1,665</b>	<b>-90</b>	<b>-4</b>	<b>5,819</b>

The item "Provision for product warranties" includes the best estimate of the costs related to the commitments that the Group companies have incurred as an effect of legal or contractual provisions, in relation to the expenses connected with providing product warranties for a fixed period of time starting from the sale thereof. This estimate was calculated with reference to the historical data of the Group, on the basis of specific contractual content. At 30 June 2024 this provision totaled Euro 4,236 thousand, after allocations of Euro 1,234 thousand. Uses of the provision for risks of the provision for product warranties, totaling Euro 1,634 thousand, are due to the coverage of warranty costs correlated with supplies provided in previous years.

## 21. DEFINED BENEFIT PLANS FOR EMPLOYEES

This item includes employee severance indemnity (TFR) funds set up in compliance with the regulations in force. The following is the overall change in defined benefit plans for employees:

(Thousands of Euro)

Defined benefit plans for employees	31/12/2023	Allocation	Utilization	Other changes	30/06/2024
Employee post-employment benefits	3,257	834	-778	4	3,317

Uses totaling Euro 778 thousand refer to amounts paid to employees who left the Group.

Actuarial assumptions used for valuations	30/06/2024
Demographic table	SIM2019 / SIF2019
Discount rate (Euro Swap)	3.50%
Probability of request for advance	2.50%
Expected % of employees who will resign before pension	9.70%
Maximum % of TFR (employee severance indemnity) requested in advance	70.00%
Annual cost of living increase rate	2.25%

## 22. DEFERRED TAX LIABILITIES

At 30 June 2024, deferred tax liabilities that did not meet the offsetting requirements for the purposes of IAS 12 totalled Euro 2,984 thousand (Euro 3,048 thousand at 31 December 2023), with a decrease of Euro 64 thousand.

(Thousands of Euro)

Offsettable deferred tax liabilities and assets	30/06/2024	31/12/2023	Change
Deferred tax liabilities	2,984	3,048	-64
<b>Total net deferred tax liabilities</b>	<b>2,984</b>	<b>3,048</b>	<b>-64</b>

Deferred tax liabilities relate primarily to temporary differences between the carrying amounts of certain intangible assets and the values recognized for tax purposes.

## CURRENT LIABILITIES

### 23. BANK FINANCING AND SHORT-TERM LOANS

This item breaks down as follows:

(Thousands of Euro)			
Bank financing and short-term loans	30/06/2024	31/12/2023	Change
Advances, import fin. and other current bank payables	26,421	33,296	-6,875
Loans and financing	83,770	18,876	64,894
Amortized cost	-428	-185	-243
<b>Total</b>	<b>109,763</b>	<b>51,987</b>	<b>57,776</b>

The item amounted to Euro 109,763 thousand (Euro 51,987 thousand at 31 December 2023) and consists of the current portion of existing unsecured loans and financing and of the utilization of short-term commercial credit lines.

While negotiations are underway with the banking sector in order to define the financial maneuver, details about which are provided in paragraph 4.2.2 “Going concern” in the notes, the leverage ratio financial parameter of the Parent Company’s main outstanding loans at 30 June 2024 was not respected. Following the above-mentioned negotiations, on 1 August 2024 the relative amendments were signed which, inter alia, called for a reset of the financial parameter, without prejudice to the fact that, with reference to the calculation dates of 30 June 2024 and 31 December 2024, this financial parameter will not be checked. As these agreements were signed after 30 June 2024, the financial payables relating to such loans were reclassified in full to current liabilities, consistent with international accounting standards.

### 24. OTHER CURRENT FINANCIAL LIABILITIES

This item, totaling Euro 12,935 thousand (Euro 7,459 thousand at 31 December 2023), includes primarily:

- Euro 3,903 (net of the amortized cost) for the current portion of the Invitalia loan;
- Euro 1,750 thousand for the current share of the debenture loan issued by the subsidiary SAFE S.p.A. and subscribed by Finint;
- Euro 300 thousand for the current portion of the financial payable of Landi Renzo S.p.A., Metatron S.p.A. and SAFE S.p.A. on loans disbursed by Simest;
- Euro 5,341 for the financial payable for recourse factoring assignments;
- Euro 68 thousand for the current portion of the financial payable of the subsidiary IMW Canada to the lessor of the Canadian plant for improvements made by that lessor on the building in which the company carries on business;
- Euro 1,350 thousand relating to a short-term loan received from a main OEM customer and aimed at the purchase of strategic components to manufacture products for that customer.

### 25. CURRENT LIABILITIES FOR RIGHTS OF USE

This item amounted to Euro 2,479 thousand (Euro 2,792 thousand at 31 December 2023) and relates to the current portion of right-of-use payables recognized in the financial statements following the application of the international

accounting standard IFRS 16 - Leases.

## 26. TRADE PAYABLES

Trade payables can be analyzed by geographical segment as follows:

(Thousands of Euro)			
<b>Trade payables by geographical area</b>	<b>30/06/2024</b>	<b>31/12/2023</b>	<b>Change</b>
Italy	65,678	75,091	-9,413
Europe (excluding Italy)	9,076	13,731	-4,655
America	4,743	5,973	-1,230
Asia and Rest of the World	3,798	5,320	-1,522
<b>Total</b>	<b>83,295</b>	<b>100,115</b>	<b>-16,820</b>

Trade payables totaled Euro 83,295 thousand, with a decrease of Euro 16,820 thousand compared with 31 December 2023. This downturn was caused by the decline in Clean Tech Solutions segment volumes and the repayment plans agreed upon at the end of last year with suppliers, which have been respected.

Trade payables to related parties are Euro 1,347 thousand and mainly refer to relations with the companies Gireimm S.r.l. and Gestimm S.r.l. for property lease payments. All the related transactions are carried out at arm's length conditions.

## 27. TAX LIABILITIES

At 30 June 2024 tax liabilities, consisting of total amounts payable to the tax authorities of the individual states in which the companies of the Group are located, totaled Euro 1,968 thousand, compared with Euro 2,440 thousand at 31 December 2023.

## 28. OTHER CURRENT LIABILITIES

This item breaks down as follows:

(Thousands of Euro)			
<b>Other current liabilities</b>	<b>30/06/2024</b>	<b>31/12/2023</b>	<b>Change</b>
Payables to welfare and social security institutions	2,464	2,550	-86
Other payables (payables to employees, to others)	10,888	7,862	3,026
Advance payments	21,169	16,381	4,788
Accrued expenses and deferred income	2,132	2,237	-105
<b>Total</b>	<b>36,653</b>	<b>29,030</b>	<b>7,623</b>

Other current liabilities totaled Euro 36,653 thousand, an increase of Euro 7,623 thousand compared with 31 December 2023. The increase essentially refers to the item Advance payments in the Clean Tech Solutions segment.

## INCOME STATEMENT

### 29. REVENUES

(Thousands of Euro)			
Revenues from sales and services	30/06/2024	30/06/2023 (restated)	Change
Revenues related to the sale of assets	135,263	149,210	-13,947
Revenues for services and other revenues	3,879	2,595	1,284
<b>Total</b>	<b>139,142</b>	<b>151,805</b>	<b>-12,663</b>

During the first half of 2024, the Landi Renzo Group achieved revenues of Euro 139,142 thousand, a decrease of Euro 12,663 thousand compared with the same six months of the previous year.

Revenues from related parties totaling Euro 6,243 thousand refer to supplies of goods and services to the joint venture Krishna Landi Renzo as well as the supply of goods to Clean Energy US, Clean Energy Fueling Services and Clean Energy Fuels.

### 30. OTHER REVENUES AND INCOME

This item breaks down as follows:

(Thousands of Euro)			
Other revenues and income	30/06/2024	30/06/2023 (restated)	Change
Grants	222	675	-453
Other income	236	349	-113
<b>Total</b>	<b>458</b>	<b>1,024</b>	<b>-566</b>

Other revenues and income totaled Euro 458 thousand (Euro 1,024 thousand at 30 June 2023), down by Euro 566 thousand compared with the same period of the previous year due to lower grants received in 2024.

### 31. COSTS OF RAW MATERIALS, CONSUMABLES AND GOODS

This item breaks down as follows:

(Thousands of Euro)			
Cost of raw materials, consumables and goods and change in inventories	30/06/2024	30/06/2023 (restated)	Change
Raw materials and parts	58,947	60,442	-1,495
Finished products intended for sale	24,319	32,081	-7,762

Other materials and equipment for use and consumption	1,471	1,882	-411
<b>Total</b>	<b>84,737</b>	<b>94,405</b>	<b>-9,668</b>

The total costs for purchases of raw materials, consumables and goods (including the change in inventories) amount to Euro 84,737 thousand (Euro 94,405 thousand at 30 June 2023), a decrease of Euro 9,668 thousand compared with 30 June 2023 correlated with the decline in turnover.

### 32. COSTS FOR SERVICES AND USE OF THIRD-PARTY ASSETS

This item breaks down as follows:

(Thousands of Euro)

Costs for services and use of third-party assets	30/06/2024	30/06/2023 (restated)	Change
Industrial and technical services	16,437	17,839	-1,402
Commercial, general and administrative services	9,774	8,203	1,571
Non-recurring strategic consultancy	2,869	1,549	1,320
Costs for use of third-party assets	876	795	81
<b>Total</b>	<b>29,956</b>	<b>28,386</b>	<b>1,570</b>

Costs for services and use of third-party assets amounted to Euro 29,956 thousand (Euro 28,386 thousand at 30 June 2023) with an increase of Euro 1,570 thousand and are inclusive of non-recurring costs relating to strategic consultancy (Euro 2,869 thousand).

The residual amount of costs for use of third-party assets in the income statement mainly relates to contracts eligible for the simplification options established by the standard, i.e. those relating to low-value assets or with a duration of 12 months or less.

### 33. PERSONNEL EXPENSES

This item breaks down as follows:

(Thousands of Euro)

Personnel costs	30/06/2024	30/06/2023 (restated)	Change
Wages and salaries, social security contributions and expenses for defined benefit plans	22,948	21,469	1,479
Temporary agency work and transferred work	2,471	3,056	-585
Directors' remuneration	340	347	-7
Non-recurring personnel costs and expenditure	890	252	638
<b>Total</b>	<b>26,649</b>	<b>25,124</b>	<b>1,525</b>

Personnel costs totaled Euro 26,649 thousand, an increase compared with the previous half-year period (Euro 25,124 thousand).

thousand). This increase was triggered by the strengthening of the Group's management structure, by hiring new professionals, and non-recurring costs for voluntary redundancy payments agreed upon with employees of Euro 890 thousand (Euro 252 thousand in the first six months of 2023).

The Group continues to heavily invest in highly specialized resources to support the increasing research and development performed for new products and solutions, capitalized when they meet the requirements laid out in IAS 38.

#### 34. ACCRUALS, WRITE-DOWNS AND OTHER OPERATING EXPENSES

Allocations, write-downs and other operating expenses totaled Euro 1,962 thousand (Euro 5,226 thousand at 30 June 2023). The significant provisions recognized in the first half of 2023 were primarily connected to extraordinary, non-recurring provisions for bad debts of roughly Euro 2 million for potential risks for service campaigns on OEM components for product warranties.

#### 35. AMORTIZATION, DEPRECIATION AND IMPAIRMENT

This item breaks down as follows:

(Thousands of Euro)			
<b>Amortization, depreciation and impairment</b>	<b>30/06/2024</b>	<b>30/06/2023 (restated)</b>	<b>Change</b>
Amortization of intangible assets	4,244	4,696	-452
Depreciation of tangible assets	1,865	2,105	-240
Depreciation of rights of use	1,661	1,710	-49
<b>Total</b>	<b>7,770</b>	<b>8,511</b>	<b>-741</b>

Amortization and depreciation amounted to Euro 7,770 thousand (Euro 8,511 thousand at 30 June 2023). No elements emerged from the analysis which revealed the need to change the useful lifetime of tangible and intangible assets.

#### 36. FINANCIAL INCOME

Financial income totaled Euro 531 thousand (Euro 447 thousand at 30 June 2023) and refers for the most part to interest income on bank deposits and short-term deposits.

#### 37. FINANCIAL EXPENSES

Financial expenses at 30 June 2024 amounted to Euro 6,048 thousand (Euro 5,399 thousand at 30 June 2023) and include bank interest charges, interest on loans, interest on factoring, actuarial losses deriving from the discounting of the TFR (employee severance indemnity) reserve and bank charges, in addition to the financial effect arising from the adoption of IFRS 16 - Leases (Euro 214 thousand). Financial expenses rose compared with the same period of the previous year and are a direct consequence of bank borrowing trends.

### 38. EXCHANGE GAINS AND LOSSES

The net exchange differences amounted to Euro -257 thousand (Euro -1,624 thousand at 30 June 2023), mainly due to losses connected to the depreciation of Latam area currencies.

At 30 June 2024, the Group did not have financial instruments hedging exchange rate risk.

### 39. NET INCOME (EXPENSES) FROM HYPERINFLATION

This item breaks down as follows:

(Thousands of Euro)	30/06/2024	30/06/2023 (restated)	Change
<b>Net income/(charges) from hyperinflation</b>			
Income from hyperinflation	138	160	-22
Expenses from hyperinflation	-950	-372	-578
<b>Total</b>	<b>-812</b>	<b>-212</b>	<b>-600</b>

Net expenses from hyperinflation totaling Euro 812 thousand (Euro 212 thousand at 30 June 2023) include the effect relating to the restatement of non-monetary assets and liabilities, shareholders' equity items and the Income statement components recognized in 2024 following the change in consumer prices in Argentina.

### 40. INCOME (EXPENSES) FROM EQUITY INVESTMENTS

Expenses from equity investments amounting to Euro -548 thousand (Euro -27 thousand as at 30 June 2023) consist of:

- (i) the adjustment of the payable to the minority shareholders of the Chinese company Metatron Shanghai for put & call options;
- (ii) the effects connected to the transaction in preparation for the closure of the company EFI (a company which is not consolidated due to its irrelevance) and the ensuing write-down based on the estimated realizable value.

### 41. INCOME (EXPENSES) FROM EQUITY INVESTMENTS MEASURED USING THE EQUITY METHOD

This item, totaling a positive Euro 626 thousand (a positive Euro 20 thousand as at 30 June 2023), includes the valuation using the equity method of the joint venture Krishna Landi Renzo.

### 42. TAXES

Taxes at 30 June 2024 totaled Euro -479 thousand, compared with a negative Euro 5,316 thousand at 30 June 2023. This change was essentially due to the write-down in the first half of 2023 of deferred tax assets on prior losses for Euro 5,860 thousand.

The Group's Italian companies prudently did not recognize deferred tax assets against losses recorded during the half.

#### **43. EARNINGS (LOSS) PER SHARE**

The “basic” earnings/loss per share were calculated by relating the net profit/loss of the Group to the weighted average number of ordinary shares in circulation in the period (225,000,000). The “basic” earnings per share, which correspond to the “diluted” earnings (loss) per share since there are no convertible bonds or other financial instruments with possible diluting effects, are Euro -0.0743. The earnings per share for the first half of 2023 were Euro -0.0931.

#### **OTHER INFORMATION**

#### **44. ANALYSIS OF THE MAIN DISPUTES IN PROGRESS**

At 30 June 2024, the Group was involved in proceedings, brought both by and against it, for non-significant amounts.

As described previously, the dispute initiated by the customs agency against the Indian joint venture Krishna Landi Renzo has not yet resulted in legal charges.

#### **45. TRANSACTIONS WITH RELATED PARTIES**

The Landi Renzo Group deals with related parties at conditions considered to be arm's length on the markets in question, taking account of the characteristics of the goods and the services supplied.

Transactions with related parties include:

- the service contracts between Gireimm S.r.l. and Landi Renzo S.p.A. for rent of the property used as the operational headquarters of the company located in Corte Tegge - Cavriago;
- the service contracts between Gireimm S.r.l. and SAFE S.p.A. for rent of the property used as the operational headquarters of the company located in San Giovanni in Persiceto (Bologna);
- the service contracts between Gestimm S.r.l. and Landi Renzo S.p.A. for rent of the production plant on Via dell'Industria in Cavriago;
- the service contracts between Reggio Properties LLC, a company in which a stake is held by Girefin S.p.A., for the rents on properties used by the US company;
- the loan granted by Landi Renzo S.p.A. to the Indian joint venture Krishna Landi Renzo;
- supply of goods and services to the Indian joint venture Krishna Landi Renzo;
- supplies of products and materials by IMW Canada to Clean Energy US, Clean Energy Fueling Services and Clean Energy Fuels.

The following table summarizes the relationships with related parties:

Company	Sales revenues	Revenues for services and other revenues	Purchase of finished products	Costs for use of third-party assets	Costs for services	(Expense) / Income from JVs measured using the equity method	Financial (expense) / income	Receivables	Payables	Loans
Gestimm S.r.l.	0	0	0	352	0	0	0	0	235	0
Krishna Landi Renzo India	3,474	574	0	0	0	0	9	6,174	66	600
Reggio Properties LLC	0	0	0	46	0	0	0	0	61	0
Gireimm S.r.l.	0	0	0	694	0	0	0	0	985	0
Autofuels	0	0	0	0	0	0	0	141	0	0
Clean Energy Fueling Services Corp	919	20	0	0	0	0	0	920	0	0
Clean Energy US	1,798	46	0	0	0	0	0	3,594	0	0
Wyoming Northstar Inc DBA Clean Energy Cryogenics	8	0	0	0	0	0	0	8	0	0
NG Advantage LLC	45	2	0	0	0	0	0	2	0	0
<b>Total</b>	<b>6,243</b>	<b>642</b>	<b>0</b>	<b>1,092</b>	<b>0</b>	<b>0</b>	<b>9</b>	<b>10,838</b>	<b>1,347</b>	<b>600</b>

#### 46. POSITIONS OR TRANSACTIONS DERIVING FROM ATYPICAL AND/OR UNUSUAL TRANSACTIONS

Pursuant to Consob communication no. 6064293 of 28 July 2006, note that during the first half of 2024 no atypical and/or unusual transactions occurred outside the normal operation of the company that could give rise to doubts regarding the correctness and completeness of the information in the financial statements, conflicts of interest, protection of company assets, safeguarding the minority shareholders.

#### 47. NON-RECURRING SIGNIFICANT EVENTS AND TRANSACTIONS

Pursuant to CONSOB communication no. 6064293 of 28 July 2006, it is stated that during the first half of 2024 no non-recurring significant events or transactions took place.

#### 48. SIGNIFICANT EVENTS AFTER CLOSING OF THE SIX-MONTH PERIOD

For the significant events that took place after the end of the half-year period, please refer to section 2.6 "Significant events after closing of the six-month period and forecast for operations" of the Interim report on operating performance in these condensed half-year consolidated financial statements at 30 June 2024.

**5. Certification of the condensed half-year consolidated financial statements pursuant to Article 154-bis of Italian Legislative Decree 58/98 and Article 81-ter of Consob regulation no. 11971 of 14 May 1999, as amended and supplemented**

- 1) Having regard to the provisions of Article 154-bis, paragraphs 3 and 4, of Italian Legislative Decree No. 58 dated 24 February 1998, the undersigned Annalisa Stupenengo, CEO, and Paolo Cilloni, Officer in charge of preparing the accounting documents of Landi Renzo S.p.A., certify:
  - the adequacy in relation to the relative corporate characteristics, and
  - the effective applicationof the administrative and accounting procedures for preparing the condensed half-year consolidated financial statements as at 30 June 2024.
  
- 2) There are no significant aspects to report in relation thereto;
- 3) We furthermore declare that:

The condensed half-year consolidated financial statements at 30 June 2024:

  - a) have been prepared in compliance with the international accounting standards issued by the International Accounting Standards Board and adopted by the European Commission in accordance with the procedure specified in Article 6 of Regulation (EC) no. 1606/2002 of 19 July 2002 of the European Parliament and Council
  - b) correspond with the accounting books and records
  - c) are capable of providing a true and correct representation of the asset, economic and financial situation of the issuer and of the companies included in the consolidation.
  
- 3.1) The interim report on operations includes a reliable analysis of the references to important events that occurred in the first six months of the year and to their impact on the condensed half-year consolidated financial statements, together with a description of the main risks and uncertainties for the remaining months of the year. The interim report on operations also includes reliable analysis of information on material transactions with related parties.

Cavriago, 06/09/2024

CEO

Annalisa Stupenengo

Officer in charge of preparing the  
company accounting documents

Paolo Cilloni



## REVIEW REPORT ON CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS AS OF 30 JUNE 2024

To the Shareholders of  
Landi Renzo SpA

### Foreword

We have reviewed the accompanying consolidated condensed interim financial statements of Landi Renzo SpA (hereinafter also the “Company”) and its subsidiaries (hereinafter also the “Landi Renzo Group”) as of 30 June 2024, comprising the consolidated statement of financial position, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated cashflow statement and related explanatory notes. The directors of the Company are responsible for the preparation of the consolidated condensed interim financial statements in accordance with the international accounting standard applicable to interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on these consolidated condensed interim financial statements based on our review.

### Scope of Review

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

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the consolidated condensed interim financial statements of Landi Renzo Group as of 30 June 2024 are not prepared, in all material respects, in accordance with the international accounting standard applicable to interim financial reporting (IAS 34) as adopted by the European Union.

#### *PricewaterhouseCoopers SpA*

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### Significant uncertainty regarding going concern

We draw attention to the fact described in the paragraph "General accounting standards and consolidation principles of the explanatory notes, where the directors of Landi Renzo SpA have illustrated the main reasons underlying the negative economic and financial performance of the Company and of the Group it heads, and the consequent process, started by the directors of Landi Renzo SpA and currently in progress, aimed at the reorganization and optimization of the financial structure of the Company and of the Group it heads (also referred to as the "Financial Optimization Project").

The aforementioned Financial Optimization Project provides:

1. a capital increase with option for a total amount (including share premium) up to Euro 25 million, guaranteed up to an amount equal to Euro 20 million by the current majority shareholder of Landi Renzo SpA, GBD - Green by Definition SpA, as per the irrevocable commitment issued by the aforementioned shareholder on August 1, 2024. In this regard, it is specified that in execution of the commitment, the majority shareholder of Landi Renzo SpA, on August 2, 2024, made a payment for a future capital increase of an amount equal to approximately Euro 15 million;
2. a capital increase reserve to Invitalia - Agenzia nazionale per l'attrazione degli investimenti e lo sviluppo d'impresa S.p.A -, as manager of the "Fund for the safeguarding of employment levels and the continuation of business activity", - for a total amount (including share premium) equal to Euro 20 million, as per the investment agreement signed with Invitalia on August 1, 2024. In this context, the directors have reported the fact that during the month of July 2024 the "Ministero delle Imprese e del Made in Italy" confirmed the absence of impediment on the acceptance of the relaunch program presented by the Company to Invitalia and subsequently formalized in the aforementioned investment agreement;
3. A rescheduling of the repayment terms of the Company's medium-long term financial debt related to existing loans, as per the amendment agreements of the financing contracts signed with the lending banks on 1 August 2024.

In this context, the directors of Landi Renzo SpA point out that the completion of the operation relating to the aforementioned capital increases (hereinafter also collectively the "Capital Increase"), which represents a resolute condition of the amendment agreements of the financing contracts, which according to the agreements with Invitalia and the banks must be concluded by 31 December 2024, is exposed to an articulated procedural process due to the technical aspects provided for by both the rules that regulate the market and those of law underlying the investment agreement with Invitalia. This agreement provides some Suspensive Conditions, the occurrence of some of which depends on the occurrence of events beyond the control of the Company, such as obtaining a "fairness opinion" issued by an independent advisor appointed by Invitalia that determines the value of Landi Renzo SpA prior to the Capital Increase and verifies that such value is equal to or greater than what will be determined by the Board of Directors of Landi Renzo SpA for the purposes of the Capital Increase.



Considering the fact that:

- the Capital Increase represents a fundamental element of the Financial Optimization Project;
- as of today, the aforementioned "fairness opinion" is unavailable and consequently it is not "objectively" possible to know what the determinations of the independent advisor will be;

the directors of Landi Renzo SpA believe that there is a significant uncertainty that may raise doubts about the company's ability to continue operating as a functioning entity, and that could have a fallout over the successful outcome of the Capital Increase and consequently on the Financial Optimization Project as a whole.

The directors believe that, even though there is significant uncertainty regarding the use of the going concern assumption related to the fact that the condition precedent related to the "fairness opinion" may not be met by 31 December 2024, no indicators or circumstances have raised that would lead to the assumption that the value of Landi Renzo prior to the capital increase resulting from the "fairness opinion" will be lower than what will be determined by the Board of Directors of Landi Renzo SpA for the purposes of the capital increase, and therefore, despite the typical uncertainties of similar procedures, they believe the use of the going concern assumption in the preparation of the consolidated condensed interim financial statements financial statements of Landi Renzo SpA as at 30 June 2024 is appropriate.

Our conclusion is not modified regarding this aspect.

Parma, 13 September 2024

PricewaterhouseCoopers SpA

*Signed by*

Nicola Madureri  
(Partner)

*This review 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.*