



I.L.P.R.A. GROUP

Interim Consolidated Financial Statements as at 30 June 2024

Financial statements prepared in accordance with Italian accounting standards



ILPRA S.p.A.

Innovative SME from 6.7.2018

Milano – Galleria Buenos Aires 13

Share Capital Euro 2,407,720 = i.v.

Tax Code, VAT Number and Milan Business Register Registration No. 01054200157

Economic and Administrative Directory of Milan n° 466339

www.ilpra.com

INDEX

CORPORATE BODIES.....	4
1. DIRECTORS' REPO.....	5
2. FINANCIAL STATEMENTS AS AT 31 DECEMBER 2023.....	23
2.1 Balance Sheet.....	23
2.2 Income Statement.....	24
2.3 Cash Flow Statement.....	27
3. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS.....	28
3.1 Drafting criteria.....	29
3.2 Consolidation technique.....	31
3.3 Assessment criteria.....	32
3.4 Detailed information on the Balance Sheet.....	34
3.5 Detailed information on the Income Statement.....	43
3.6 Other detailed information.....	48

CORPORATE BODIES

BOARD OF DIRECTORS¹

President and
CEO

Maurizio Bertocco

Administrators

Gianluca Apicella (Managing Director)

Paolo Arata (Managing Director)

Stefano Bertocco (Managing Director)

Carlo Alberto Carnevale Maffè (Independent Director)

Liborio Livio Portera (Managing Director)

Vittorio Vecchio (Managing Director)

Klaus Mattia Vignati (Managing Director)

Andrea Zini (Managing Director)

BOARD OF STATUTORY AUDITORS²

President

Alessandro Maruffi

Standing Auditors

Enzo Massignan

Antonio Pera

Alternate Auditors

Gianluca Arcidiacono

Andrea Panzarasa

AUDITING FIRM³

BDO Italia S.p.A.

¹ The Board of Directors of Ilpra Spa appointed on 29 April 2024 will remain in office for three financial years, until the Shareholders' Meeting that will be called to approve the Financial Statements for the year ended 31 December 2026.

² The Board of Statutory Auditors of the Company appointed on 29 April 2024 will remain in office for three financial years, until the Shareholders' Meeting that will be called to approve the Financial Statements for the year ended 31 December 2026.

³ Appointment conferred on 29 April 2024, by the Ordinary Shareholders' Meeting of the Company. The appointment was conferred for the statutory audit of the separate and consolidated financial statements for the financial years 2024, 2025 and 2026, pursuant to art. 13 of Legislative Decree 39/2010 and for the limited revision of the consolidated half-yearly report relating to each of the interim periods with closure until 30 June 2026.

1. REPORT ON OPERATIONS

Dear Shareholders,

We present the interim consolidated financial statements of your Group as at 30.06.2024, prepared in accordance with Italian accounting standards (OIC) with the application of IFRS 16 relating to the so-called "financial method" for leasing, and accompanied by this report, with which we wish to illustrate the Company's performance, both in terms of the period ended and in terms of the Group's expected prospects.

The period ended with a positive result of Euro 2,191,087, of which Euro 1,773,548 was attributable to the Group (and the rest of minority interests), after allocating depreciation and amortization of Euro 2,099,436 and provisions for income taxes of Euro 954,315.

This report, prepared with values expressed in thousands of Euro, is presented in support of the Consolidated Financial Statements in order to provide economic, financial and managerial information of the Group accompanied, where possible, by historical elements and practical evaluations.

Your Group is active in the production and sale of machinery for the packaging of food, cosmetic and medical products; It is one of the main players in the packaging sector thanks to its wide range of machines (tray-sealers, fillers, thermoformers, doypacks, dosing machines, weighers, packaging machines for beauty and end-of-line) and cutting-edge technological solutions. An innovative SME, it stands out for its continuous investments in R&D (on average 5.0 million Euros in the last 3 years) which have allowed it to develop innovative technologies and packaging techniques internally capable of promptly satisfying customer needs. The Group, with 334 employees, a vast network of salespeople and a presence in 8 countries (Italy, UK, Hong Kong, United Arab Emirates, Saudi Arabia, Russia, India and South Korea), achieves approximately 65% of its turnover abroad.

The international economic context

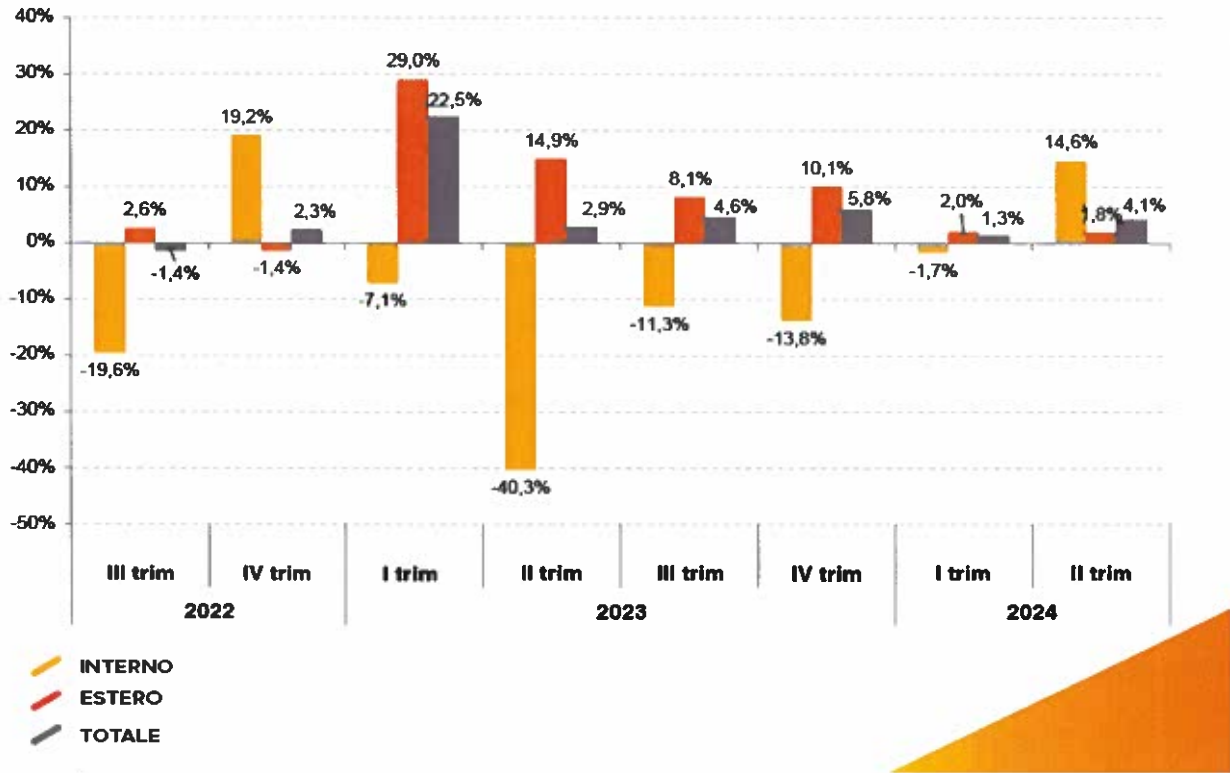
The preliminary UCIMA data shows the situation below for the first half of 2024.

During the first half of 2024, the trend in foreign turnover of Italian machinery manufacturers in the packaging sector, of which your Group is a part, has always maintained a positive sign, despite the growth percentages of +2.0% in the first quarter and +1.8% in the second quarter are well below what was expected from the market. The domestic market, negative in the first quarter -1.7%, grew in the second quarter to +14.6%.

The data for the first half of 2024, not very brilliant, penalized companies in the sector, as can be seen in "Graph 1 - Turnover at current prices", while already from the second quarter of 2024 there is a significant increase in orders with an average growth of +13%, of which domestic growth of +15.1% and foreign growth of +6.6%.

These figures bode well for the second half of 2024 and the 2025 financial year.

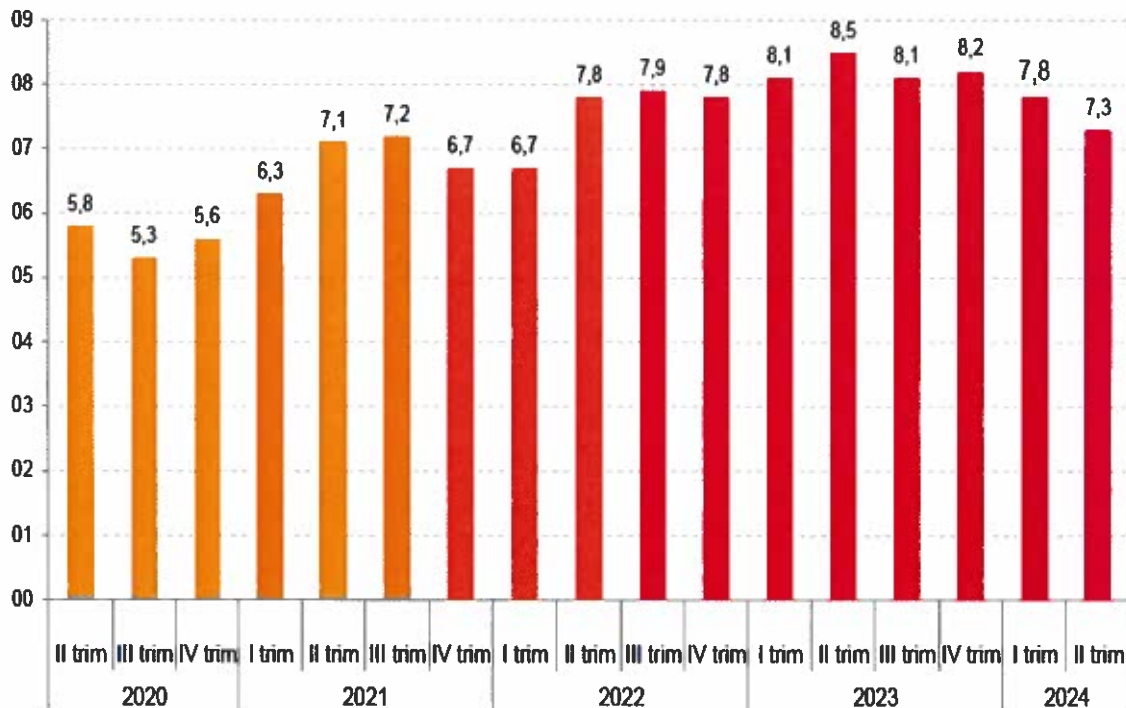
Grafico 1 - FATTURATO A PREZZI CORRENTI



Source: Ucima Quarterly Survey – Q2 2024

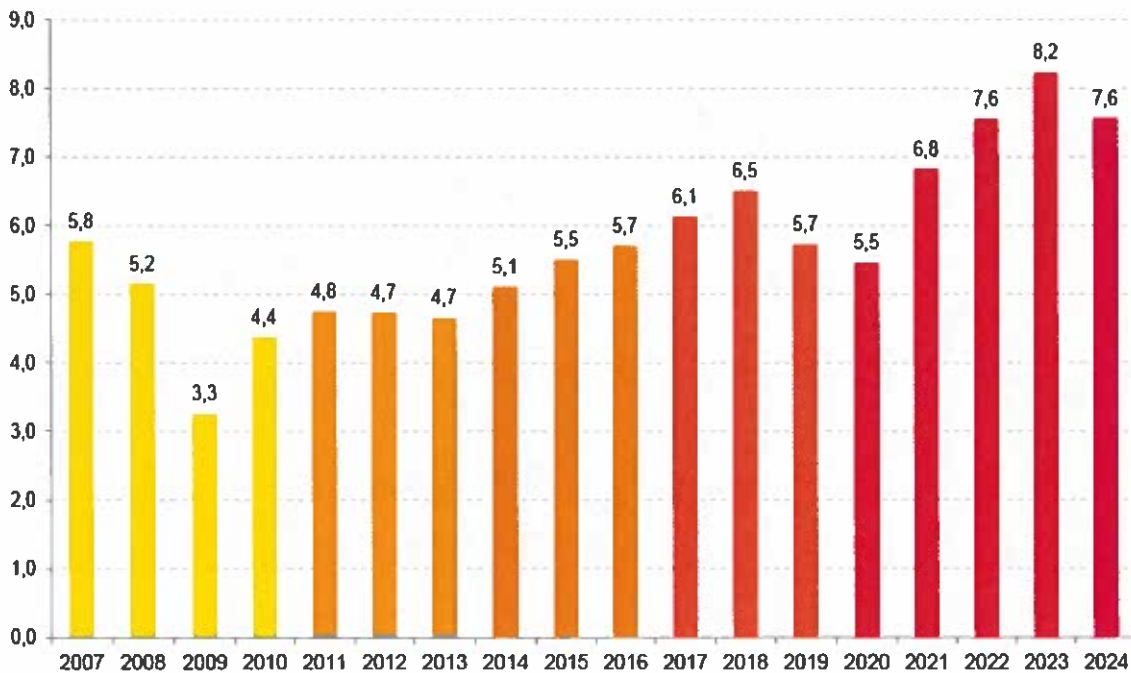
Below are the graphs, reproduced by UCIMA, which show the months of assured production and their annual average, down compared to 2023, but recovering in the second quarter of 2024.

Grafico 2 - MESI DI PRODUZIONE ASSICURATA



Source: Ucima Quarterly Survey – Q2 2024

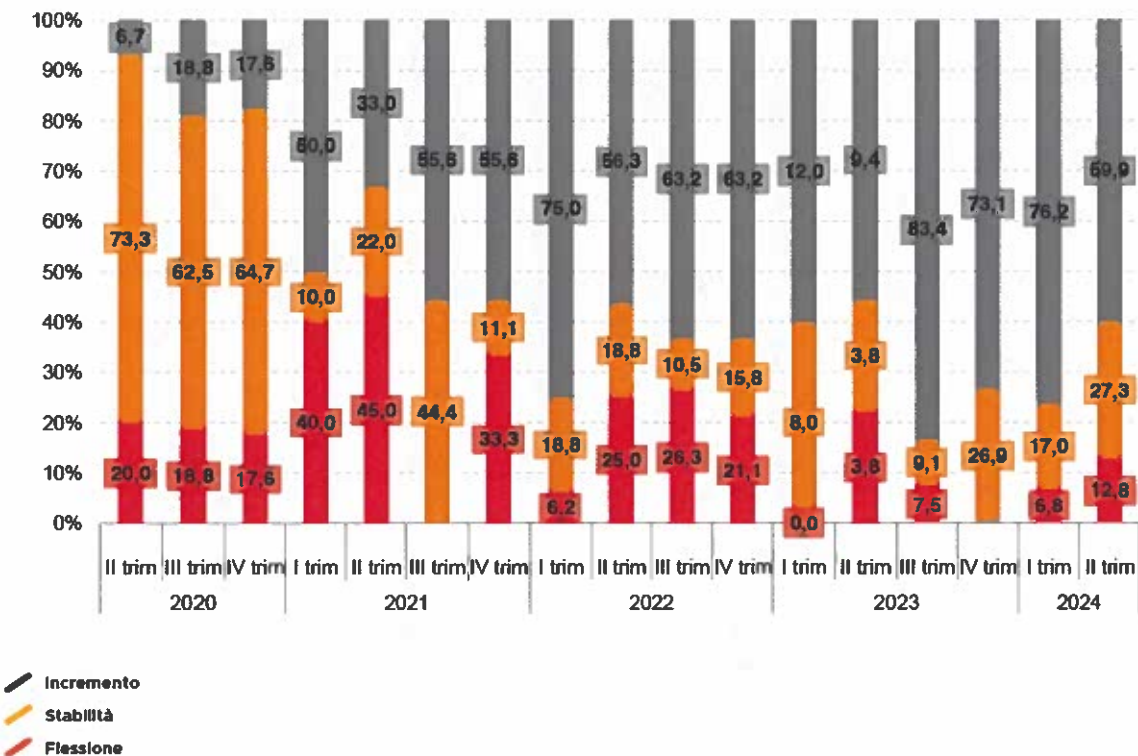
Grafico 3 - MESI DI PRODUZIONE ASSICURATA - media annua



Source: Ucima Quarterly Survey – Q2 2024

Below are the forecast graphs published by the UCIMA Studies Office, relating to the collection of orders on the Italian market (graph 4) and on the foreign market (graph 5), which show deep confidence in the recovery of both the domestic and especially foreign markets.

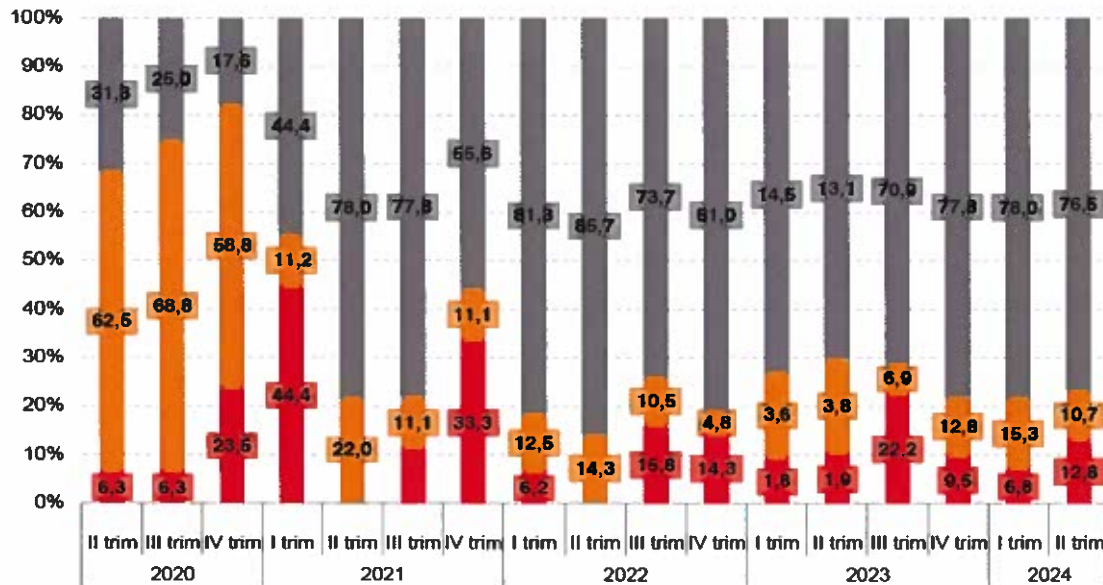
Grafico 4 - ASPETTATIVE ORDINI ITALIA PER IL TRIMESTRE SUCCESSIVO



Source: Ucima Quarterly Survey – Q2 2024

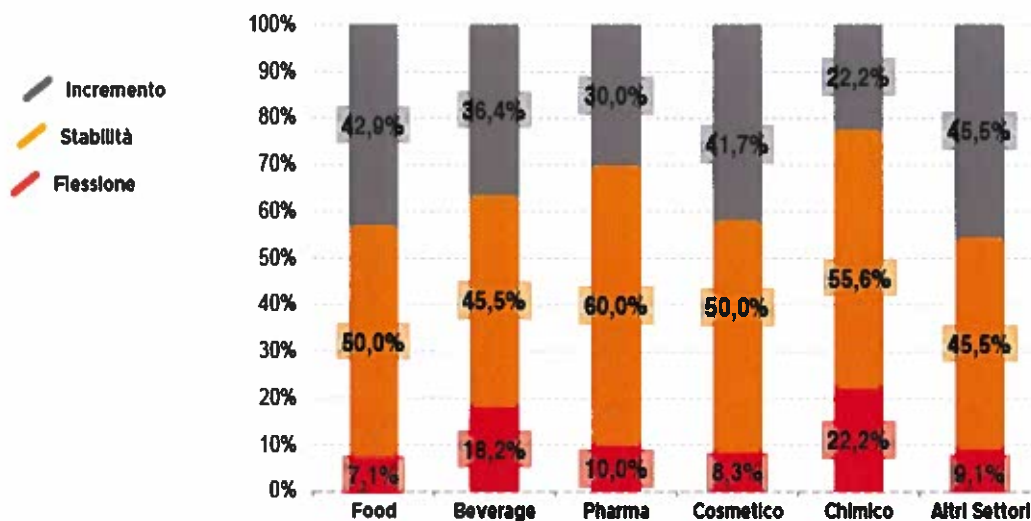
- Incremento
- Stabilità
- Flessione

Grafico 5 - ASPETTATIVE ORDINI ESTERI PER IL TRIMESTRE SUCCESSIVO



Source: Ucima Quarterly Survey – Q2 2024

Below is the graph of growth expectations for the third quarter of 2024 by sector, which shows a strong growth expectation for the Food and Cosmetics sector, sectors where the group produces about 95% of turnover.



Source: Ucima Quarterly Survey – Q2 2024

In light of the expectations described by UCIMA, the Group, strengthened by the experience and trust it enjoys among national and international customers, will certainly be able to take advantage of the opportunities that the market will be able to offer.

The consolidated companies of the Group did not exercise the right to suspend the annual depreciation of tangible and intangible assets.

Information on the conflict between Russia and Ukraine and the situation in the Middle East

With reference to the situation of conflict between Russia and Ukraine and the Middle East crisis, please refer to the section "Risks associated with the Group's international presence" of this report.

Significant events during the first half of 2024

Opening of ILPRA KOREA branch

On 8 January 2024, ILPRA S.p.A. opened a commercial branch in Daejeon, South Korea, called LLC ILPRA KOREA (유한회사 일프라코리아) is 60% owned by ILPRA S.p.A. and the remaining 40% by group managers.

The further strengthening of the Group's presence on foreign markets is part of a policy of strengthening the Group in geographical areas considered strategic and with high growth potential, as well as strengthening the sales network aimed at increasing commercial activities and, consequently, market shares.

The branch will bring ILPRA closer to customers in the area, providing technical support in the most significant projects and allowing it to react quickly to specific market demands.

Resolution of the Board of Directors to purchase the remaining 76.67% of ILPRA SYSTEM ESPANA

On 18 April 2024, the Board of Directors of ILPRA S.p.A., having taken note of the Information Document and the fairytale opinion of the Committee for Transactions with Related Parties, resolved to acquire the remaining 76.67% of the share capital of Ilpra System Espana S.L., granting the Chief Executive Officer Maurizio Bertocco the powers to proceed with the transaction.

The transaction will take place through: a capital increase, subscribed with waiver and related contribution of the trade receivable claimed by the Company as of December 31, 2023, amounting to Euro 2,140,093.00.

The shareholder Ilpra Group S.r.l. will not subscribe to the capital increase and therefore will not receive any income from 76.67% of the capital.

The direct management of the associated company will make it possible to strengthen its potential to fully seize the opportunities of a market with commercial volumes very close to those of the Italian market. In addition, the geographical and logistical location of the subsidiary, which is based in Catalonia, makes it an ideal aggregating hub in the Iberian packaging sector, able to exploit the add-on possibilities of other commercial and production companies on the Spanish market.

Finally, the strengthening of Spanish operations would also allow the establishment of an important "bridgehead" towards the Latin American market, with which it shares, in addition to the language, also the business culture, the financial system and some operating logics of the packaging sector.

The closing of the transaction is expected by the end of September.

Appointment of the Board of Directors and the Board of Statutory Auditors

On 29 April 2024, the Shareholders' Meeting of ILPRA S.p.A. renewed the Board of Directors and the Board of Statutory Auditors, confirming the 9 directors of which Maurizio Bertocco as Chairman and Chief Executive Officer and the 5 statutory auditors, of which 3 standing and 2 alternate, including the Chairman Dr. Alessandro Maruffi.

The choice made by the Shareholders' Meeting was dictated by the desire to give continuity to the company management.

Acquisition of the entire share capital of IVAXIA S.r.l.

On 2 May 2024, 100% of the share capital of IVAXIA S.r.l., a company active in the design and manufacture of fully customized precision trimming machines and special systems, was purchased. All production is designed and developed internally, thanks to the very high skills of the technical team in the field.

As of December 31, 2023, IVAXIA S.r.l. had a turnover of Euro 3.0 million (Euro 1.5 million in 2022), total assets of Euro 2.5 million (Euro 1.9 million in 2022) and a negative Net Financial Position of Euro 31 thousand (positive Euro 110 thousand in 2022).

Activation of the buy back plan

On 16 May 2024, the share buyback plan was launched, as resolved by the Shareholders' Meeting on 29 April 2024, proceeding to carry out purchases of treasury shares on the market (as specified below).

Merger by incorporation of IVAXIA S.r.l. and ELTEC S.r.l. into ILPRA S.p.A.

On 17 May 2024, the plan for the merger by incorporation of IVAXIA S.r.l. and ELTEC S.r.l. into ILPRA S.p.A., approved by the respective Administrative Bodies on 16 May 2024, was filed with the Companies Register of Milan, Monza Brianza and Lodi.

Since the mergers are 100% owned by the merging company, the simplified merger procedure referred to in art. 2505 of the Civil Code; It is not necessary to prepare the reports of the administrative bodies of the companies participating in the merger operation provided for by Article 2505-quinquies of the Civil Code, nor is the obligation to obtain the experts' report on the adequacy of the exchange ratio applicable. Pursuant to art. 2501-quarter, paragraph 2, of the Italian Civil Code, the financial positions of the companies participating in the merger are replaced by the related financial statements as at 31 December 2023.

For accounting and tax purposes only, the transactions of the companies that will be absorbed will be retroactively charged to ILPRA's financial statements, starting from the date of the first day of the current financial year to the date of filing of the merger deed with the Companies Register and therefore,

as of January 1, 2024.

This operation is aimed at simplifying the organisational structure and increasing efficiency in the management of activities through concentration and rationalisation of the structure, also achieving economies of scale, particularly in the purchase of products and raw materials.

On 2 July 2024, the Board of Directors of ILPRA S.p.A, and the Extraordinary Shareholders' Meetings of Eltec S.r.l. and Ivaxia S.r.l. before Notary Fabrizio Paini, Notary Public in Pavia, approved the Merger Plan by incorporation of Eltec S.r.l. ("Absorbed Company") and Ivaxia S.r.l. ("Absorbed Company") into ILPRA S.p.A. ("Incorporating Company"). the merger deed that will be formalized once 60 days have passed from the registration of the aforementioned resolution in the Register of Companies.

Significant events subsequent to the end of the year

Increase in the stake to 70.87% in the commercial subsidiary ILPRA SYSTEM UK Ltd

On 15 July 2024, ILPRA S.p.A. completed the purchase of 19.18%, equal to 11,500 shares of ILPRA SYSTEM UK Ltd, at a cost of 1,387,931, paid in cash.

This transaction, approved by the Board of Directors of the parent company on 3 June 2024, following the sale of the stake held by Brian O'Donoghue (14,500 shares, equal to 24.17% of the share capital of ILPRA System UK Ltd), the current manager of the company who, upon reaching the age limit, will leave the leadership of the British company in favour of Mike Portera, but it will continue to play a commercial role within it. The agreement provides for the sale of the shares as follows: 3,000 shares (4.99% of the share capital) to Mike Santo Valentino Portera; 11,500 shares (19.18% of the share capital) to ILPRA S.p.A.

ILPRA System UK Ltd, founded in 1990 and headquartered in Swindon (UK), reported in 2023 a turnover of 8.67 million British pounds, an EBITDA of 1.15 million British pounds and a negative Net Financial Debt (cash positive) of 2.72 million British pounds. The British company holds the following shareholdings: 95% of ILPRA Hong Kong; 100% of ILPRA Middle East LLC (the latter in turn holds 100% of ILPRA Arabia).

Centralization of the commercial management of the Asian market in the subsidiary "LLC ILPRA KOREA"

On 7 August 2024, ILPRA S.p.A. announced the activation of the closure procedure of the subsidiary "ILPRA HONG KONG Ltd", 95% owned by "ILPRA System UK Ltd", expected by the end of 2024. "ILPRA Hong Kong Ltd" achieved a turnover of HK 55 thousand dollars in 2023, a negative EBITDA of HK 232 thousand dollars and, as of December 31, 2023, had a positive cash Net Financial Debt of HK 307 thousand, constituting more of a representative office than a real operating branch, without the presence of a service and a spare parts warehouse.

The commercial management of the Asian market, strategic and with high growth potential, is entrusted to the subsidiary "LLC ILPRA Korea", established in January 2024 and based in Daejeon in South Korea.

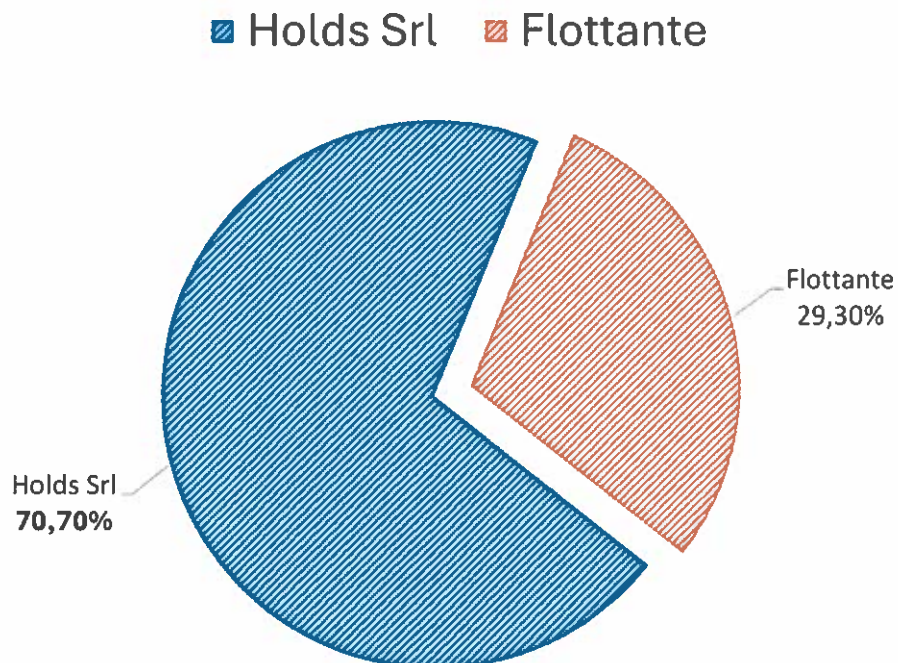
Increase in ILPRA SYSTEM ESPANA S.L.'s shareholding, at 99.36%

On 19 September 2024, ILPRA S.p.A. announced the increase in its 76.04% stake in ILPRA SYSTEM ESPANA S.L. The transaction took place through a capital increase, subscribed with waiver and related contribution of the trade receivable claimed by the company as of December 31, 2023 amounting to Euro 2,140,093.00.

Shareholder structure Company evolution during 2024

The table below shows the composition of the shareholder structure as of June 30, 2024.

It should be noted that, as of 30 June 2024, the Bertocco family holds directly and indirectly, through the company HOLDS S.r.l., a total share of 70.70% of the Company's share capital; therefore, also as a result of the above, the free float is equal to 29.30%.



Management and coordination activities

Pursuant to paragraph 5 of art. 2497-bis of the Italian Civil Code, it is hereby certified that the Parent Company is not subject to the management and coordination activities of others.

INCOME STATEMENT

To better understand the Group's operating result, a reclassification of the Income Statement is provided below.

The result for the year shows an almost stable situation in terms of sales revenues of -7% compared to the previous year, an EBITDA in line with that of the previous year, with an improvement in the EBITDA margin of 2% as a result of a better sales policy and an improvement in cost controlling.

EBIT fell by 10% due to the increase in depreciation and amortization, especially intangible assets and in particular the consolidation reserve generated by M&A transactions carried out in the previous year.

The change in inventories of finished and semi-finished products, increased by 93%; the increase in *stock* is typical of the interim period, in which the significant sales of July and the second half of the year are concentrated, which typically amount to 60% of revenues for the whole year.

The increase in the costs of services and personnel are the natural consequence of the structuring of the group and the companies belonging to it, so as to be able to face the challenges of the near future with more peace of mind.

CONSOLIDATED INCOME STATEMENT	30.06.2024	30.06.2023	Delta	Delta
(Data in Euro/000)				%
Sales Revenue	26.818	28.822	(2.004)	-7%
Changes in finished products and work in progress	5.794	3.002	2.792	93%
Increase in work in progress for internal works	500	1.170	(670)	-57%
Other revenues and income	702	556	146	26%
PRODUCTION VALUE	33.814	33.550	264	1%
Raw materials and semi-finished products	(13.086)	(14.572)	(1.486)	-10%
Services	(5.967)	(5.055)	912	18%
Use of Leasehold Assets	(553)	(486)	67	14%
Staff	(8.296)	(7.173)	1.123	16%
Change in raw materials	429	(4)	433	10825%
Miscellaneous operating costs	(412)	(324)	88	27%
PRODUCTION COSTS	(27.885)	(27.614)	271	1%
EBITDA	5.929	5.936	(7)	0%
<i>EBITDA Margin (%)</i>	<i>22,11%</i>	<i>20,60%</i>		<i>2%</i>
Depreciation	(2.099)	(1.701)	398	23%
Provisions for risks	(10)	(15)	(5)	-33%
Writedowns	(50)	(42)	8	19%
EBIT	3.770	4.178	(408)	-10%
<i>EBIT Margin (%)</i>	<i>14,06%</i>	<i>14,50%</i>		<i>0%</i>
Financial Management Balance	(625)	(190)	435	229%
Financial income	60	55	5	9%
Financial charges	(762)	(394)	368	93%
Gains/(Losses) on FX	40	132	(92)	-70%
Adjustments to financial assets	37	17	20	118%
PRE-TAX RESULTS	3.145	3.988	(843)	-21%
Taxes	(954)	(835)	119	14%
NET RESULT	2.191	3.153	(962)	-31%
- of which Group	1.774	2.461	(687)	-28%
- of which from Third Parties	417	692	(275)	-40%
<i>Net Profit Margin (%)</i>	<i>8,17%</i>	<i>10,94%</i>		<i>-2,77%</i>

STATEMENT OF FINANCIAL POSITION

In order to better understand the Group's financial position, a reclassification of the Balance Sheet is provided below.

CONSOLIDATED BALANCESHEET	30.06.2024	31.12.2023	Delta	Delta
(Data in Euro/000)				%
Inventories	31.539	25.591	5.948	23%
Receivables vs Customers	20.354	17.118	3.236	19%
Payables vs Suppliers	(9.457)	(9.113)	344	4%
Advances	(7.863)	(5.392)	2.471	46%
TRADE WORKING CAPITAL	34.573	28.204	6.369	23%
Other receivables and non-fixed assets	9.735	8.764	971	11%
Other payables	(5.767)	(4.711)	1.056	22%
Accrued income and deferred income	1.086	928	158	17%
Accrued expenses and deferred income	(4.311)	(3.731)	580	16%
NET WORKING CAPITAL	35.316	29.454	5.862	20%
Intangible assets	10.423	10.678	(255)	-2%
Property, plant and equipment	13.949	14.535	(586)	-4%
Financial fixed assets	595	651	(56)	-9%
NET FIXED ASSETS	24.967	25.864	(897)	-3%
GROSS INVESTED CAPITAL	60.283	55.318	4.965	9%
Severance pay fund	(3.677)	(3.707)	(30)	-1%
Provisions for Risks and Charges	(1.141)	(1.191)	(50)	-4%
NET INVESTED CAPITAL	55.465	50.420	5.045	10%
S.t. banks	15.244	13.358	1.886	14%
Debts v. banks and other finance. M/L Term	16.842	16.920	(78)	0%
Payables to other lenders at s.t.	464	464	-	0%
Total financial payables	32.550	30.742	1.808	6%
Cash equivalents	(12.299)	(14.678)	(2.379)	-16%
Securities held for trading	(644)	(558)	86	15%
NET FINANCIAL POSITION	19.607	15.506	4.101	26%
Share capital	2.408	2.408	-	0%
Reserves	31.259	26.012	5.247	20%
Profit for the year	2.191	6.494	(4.303)	-66%
EQUITY	35.858	34.914	944	3%
Group Shareholders' Equity	29.200	29.019	181	1%
Minority Interests	6.658	5.895	763	13%
TOTAL SOURCES	55.465	50.420	5.045	10%

The Consolidated Net Financial Debt as at 30 June 2024 is provided below:

<i>Net financial debt</i>	<i>30.06.2024</i>	<i>31.12.2023</i>	<i>Variazioni</i>	<i>Variazioni</i>
<i>(Data in Euro/000)</i>				<i>%</i>
A. Cash and cash equivalents	12.300	14.678	(2.378)	-16%
B. cash equivalents		-	-	
C. Other current financial assets	644	558	86	15%
D. Liquidity (A) + (B) + (C)	12.944	15.236	(2.292)	-15%
E. Current financial debt	15.245	13.358	1.887	14%
F. Current portion of non-current debt	464	464	-	0%
G. Current financial debt (E)+(F)	15.709	13.822	1.887	14%
H. Net current financial debt (G) - (D)	2.765	(1.414)	4.179	-296%
I. Non-current financial debt	16.842	16.893	(51)	0%
J. Debt instruments			-	
K. Trade payables and other non-current payables	-	27	(27)	-100%
L. Non-current financial debt (I) + (J) + (K)	16.842	16.920	(78)	0%
M. Net financial debt (H) + (L)	19.607	15.506	4.101	26%

Net Financial Debt was *cash negative* for Euro 19.6 million, worsening compared to the cash positive of Euro 4.1 million as of December 31, 2023.

The negative change is mainly due to the increase in inventories of Euro 5.9 million; This natural increase at the end of the first half of the year, as the companies of the group produce for the sales of the month of July, typically an important month for sales, and for the second half of the year which usually impacts sales for 60% of the total annual turnover.

Environmental information

Commitment to social and local responsibility issues is now an integral part of the Group's principles and behaviour, oriented towards technological excellence, the maintenance of high levels of safety, environmental protection, as well as training, awareness and involvement of personnel on social responsibility issues.

Environmental Litigation

The companies belonging to the Group do not currently have any civil or criminal litigation against third parties for damage caused to the environment or environmental crimes.

About Personnel Management

No significant information is reported regarding personnel management.

The average number of Group employees recorded as of June 30, 2024 was 334, up from December 31, 2023, which numbered 324.

The Group does not currently have any litigation against employees or former employees of any kind.

Safety

The Group operates in all its environments in compliance with the provisions of Legislative Decree 81/08 for the safety of workers.

The activity carried out in this field includes:

- the training of employees and collaborators;
- the carrying out of periodic medical examinations;
- the organization and training of the intervention teams required by the legislation;

- the continuous company monitoring of the RSPP;
- the preparation and dissemination of the documents of Legislative Decree 81/08.

In particular, the following initiatives were taken during the period:

- training course for ILPRA employees, faithful to the principle of continuous training, both for the development of role-specific skills and for training on corporate safety;
- periodic security meeting.

Research and development activities

During the first half of 2024, the Group, in continuity with what was carried out in 2023 and in previous years, continued its Research and Development and Technological Innovation activities aimed at significantly improving production techniques and the company's product range.

RISK MANAGEMENT

In carrying out its activities, the Group is exposed to risks and uncertainties, deriving from exogenous factors related to the general macroeconomic context or specific to the operating sectors in which it operates, as well as to risks deriving from strategic choices and internal management risks.

The identification and mitigation of these risks was systematically carried out, allowing timely monitoring and control of the risks that have arisen.

With reference to risk management, the Group has a centralised risk management, while leaving the identification, monitoring and mitigation of risks to functional responsibilities, also in order to be able to better measure the impact of each risk on business continuity, reducing its occurrence and/or containing its impact depending on the determining factor (whether or not it can be controlled by the Group).

Risk of raw materials and electronic components

Since the beginning of 2023, there has been a decrease in the price of raw materials, including steel and aluminum, raw materials that are fundamental to your Group's business. The prices of these goods are still above the pre-COVID period, but they are calming down, and even availability on the market is no longer a problem.

Credit Risk

Credit risk represents the exposure of the company to potential losses arising from the non-fulfilment of the obligations assumed by the counterparty. The monitoring of trade credit risk positions related to the normal performance of activities is guaranteed by the internal structure that defines the methodologies for quantification and control.

In light of the concrete solidity of its customers, mainly represented by leading industries in the food sector and by retailers with proven reliability, the Group does not present a high degree of credit risk. No significant insolvencies were reported for the past year.

Liquidity Risk

Liquidity risk represents the risk that, due to the inability to raise new funds or liquidate assets on the market, the company will not be able to meet its payment commitments, resulting in an impact on the economic result in the event that the company is forced to incur additional costs to meet its commitments or, as a last resort, a situation of insolvency that puts the company's business at risk. The Group's objective is to put in place a financial structure that guarantees an adequate level of liquidity, minimizing the related cost and maintaining a balance in terms of duration and composition of the debt.

Risks associated with the Group's international presence

The Group's presence in various international markets through the sale of products in various countries around the world, as well as its development strategy in new areas, exposes the Group to risks related to, among other things, the geo-political and macroeconomic conditions of the countries in which it operates and their possible variations, changes in regulatory and tax regimes. including the possible provision of customs duties and protectionist rules and/or limiting the possibility of investments by non-residents, competition with local operators, consumer preferences, exchange rate fluctuations and currency controls, as well as terrorist attacks, insurrections, military conflicts, political tensions and eco-terrorism.

The Russian-Ukrainian war, now underway since 24 February, has led world diplomacy to apply increasingly heavy economic sanctions against Russia, which has blocked the import of some goods from states it considers "enemies", including Italy.

These sanctions, combined with the perception of a different international political order than before 24 February 2022, could affect the Group's performance, with possible negative effects on its economic and financial position.

To date, despite the constant tightening of sanctions against Russia, it does not affect manufacturers of machinery for the primary packaging of food, pharmaceutical and medical goods, of which your company is the main producer.

The Parent Company holds a 70% stake in OOO ILPRA RUS, a commercial company based in Moscow, which is included in the consolidated tax scheme on a limited basis, with a turnover of approximately Euro 2.6 million (9.9% of consolidated revenues) and a profit of Euro 678 thousand (approximately 30% of consolidated profit).

OOO ILPRA RUS to date continues to operate regularly on the domestic market, without prejudice to the limits generated by international sanctions and the constraints imposed by the Russian government itself. For neighboring markets, on the other hand, normally served by the Russian branch, the Group's policy is to transfer customer management directly to the Group's Italian companies, in order not to incur sanctions or limitations on operations. In this complex scenario, however, there may be both risks of non-supply of sales material by the branch (since it may be difficult to ship machinery for subsequent resale), and the risk deriving from exacerbation sanctions against Russia. In view of this, the management of the Parent Company will continue to constantly monitor the evolution of both the economic and political situation in order to take all possible steps to take advantage of the measures necessary to safeguard and protect the value for its shareholders. So far, there have been no problems in transferring money from Russia to Italy.

Exchange rate risks

The Parent Company prepares its financial data in Euro, however, five Group companies are foreign and find themselves interfacing with markets whose currency differs from the Euro; Therefore, fluctuations in the exchange rate against the Euro could have negative effects on the Group's financial position.

Interest rate risks

During the year under review, the Group companies and the Parent Company itself accessed credit in order to manage current operations.

Rates have almost always been traded on a variable rate basis and it was not considered appropriate to hedge rates as the spread was already at high levels compared to previous years and from June 2024 a reduction in rates is expected, expected to fall further. Any increase in interest rates could make the Group's loans (existing and future) more expensive, with possible negative effects on the Group's economic and financial position.

Environmental risks

The Group companies and the Parent Company itself are located in areas not subject to environmental risks such as floods, earthquakes, landslides.

The climate changes that have occurred in recent years, which have generated torrential rains, sudden water bombs and tornadoes, especially in the summer, do not create foreseeable problems for business continuity.

The companies are all provided with insurance to cover damages; The facilities where production activities are carried out are safe and in accordance with the law. To date, there has never been significant damage resulting from sudden and intense climatic events.

We therefore feel comfortable in stating that in addition to providing for business continuity, we do not evaluate particular problems that could cause damage to machinery and reduction in value of inventories, for which such precautions are provided (such as storage inside warehouses in elevated positions not in direct contact with the ground) to safeguard assets even in particularly problematic cases.

Transactions with subsidiaries, associates, parent companies, companies under the control of parent companies and transactions with related parties

Related Part	Correlation	Activity
HOLDS S.R.L.	70.53% shareholder of the Issuer	It carries out financial holding activities, is 50% owned by Maurizio Bertocco, Chairman of the Board of Directors and 50% by Cristina Maldifassi, Board Member.
Maurizio BERTOCCO	Shareholder at 0.12% of the Issuer and 50% shareholder of Holds S.r.l.	Chief Executive Officer and Chairman of the issuer, 50% shareholder of Holds S.r.l., Chairman of the Board of Directors of Holds S.r.l and Chairman of the Board of Directors of Ilpra Group S.r.l.
Cristina MALDIFASSI	Socio al 50% di Holds S.r.l.	As a lawyer, he provides professional services to the companies of the Group. The issuer makes an annual flat rate charge for the use of facilities and stationery. 50% shareholder of Holds S.r.l. and member of the Board of Directors of the same.
Stafano BERTOCCO	25.50% shareholder of Ilpra Group S.r.l. and 20.00% shareholder of Ilpra Real Estate S.a.s	Member of the Board of Directors of Ilpra Group S.r.l. and assignee of the 110% tax credit.
Martina BERTOCCO	25.50% shareholder of Ilpra Group S.r.l. and 20.00% shareholder of Ilpra Real Estate S.a.s	Transferee of the 110% tax credit.
ILPRA GROUP S.R.L.	A 49% stake held by M. Bertocco (24.5%) and C. Maldifassi (24.5%). The remaining 51% is held by Mr. Bertocco's children, Stefano and Martina Bertocco, both directors. M. Bertocco is also a director.	He carries out real estate and equity investments. Ilpra Group Srl rents two warehouses to Ilpra Spa, namely: Via Mattei 25 Mortara and Via Mattei 27/29 in Mortara. It carries out maintenance works on civil and industrial buildings, in which the activity of Ilpra Spa is carried out
ILPRA REAL ESTATE S.A.S.	A 60% stake held by M. Bertocco (30%) and C. Maldifassi (30%). The remaining 40% is held by Mr. Bertocco's children, Stefano and Martina Bertocco. M. Bertocco is also a general partner and representative of the company.	He carries out real estate activities. Ilpra Real Estate Sas rents two warehouses to Ilpra Spa, namely: Via R. Sanzio 136 and Via Parona Cassolo 728 in Mortara.
QUANTIX Digital S.R.L.	Collegata al 34% da IDM Automation S.r.l.	He carries out design and sales of digital printing machinery. Quantix commissions IDM Automation S.r.l. to build the machinery in question and maintain it, as well as a management fee contract for the rental of equipped offices. The chairman of the board of directors of IDM Automation is also a member of
UNIMEC S.R.L.	100% controlled by Ilpra Group S.r.l.	It carries out trade activities of new and used packaging machinery as well as agency and representation activities. Unimec Srl buys new and used packaging machinery from ILPRA Spa that it collects from its customers and that it does not want to market directly, while Unimec reconditions them and places them on the market.
ILPRA BENELUX B.V.	100% controlled by Ilpra Group S.r.l.	It trades in packaging machinery in the Benelux countries. (Benelux branch). ILPRA Benelux BV purchased new and used packaging machinery from ILPRA Spa and placed it on the local market.
ILPRA DEUTSCHLAND GMBH	100% controlled by Ilpra Benelux B.V.	It carries out packaging machinery trading activities in Germany. (German Branch). ILPRA Deutschland Gmbh purchased new and used packaging machinery from ILPRA Spa and placed it on the local market.
DE VITA S.R.L.	Sp.A. 30% owned by Ilpra Group S.r.l.	He carries out design and construction of electrical and air conditioning systems. He follows all the constructions, maintenance and implementation of the electrical systems in the warehouses where ILPRA Spa carries out its activities.
ILPRA SYSTEM ESPANA S.L.	Company associated with Ilpra Sp.a., as it is 23.33% owned and 76.67% connected to Ilpra Group S.r.l.	It trades in packaging machinery in Spain. ILPRA España purchased new and used packaging machinery from ILPRA Spa and placed it on the local market.

DETAILS OF RELATIONSHIPS WITH RELATED ENTITIES

	30/06/2024	31/12/2023	delta
<i>DESCRIPTION</i>			
RECEIVABLES OF THE COMPANY AGAINST:			
UNIMEC SRL	398.997	455.209	- 56.212
ILPRA REAL ESTATE	-	1.629	- 1.629
QUANTX DIGITAL SRL	220.698	375.244	- 154.546
DE VITA SRL	38.857	-	38.857
ILPRA BENELUX BV	1.489.579	1.273.925	215.654
ILPRA SYSTEM ESPANA SL	4.008.407	3.677.174	331.233
	6.156.538	5.783.181	373.357
PAYABLES OF THE COMPANY TO:			
BERTOCCO MAURIZIO	29.866	97.220	- 67.354
BERTOCCO STEFANO	99.397	1.645	97.752
BERTOCCO MARTINA	88.230	-	88.230
UNIMEC	677	9.450	- 8.773
ILPRA REAL ESTATE	18	-	18
ILPRA GROUP SRL	6.288	3.328	2.960
ILPRA SYSTEM ESPANA SL	48.753	-	48.753
DE VITA SRL	61.478	13.143	48.335
	334.707	124.786	209.921
REVENUES ACCRUED TO:			
DE VITA SRL	155	150	5
MALDIFASSICRISTINA	600	600	-
QUANTX DIGITAL SRL	900	826.967	- 826.067
ILPRA REAL ESTATE SAS	8.149	8.034	115
UNIMEC SRL	180.972	232.304	- 51.332
ILPRA BENELUX BV	376.668	162.049	214.619
ILPRA SYSTEM ESPANA SL	346.730	745.940	- 399.210
	914.174	1.976.044	- 1.061.870
COSTS CHARGED BY:			
DE VITA SRL	36.834	17.883	18.951
MALDIFASSICRISTINA	3.588	9.424	- 5.836
BERTOCCO MAURIZIO	186.846	182.095	4.751
BERTOCCO STEFANO	29.800	3.887	25.913
ILPRA GROUP SRL	107.367	132.417	- 25.050
ILPRA REAL ESTATE SAS	77.959	72.643	5.316
UNIMEC SRL	79.223	85.375	- 6.152
ILPRA SYSTEM ESPANA SL	13.167	53.908	- 40.741
	534.784	557.632	- 22.848

Shares

Pursuant to art. 2428 of the Italian Civil Code, it should be noted that, at the end of the period, the Parent Company held 172,200 treasury shares, equal to 1.4304% of the share capital. The other Group companies did not own treasury shares at the end of the period.

Information on agreements not reflected in the balance sheet

Pursuant to art. 2427 point 22-ter We would like to point out that there are no agreements not highlighted in the Balance Sheet that have significant risks and rewards and that are necessary to assess the Group's financial position, financial position and income statement.

Information on assets and loans for a specific business

In relation to the requirements of art. 2447-bis to 2447-decies of the Italian Civil Code, it should be noted that the Group did not allocate any equity or financing to any business during the year.

Parent company's shares/quotas

Pursuant to art. 2435-bis and art. 2428, paragraph 3 nos. 3 and 4 of the Italian Civil Code, it should be noted that the Group, during the year under review, did not own any shares or quotas of the parent company.

Information relating to the remuneration due to the Directors, the Board of Statutory Auditors and the Independent Auditors

Below is the required information

Qualification	30.06.2024	30.06.2023	Delta
Board members	1.057.581	981.077	76.504
Internal auditors	24.342	14.560	9.782
External auditors	19.139	16.759	2.380
Total	1.101.062	1.012.396	88.666

Outlook

The data reported by the trade association of companies active in the packaging machinery production sector, UCIMA, for the second half of 2024 and 2025 are reassuring, after a difficult first half with reduced growth, in the second quarter of 2024 there is strong growth in orders, especially in the food, medical and beauty sectors, sectors of reference for your Group.

The latest data, provided by the Government, attest that since July 2024 production in our country has been the one with the highest European growth, which bodes well for the second half of 2024 and the coming years, also in anticipation of the European Central Bank's interest rate cut, which envisages an important economic revival.

ISTAT data show a contraction in industrial production in July, after two positive months; despite this, Italy's industrial performance is the best in the EU, which sees both Germany and France in a strong crisis. The value of GDP in the second quarter of 2024 is bucking the trend and employment is also growing with more than 24 million units for the first time from which these data are collected. The two conflicts underway in this period, the Russian-Ukrainian and the Middle East, seem not to be destined, in the short term, to a resolution, despite the fact that international diplomacy is working hard to peacefully resolve the diatribes; to date, as indicated, also in other parts of this report, the

two conflicts seem destined to remain confined to the regional level, creating some uncertainty, especially the Middle East, inducing large groups to postpone some industrial investments. The delays in the adoption of the Industry 5.0 Implementing Decree, of 24 July and published in the Official Gazette no. 183, have also caused a freeze on investments, which are expected to be copious in the last months of 2024 and 2025.

Milan, 26 September 2024

For the Board of Directors
The President
Maurizio Bertocco



2. CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT 30 JUNE 2024

2.1 Balance Sheet

	30/06/2024	31/12/2023	30/06/2023
ACTIVE:			
B) FIXED ASSETS:			
I - Intangible assets:			
1) Set-up and expansion costs	19.003	46.903	139.916
2) Research, development and advertising costs	2.918.632	3.003.577	2.794.312
3) Industrial patent rights and rights of use of works of mind	53.882	29.605	14.580
5) Start-up	380.450	409.246	442.468
6) Fixed assets under construction and payments on account	321.254	193.941	173.021
7) Other	752.033	670.849	641.221
8) Consolidation difference	5.977.448	6.323.775	6.642.663
Total intangible assets	10.422.701	10.677.895	10.848.182
II - Tangible fixed assets:			
1) Land and buildings	10.757.865	11.082.580	11.356.796
2) Plant and machinery	1.677.088	1.987.988	1.845.272
3) Industrial and commercial equipment	164.499	194.378	179.508
4) Other assets	1.334.206	1.253.474	1.175.901
5) Assets under construction and payments on account	16.155	16.155	16.155
Total tangible fixed assets	13.949.813	14.534.574	14.573.631
III - Financial fixed assets with separate indication, for each item of receivables, of the amounts due within the following year:			
1) Investments in:			
a) Controlled companies	43.596	10.000	10.000
b) Associated companies	472.266	472.266	472.266
(da) other undertakings	9.584	9.584	9.584
2) Credits:			
(da) other undertakings	59.444	149.444	157.506
2) Other securities	10.000	10.000	10.000
Total financial assets	594.890	651.294	659.356
Total fixed assets	25.967.403	25.863.763	26.081.169
C) CURRENT ASSETS:			
I - Inventories:			
1) Raw materials, supplies and consumables	3.942.918	3.233.149	3.349.281
2) Work in progress and semi-finished products	16.159.693	12.402.939	13.766.270
4) Finished products and goods	11.436.593	9.955.372	8.316.628
Total inventories	31.539.203	25.591.461	25.432.179
Fixed Assets Held for Sale	0	8.938	0
II - Receivables, with separate indication, for each item, of the amounts due after the following year:			
1) To customers			
- within 12 months	18.876.376	17.084.520	15.074.757

- over 12 months	35.848	33.363	45.683
Total receivables from customers	18.912.224	17.117.883	15.121.440
2) To subsidiaries			
- within 12 months	1.441.665		
Total receivables from subsidiaries	1.441.665		
(3) To related undertakings			
- within 12 months	4.225.640	4.054.018	5.248.909
Total receivables from associated companies	4.225.640	4.054.018	5.248.909
5) To others			
- within 12 months	1.703.743	1.064.990	2.481.957
- over 12 months	28.500	18.675	16.824
Total receivables from others	1.732.243	1.083.664	2.498.782
5 bis) Tax receivables			
- within 12 months	2.310.169	2.272.041	2.017.806
- over 12 months		116.606	116.263
Total Tax receivables	2.310.169	2.388.647	2.134.069
(5b) Deferred tax assets			
- within 12 months	525.853	514.482	411.813
- over 12 months	940.592	713.769	505.682
Total Deferred tax assets	1.466.444	1.228.252	917.495
Total Receivables	30.088.386	25.872.464	25.920.695
III - Financial assets that do not constitute fixed assets:			
6) Other securities	643.845	558.129	471.316
Total financial assets that do not constitute fixed assets	643.845	558.129	471.316
IV - Cash and cash equivalents:			
1) Bank and postal deposits	12.277.442	14.666.021	15.847.492
2) Money and cash equivalents	22.238	12.066	27.661
Total cash and cash equivalents	12.299.680	14.678.087	15.875.153
Total current assets	74.571.113	66.709.078	67.699.343
D) ACCRUALS AND DEFERRALS			
- Accrued income and deferred income	1.085.861	927.913	1.056.098
Total accruals and deferrals	1.085.861	927.913	1.056.098
TOTAL ASSETS	100.624.378	93.500.754	94.836.610
PASSIVE:			
A) SHAREHOLDERS' EQUITY:			
I - Capital	2.407.720	2.407.720	2.407.720
II - Share premium reserve	4.753.914	4.753.914	4.753.914
IV - Legal reservation	481.544	481.544	481.544
VI - Other separately indicated reserves			
1) Extraordinary Reserve	8.759.684	6.843.450	6.842.730
5) Consolidation Reserve	3.178.095	3.178.095	3.178.095
7) Translation diff. reserve	37.366	(41.905)	10.290
VIII - Retained earnings (losses)	8.525.304	7.101.479	7.090.230
IX - Profit (loss) for the year	1.773.548	4.960.530	2.460.962
X - Negative reserve for treasury shares held in portfolio	(716.862)	(665.808)	(580.896)
Total Shareholders' Equity for the Group	29.200.313	29.019.018	26.644.589

Capital and reserves attributable to minority interests	6.240.366	4.360.918	4.824.143
Profit (loss) attributable to minority interests	417.539	1.533.311	692.896
Total Minority Interests	6.657.905	5.894.229	5.516.591
Total Consolidated Shareholders' Equity	35.858.218	34.913.247	32.161.181
B) PROVISIONS FOR RISKS AND CHARGES:			
(1) Retirement benefits and similar obligations	235.683	433.207	376.253
2) For taxes	695.700	557.197	449.392
3) Others	210.217	200.217	155.000
Total Provisions for risks and charges	1.141.601	1.190.620	980.645
C) EMPLOYEE SEVERANCE PAY			
3) Payables to shareholders for loans			
- within 12 months	464.377	464.377	464.377
Total payables to shareholders for loans	464.377	464.377	464.377
4) Payables to banks			
- within 12 months	15.244.468	13.358.477	11.583.984
- over 12 months	16.841.501	16.893.606	20.109.576
Total payables to banks	32.085.969	30.252.083	31.693.561
6) Down payments			
- within 12 months	7.862.415	5.392.179	7.915.508
Total advance payments	7.862.415	5.392.179	7.915.508
7) Payables to suppliers			
- within 12 months	9.411.287	9.112.903	9.399.804
Total payables to suppliers	9.411.287	9.112.903	9.399.804
7) Payables to subsidiaries			
- within 12 months	46.279		
Total payables to subsidiaries	46.279		
12) Tax payables			
- within 12 months	1.660.907	1.426.511	1.266.109
- over 12 months		0	
Total tax payables	1.660.907	1.426.511	1.266.109
13) Payables to social security institutions			
- within 12 months	385.503	554.768	393.498
Total payables to social security institutions	385.503	554.768	393.498
14) Other payables			
- within 12 months	3.646.616	2.679.467	3.643.320
- over 12 months	73.500	77.513	77.313
Total other payables	3.720.116	2.756.979	3.720.632
Total Payables	55.636.853	49.959.800	54.853.488
E) ACCRUALS AND DEFERRALS			
- Accrued expenses and deferred income	4.311.180	3.730.577	3.168.089
Total accruals and deferrals	4.311.180	3.730.577	3.168.089
TOTAL LIABILITIES AND NET LIABILITIES	100.624.378	93.500.754	94.836.610

2.2 Income Statement

	30/06/2024	31/12/2023	30/06/2023
A. VALUE OF PRODUCTION			
1) Revenue from sales and services	26.818.011	62.038.445	28.822.120
2) Changes in inventories of products in process, semi-finished and finished	5.793.744	3.625.441	3.002.199
4) Increases in fixed assets for works	500.000	2.161.483	1.170.203
5) Other revenues and income, with separate indication of operating grants	702.478	1.603.210	555.909
TOTAL A)	33.814.232	69.428.578	33.550.521
B. PRODUCTION COSTS			
6) For raw materials, ancillary, consumer and goods	13.086.297	28.186.919	14.572.435
7) For services	5.966.539	10.707.030	5.054.427
8) For use of third-party assets	552.843	986.483	485.882
9) For staff			
a) Wages and salaries	6.133.936	10.875.969	5.328.968
b) social security contributions	1.648.339	2.955.250	1.438.540
c) severance pay	356.453	679.802	303.107
d) retirement benefits and the like	1.016	2.076	994
e) other costs	156.224	248.584	101.727
Total personnel costs	8.295.968	14.761.680	7.173.335
10) Depreciation, amortization and impairment losses			
(a) Depreciation of intangible assets	1.110.234	2.170.406	835.909
b) Depreciation of tangible fixed assets	989.229	1.888.858	865.545
d) Write-down of receivables included in current assets and cash and cash equivalents	49.645	380.664	42.090
Total depreciation, amortization and impairment losses	2.149.108	4.439.928	1.743.544
11) Changes in inventories of raw materials, supplies, consumables and goods	(429.254)	167.167	3.811
13) Other provisions	10.000	200.217	15.000
14) Miscellaneous operating costs	412.644	697.014	323.983
TOTAL B	30.044.145	60.146.438	29.372.417
Difference between value and cost of production (A-B)	3.770.088	9.282.141	4.178.104
C. FINANCIAL INCOME AND EXPENSES			
15) Income from equity investments, with separate disclosure of income from subsidiaries and associates	449	359	
16) Other financial income			
d) income other than the above, with separate indication of income from subsidiaries and associated companies and income from parent companies	59.509	156.463	55.253
Total other financial income	59.509	156.822	55.253

17) Interest and other financial charges with separate disclosure of interest due from subsidiaries and associates and from parent companies	761.915	1.164.394	393.959
17a) Foreign exchange gains	(39.991)	(27.408)	(131.722)
Totale (15+16-17)	(661.966)	(980.164)	(206.983)

D. IMPAIRMENT LOSSES ON FINANCIAL ASSETS

18) Revaluations			
c) securities recorded in current assets that do not constitute equity investments	37.281	45.510	17.481
19) Write-downs			
c) securities recorded in current assets that do not constitute equity investments			
Total Adjustments (18-19)	37.281	45.510	17.481
Profit before tax (A-B+-C+-D+-E)	3.145.403	8.347.487	3.988.602

22) Current, deferred and prepaid income taxes for the year

a) Current taxes	1.051.295	2.073.667	852.801
b) taxes relating to previous years	16	(49.254)	(49.339)
c) deferred and deferred tax assets	(96.996)	(170.766)	31.728
Total current, deferred and prepaid income taxes	954.315	1.853.646	835.191
26) Profit (loss) for the year	2.191.087	6.439.841	3.153.411
Operating profit for the group	1.773.548	4.960.530	2.460.962
Profit for the year attributable to minority interests	417.539	1.533.311	692.448

2.3 Cash Flow Statement

Cash flow statement, indirect method	30.06.2024	30.06.2023	Delta
(Data in Euro/000)			
A) Cash flows from operating activities (indirect method)			
Profit (loss) for the year	2.191.087	3.153.411	- 962.324
Income taxes	954.315	835.191	119.124
Interest expense (income)	661.966	206.983	454.983
1) Profit (loss) for the year before income taxes, interest, dividends and capital gains/losses on disposals	3.807.368	4.195.585	- 388.217
Adjustments for non-monetary items that have not been offset in net working capital			-
Provisions for funds	367.469	319.101	48.368
Depreciation of fixed assets	2.099.463	1.701.454	398.009
Impairment losses for impairment	- 37.281	17.481	- 19.800
Other adjustments for non-monetary items	49.645	42.090	7.555
Total adjustments for non-monetary items that were not offset in net working capital	2.479.296	2.045.164	434.132
2) Cash flow before changes in net working capital	6.286.664	6.240.749	45.915
Changes in net working capital			
Decrease/(increase) in inventories	- 5.947.743	5.492.437	- 455.306
Decrease/(increase) in fixed assets held for sale	8.938	-	8.938
Decrease/(increase) in receivables from customers	- 1.794.341	1.104.174	- 2.898.515
Increase/(decrease) in payables to suppliers	2.814.900	912.365	1.902.535
Decrease/(increase) in accrued income and deferred income	- 157.948	634.905	- 476.957
Increase/(decrease) in accrued income and deferred income	580.603	2.648.346	- 3.228.949
Other decreases/(Other increases) in net working capital	- 1.387.049	2.516.947	- 1.129.898
Total changes in net working capital	- 5.882.640	9.276.096	- 3.393.456
3) Cash flow after changes in net working capital	404.024	3.035.347	- 3.439.371
Other adjustments			
Interest received/(paid)	- 661.966	206.983	- 454.983
(Income taxes paid)	- 719.920	1.516.034	- 796.114
(Use of funds)	- 458.835	554.633	- 1.013.468
Total other corrections	- 1.840.721	1.168.384	- 672.337
Cash flow from operating activities (A)*	- 1.436.697	- 4.203.731	2.767.034
B) Cash flows from investment activities			
Tangible fixed assets - (Investments) / Divestments	- 404.468	4.362.653	- 3.958.185
Intangible assets - (Investments) / Divestments	- 855.040	7.249.971	- 6.394.931
Financial fixed assets - (Investments) / Divestments	56.404	126.096	- 182.500
Non-fixed financial assets - (Investments) / Divestments	- 326.376	311.816	- 14.560
Cash flow of investment activity (B)	- 1.529.480	- 12.050.536	10.521.056
C) Cash flows from financing activities			
Third-party means			
Increase (decrease) in short-term payables to banks	1.885.991	3.723.848	- 1.837.857
Financing	6.300.000	16.332.576	- 10.032.576
(Repayment of loans)	- 6.480.034	5.019.922	- 1.460.112
Equity			
(Repayment of capital)			
Paid capital increase			
Sale (purchase) of treasury shares	- 51.054	50.220	- 834
Dividends (and interim dividends) paid	- 1.131.979	713.784	- 418.195
Cash flow of financing activities (C)	522.924	14.272.498	- 13.749.574
Increase (decrease) in cash and cash equivalents (A + B + C)	- 2.443.253	- 1.981.769	- 461.484
Cash and cash equivalents at the beginning of the period	14.678.087	17.316.197	- 2.638.110
Consolidation Variation	64.846	540.725	- 475.879
Cash and cash equivalents at the end of the period	12.299.680	15.875.153	- 3.575.473



3. NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT 30 JUNE 2024

Dear Shareholders,

We present the interim consolidated financial statements as at 30 June 2024, consisting of the balance sheet, the income statement, these notes to the financial statements and the cash flow statement, prepared in accordance with the Italian Civil Code, supplemented by the accounting standards developed by the Italian Accounting Body (O.I.C.) recently amended in application of Legislative Decree 139/2015 with the application of IFRS 16 relating to the so-called "financial method" for leasing.

The explanatory notes have the function of providing the illustration, analysis and integration of the data of the consolidated financial statements and contain the information required by art. 2427 of the Civil Code, by other provisions of Legislative Decree no. 127 of 9 April 1991, or by other previous laws.

The Directors confirm that, in view of the Group's economic prospects, capitalization and financial position, there are no uncertainties about the Group's business continuity and that, consequently, in preparing the interim financial statements as at 30 June 2024, they adopt accounting principles specific to a going concern.

In addition, all the additional information deemed necessary to give a true and fair representation of the Group's financial position is provided, even if not required by specific legal provisions.

During the period under review, there were no exceptional cases that made it necessary to resort to the derogations referred to in art. 2423, fourth paragraph, of the Civil Code.

The reconciliation between the amounts of shareholders' equity and net profit for the period ended 30 June 2024, which can be deduced from the parent company's financial statements for the year and those resulting from the consolidated financial statements at the same date, is presented in a specific section of these notes to the financial statements.

The following is the identification scheme of the Ilpra Group's structure as at 30 June 2024, the reference date of this half-year report:



The scope of consolidation changed compared to 31 December 2023, following the opening by ILPRA S.p.A. of the subsidiary ILPRA KOREA LLC, 60% owned, (the acquisition of 100% in IVAXIA S.r.l. was not consolidated for the reasons set out in the following paragraph "Scope of consolidation")

3.1 Drafting criteria

Financial statements

The financial statements are prepared on the basis of the mandatory formats provided for by Articles 2424 and 2425 of the Civil Code, supplemented by the accounting principles developed by the Italian Accounting Body (O.I.C.) recently amended in application of Legislative Decree 139/2015. The so-called "financial method" is used for the presentation of lease contracts, in accordance with IFRS 16.

Consolidated financial statement date

The reference date for these interim consolidated financial statements is 30 June 2024.

Consolidation principles

The following main consolidation criteria have been adopted.

The assets and liabilities of subsidiaries are assumed according to the "global integration method", eliminating the carrying value of the equity investments held by the parent company against the related shareholders' equity.

When the carrying value of the investments in the parent company's financial statements is higher than the corresponding shareholders' equity at the date of acquisition, the difference is increased, where possible, by the assets of the companies included in the consolidated financial statements and the remaining portion is recorded under "goodwill" included in intangible assets; when this surplus does not correspond to a higher value of the investee, the same is recorded as a deduction from the "Consolidation reserve". The items of receivables and payables, revenues and expenses between consolidated companies have been eliminated. Significant capital gains realized between consolidated companies and gains included in fixed assets from consolidated companies have been eliminated. Dividends paid by consolidated companies have been reversed from the consolidated income statement.

When the carrying value of the investments in the parent company's financial statements is lower than the corresponding shareholders' equity at the date of acquisition, the negative difference from cancellation is recognised, where possible, as a reduction to assets recognised for amounts greater than their recoverable value and liabilities recognised at a value lower than their settlement value,

net of deferred tax assets to be recognised against allocated losses. Any negative surplus, if it is not attributable to the forecast of unfavorable economic results, but to the completion of a good deal, is accounted for in a specific reserve of consolidated shareholders' equity called the "consolidation reserve".

The negative cancellation difference that remains after the allocations referred to in the previous paragraph, if it relates, in whole or in part, to the forecast of unfavourable economic results, is recorded in a special "Consolidation provision for future risks and charges" recorded in liability item "B) Provisions for risks and charges".

The fund is used in subsequent years in order to reflect the assumptions made at the time of its valuation at the time of purchase.

The use of the fund is carried out regardless of the actual manifestation of the expected unfavorable economic results. The use of the provision is recognised in the income statement item "A5 Other income and income".

Scope of consolidation

Investments in subsidiaries by law or de facto are consolidated using the global integration method as provided for by art. 26 of Legislative Decree 127/1991.

It was not decided to consolidate the subsidiary of Veripack S.r.l., Veripack Solution India Private Ltd, due to the irrelevance of the data, making use of the exclusion provided for by art. 28 of Legislative Decree 127/1991.

On 2 July 2024, 100% of the share capital of IVAXIA S.r.l. was acquired.

The management decided not to proceed with the consolidation of this company as of June 30 2024, due to the very recent timing on the acquisition operation which did not allow the integration of the accounti flows ao the new subsidiary into the group's management system.

Furthermore, it is hereby announced that the management of the company and the group are currently operationally managing the project for the merger by the incorporation of IVAXIA S.r.l. in Ilpra S.p.A. soon to be executed, information on which is also provided in the paragraph "Significant events during the firs half of 2024".

The following is a list of subsidiaries included and excluded from consolidation as of 30 June 2024:

Subsidiaries included in the consolidation:
(Euro/000)

society	Head Office	share capital	Equity	Profit/loss period	Direct share	indirect share	Total share of the group	Balance sheet value
Ilpra System UK Ltd	Swindon	67	5.735	439	51,66%	0,00%	51,66%	1.989
Ilpra Middle East Dwc-llc*	Dubai	71	1.230	62	0,00%	100,00%	51,66%	68
Ilpra Hong Kong Ltd*	Hong Kong	7	37	-	0,00%	95,00%	49,08%	6
Strema S.r.l.	Buttapietra (VR)	99	3.877	279	85,00%	0,00%	85,00%	2.764
Veripack S.r.l.	Gorla Maggiore (VA)	10	1.102	310	80,00%	0,00%	80,00%	231
Eltec S.r.l.	Gambolò (PV)	60	125	8	51,00%	0,00%	100,00%	181
I.P.T. S.r.l.	S. Vendemiano (TV)	30	889	259	70,00%	0,00%	70,00%	351
OOO Ilpra Rus	Fly	0,2	979	678	70,00%	0,00%	70,00%	0,138
MACS S.r.l.**	Bologna	100	1.046	328	30,00%	0,00%	30,00%	905
IDM Automation S.r.l	Vigevano (PV)	30	1.394	504	68,00%	0,00%	68,00%	1.643
Pentavac S.r.l.	Comezano-Cizzago (BS)	100	2.316	656	70,00%	0,00%	70,00%	6.073
Ilpra Arabia***	Jeddah	23	26	-	0,00%	100,00%	51,66%	37
Ilpra Korea LLC	Daejeon	115	66	(49)	60,00%	0,00%	60,00%	72

*Indirectly controlled by Ilpra System UK Ltd

**30% controlled, 51% voting rights

Indirectly controlled by Ilpra Middle East Dwc-llc

Financial statements in foreign currencies are translated at exchange rates in Euro in accordance with the provisions of OIC 17. The exchange rates shown in the following table were used to determine the equivalent value in Euro of the balances expressed in foreign currencies of the English subsidiaries Ilpra System UK Ltd, the United Arab Emirates Ilpra Middle East LLC, Hong Kong Ilpra Hong Kong Ltd, Russia OOO Ilpra Rus, Saudi Arabia Ilpra Arabia and South Korea Ilpra Korea LLC.

currency	Balance sheet balances 30/06/2024	Average economic sales 30/06/2024
Euro/Riyal	4,0144	4,05471
Euro/Won Sud	1474,86	1460,31532
Euro/Dirham	3,9314	3,9709
Euro/Dollaro Hong Kong	8,3594	8,45404
Euro/Sterlina	0,84638	0,85465
Euro/Rublo*	117,201	117,201

Source: <https://www.bancaditalia.it/compiti/operazioni-cambi/archivio-cambi/index.html>

*The valuation date of the Ruble exchange rate is 01/03/2022, the last trading date of the Russian currency, the same exchange rate was also applied with regard to the average exchange rate, as there were no transactions in the period examined by this consolidated balance sheet.

Financial statements subject to consolidation

The financial statements of the subsidiaries used are the projects approved by the respective boards of directors. These financial statements are, if necessary, amended to remove tax items, as specified in point 2 below.

Minority interests

The amount of capital and reserves of the companies included in the consolidation, for the portion not attributable to the Group, is recorded in a specific item of equity, called "minority interests' equity".

3.2 Consolidation technique

For companies included in the line-by-line consolidation, both assets and liabilities as well as costs and revenues are fully taken over.

Once the individual financial statements have been aggregated, the following operations are carried out:

- elimination of significant intercompany receivables and payables;
- elimination of significant income and expenses relating to transactions carried out between the Group companies;
- elimination of significant gains and losses resulting from transactions carried out between Group companies and related assets included in the assets at the reference date of the budget;
- elimination of the order accounts relating to guarantees and sureties between the companies included in the area consolidation; elimination of the appropriations made only in application of the tax regulations;
- elimination of the carrying values of equity investments in companies included in the consolidation against the shareholders' equity attributable to investee companies, allocating to minority shareholders, in specific items, the share of shareholders' equity and net profit for the year to which they are entitled; if the conditions are met, the difference between the purchase cost and the corresponding fraction of the shareholders' equity of the subsidiaries existing at the date of acquisition of the investment is allocated to the assets and/or liabilities of the companies included in the consolidation; any positive residual, where it represents an actual higher value of the investee recoverable through the future income generated by the same, is recognised in an asset item called "Consolidation difference" and amortised in relation to the expected period of usefulness

of the goodwill thus recognised; any negative residual, if it is not due to the forecast of losses, is recognised in an item in equity called "Consolidation reserve". In particular, the details and effects of the purchase or contribution transactions that led to the establishment of the group and the creation of the Consolidation Difference and the Consolidation Reserve are set out below.

society	Date of purchase	Purchase Mode	% Purchased	Historical cost	rival DL 140/2020	share of NW	Consolidation reserve	Consolidation difference
Ilpra UK Ltd	05.02.18	cleavage	51,66%	46.058	1.942.727	1.558.466	1.486.064	
Strema Srl	05.02.18	cleavage	85,00%	8.780	2.755.485	1.571.211	1.562.431	
Ilpra UAE Llc	05.02.18	cleavage	51,66%	68.209		77.566	42.313	
Ilpra HK Ltd	05.02.18	cleavage	49,08%	6.092		26.735	23.588	
Veripack Srl	24.04.19	purchase	80,00%	25.970	204.958	56.834	30.864	
Eltec Srl	09.05.19	purchase	100,00%	181.283		91.457		89.826
I.P.T. Srl	26.06.19	purchase	70,00%	351.458		114.664		236.794
OOO Ilpra Rus	30.08.19	purchase	70,00%	138		47.103	32.834	
MACS Srl	13.04.22	purchase	30,00%	905.009		37.298		867.711
IDM Automation Srl	18.05.23	purchase	68,00%	1.642.806		789.558		853.248
Pentavac Srl	08.06.23	purchase	70,00%	6.073.014		1.170.282		4.902.733
Ilpra Arabia	13.12.23	constitution	51,66%	37.382		12.467		6.845
Ilpra Korea Llc	08.01.24	constitution	60,00%	72.276		70.591		1.684
Total				9.418.475		5.624.232	3.178.094	6.958.841

For changes relating to the Group during the year under review, please refer to p. 9 chapter relating to significant events that occurred during the first half of 2024.

3.3 Assessment criteria

The criteria applied in the valuation of the items in the consolidated financial statements and in the value adjustments comply with Article 2426 of the Italian Civil Code, as amended by the aforementioned Legislative Decree No. 127/91, and are uniform for all the companies included in the consolidation.

The valuation of the items is carried out prudently and with a view to the continuation of the activities of the companies belonging to the Group, in compliance with the general clause of the "true and fair representation" of the balance sheet, financial position and the economic result of all the companies constituting the Group that belongs to your company.

In addition, in the preparation of these financial statements, only the profits made at the end of the year have been disclosed, taking into account the income and expenses pertaining to the year, as well as the risks and losses relating to the year, even if they may become known after the end of the year.

Intangible assets

They are recorded at historical acquisition cost, including any ancillary charges, and shown net of depreciation and amortisation carried out during the years and charged directly to individual items. Depreciation is calculated in constant instalments determined according to the estimated period of future use.

The rates applied are as follows:

Trademarks and patents	20%
Grants and licenses	20%
Research and development costs	20%
Plant and expansion costs	20%
Consolidation difference	10%
Other	20%
- improvements to third-party assets	Remaining contract term

Tangible fixed assets

They are measured at purchase cost, including ancillary costs, and are shown net of accumulated depreciation and impairment.

Fixed assets that are permanently less than the net book value are recorded at this lower value.

The depreciation schedules take into account the residual possibility of economic use of the individual assets. The depreciation period starts from the year in which the asset is used.

The rates applied in the calculation of depreciation for individual assets, in accordance with the ordinary tax rates, are as follows:

Buildings and buildings	3%
Industrial and commercial equipment	15,5%
Other assets	20%
- furniture and furnishings	12%
-Cars	25%
-trucks	20%
- electronic machines	20%
	Remaining term of the corresponding leasing contract
Land and buildings right of use	
Plant and machinery right of use	
Vehicles right of use	

Receivables and payables

Receivables and payables have been recognised in the financial statements on the basis of amortised cost, taking into account the time factor and, with regard to receivables, the estimated realisable value, in accordance with the provisions of art. 2426, paragraph 8, of the Civil Code.

The adjustment to the presumed realisable value was made through the allocation of a provision for doubtful debts, obtained taking into account the general economic conditions, the sector and also the country risk. For receivables and payables for which the application of the amortised cost method and/or discounting has been verified to be irrelevant for the purposes of the need to give a true and fair representation of the company's financial position and income statement, the recognition has been maintained, respectively, according to the presumed realisable value, or the nominal value. They are classified as fixed assets or current assets on the basis of their destination and origin with respect to ordinary activities. The breakdown of the amounts due within and beyond the financial year is carried out with reference to the contractual or legal maturity, also taking into account facts and events that may lead to a change in the original maturity, the debtor's realistic ability to fulfil the obligation within the contractual terms and the time horizon in which, reasonably, it is believed that the credit can be claimed.

Financial assets that do not constitute fixed assets

These are equity investments that do not constitute a durable investment, valued at acquisition cost (purchase price or sums paid for their subscription, net of the coupon currently maturing), or at the estimated realisable value, whichever is lower.

Cash equivalents

Cash and cash equivalents in Euro are recorded at nominal value, cash and cash equivalents in other currencies are recorded in the financial statements at the exchange rate current at the end of the year.

Accruals and deferrals

Accrued income and expenses are recorded on an accrual basis and refer to revenues and expenses pertaining to the year and with a numerical manifestation in the following year. Deferred income and deferred income relate to costs and revenues that occurred during the year but pertain to future years.

Provisions for risks and charges

They consist of provisions intended to cover charges of a specific nature, of certain or probable existence, of which at the end of the year either the amount or the date of occurrence are undetermined.

The appropriations reflect the estimate made on the basis of all available elements.

Employee severance pay

It represents the liability provided for by Article 2120 of the Italian Civil Code, subject to revaluation by means of ratios, accrued towards all employees in accordance with current legislation and collective labour agreements.

The amount is recorded gross of the advance on future withholding taxes, paid pursuant to Law 662/96 and the related revaluation, classified under financial fixed assets.

Positive and negative income components

Income and expenses are recorded in the income statement on an accrual basis, prudently and net of returns, discounts, allowances and premiums.

The fees for the provision of temporary work are allocated to revenue on a monthly basis, in compliance with the accrual principle and in correlation with the costs incurred for temporary work services.

Taxes

Income taxes were determined on the basis of a forecast of the tax burden for the year with reference to the legislation in force. Deferred and deferred tax assets relating to consolidation transactions and all significant temporary differences between the consolidated assets and liabilities and the corresponding amounts relevant for tax purposes resulting from the financial statements of the consolidated companies are accounted for. In particular, deferred tax assets are recognised only if there is reasonable certainty that they will be recovered in the future. Deferred tax liabilities, on the other hand, are not recognised if there is little chance that the related debt will arise.

Deferred tax assets and liabilities are offset if they relate to the same company. The balance of the compensation is recorded in the item Other receivables of current assets, if active, in the item Provision for taxes, if liabilities.

3.4 Detailed information on the Balance Sheet

Intangible assets

Intangible assets have the following breakdown

	Balance 31.12.2023	Increments	Decrements	Other movements	Depreciation	Balance 30.06.2024
Plant and expansion costs	46.903	40			(27.940)	19.003
Development costs	3.003.577	500.000		-	(584.945)	2.918.632
Trademark licensing	29.605	16.030		17.337	(9.090)	53.882
Goodwill	409.246			(1)	(28.795)	380.450
Assets under construction	193.941	144.650		(17.337)		321.254
Other	670.849	192.526	-	-	(111.342)	752.033
Consolidation difference	6.323.775	1.684		1	(348.012)	5.977.448
Total	10.677.896	854.930	-	-	(1.110.124)	10.422.702

The item "Plant and expansion costs" was increased by Euro 40, a value attributable to Pentavac S.r.l.; the other changes in value relate to the depreciation expense for the year.

The item "Development costs" increased by Euro 500,000, an amount entirely attributable to Ilpra S.p.A.

The item "Licence and trademark concessions" increased by Euro 33,367, of which Euro 5,000 attributable to the Parent Company, Euro 10,000 attributable to MACS S.r.l. and Euro 17,487 attributable to Pentavac S.r.l., of which Euro 17,337 are a reclassification from the "Intangible assets under construction" account.

The item "Goodwill" is changed only for the depreciation portion of the period.

The item "Intangible assets under construction" increased by Euro 144,650: Euro 141,000 are attributable to Ilpra S.p.a. and Euro 3,650 relating to the company Pentavac S.r.l., which is also responsible for the decrease of Euro 17,337, due to reclassification, as explained in the item "Licensing and trademarks".

The item "Other intangible assets" consists of costs with a long-term utility mainly relating to software, reorganization expenses and improvements to third-party assets. The incremental amount of Euro 192,526 is divided as follows: Euro 185,738 relating to the parent company Ilpra S.p.a., Euro 2,998 attributable to I.P.T. S.r.l. and Euro 3,789 attributable to Pentavac S.r.l.

The item "Consolidation difference" increased by Euro 1,684, attributable to the new opening of ILPRA KORAE LLC.

The remaining amount refers to the following acquisitions, net of the depreciation of previous years:

- Eltec S.r.l. Euro 57.785;
- IDM S.r.l. Euro 796.364;
- I.P.T. S.r.l. Euro 130.237;
- MACS S.r.l. Euro 715.861;
- Pentavac S.r.l. Euro 4.616.740;
- Saudi Arabia Euro 6.788.

Depreciation is calculated over a period of 10 years, and for new acquisitions it has been calculated pro rata from the date of purchase.

This amount was not allocable, as required by OIC 17, to assets and liabilities relating to subsidiaries, and was therefore recognised on a residual basis.

Tangible fixed assets

The movements that occurred during the year are detailed below, it should be noted that the value of assets as at 31.12.2023 is gross of accumulated depreciation:

	Balance 31.12.2023	Increments	Decrements	Other movements	Diff. Translation	Deprec. Fund	Balance 30.06.2024
Land and buildings	13.980.643	36.904			55.324	(3.315.006)	10.757.865
Plant and machinery	5.002.953	13.894	(111.457)		6.666	(3.234.968)	1.677.088
Ind. and commercial equipment	503.069	10.555	(23.308)	(1)		(325.816)	164.499
Other assets	3.874.983	305.662	(129.344)	(1.037)	21.817	(2.737.875)	1.334.206
Fixed assets in progress	16.155						16.155
Total	23.377.803	367.015	(264.109)	(1.038)	83.807	(9.613.665)	13.949.813

The item "Land and buildings" increased in the period examined by this report by Euro 23,687 relating to improvement works on buildings owned by Ilpra S.p.A., Euro 4,500 relating to improvement works on buildings owned by Pentavac S.r.l. and Euro 8,717 relating to improvement works on buildings owned by Ilpra UK.

The item "Plant and machinery" increased by Euro 13,894 investments of Ilpra S.p.A., while the decrease of Euro 110,397 is attributable to the parent company and Euro 1,060 to Eltec S.r.l.

The item "ind.li and commercial equipment" increased by Euro 10,555, of which Euro 670 relating to MACS S.r.l., Euro 5,800 to Veripack S.r.l. and Euro 4,085 relating to Pentavac S.r.l.

The decrease of Euro 23,308, relating to the disposal of old equipment is attributable as follows: Eltec S.r.l. for Euro 500, IPT S.r.l. for Euro 1,900 and Euro 20,908 is attributable to ILPRA S.p.A.

The item "Other assets" increased by Euro 305,662. The decrease due to disposal of Euro 129,344 refers to furniture and furnishings, vehicles and electronic machines discarded due to normal wear and tear.

The increases relating to the new opening of Ilpra Korea Llc are Euro 2,050 relating to electronic office machines, Euro 1,760 for office furniture.

The item "Fixed assets under construction" increased by Euro 16,155, is entirely attributable to Ilpra S.p.a. and relates to work in progress for the construction of a new electrical substation.

Financial fixed assets

The voice moved as follows:

	Balance 30.06.2024	Balance 31.12.2023	variation
Investments in subsidiaries	43.596	10.000	33.596
Investments in associated companies	472.266	472.266	0
Investments in other companies	9.584	9.584	0
Credits vs other companies	59.444	149.444	-90.000
Credits vs other securities	10.000	10.000	0
Total	594.890	651.294	(56.404)

The item "Investments in subsidiaries" refers to Veripack Srl's 99.446% stake in the Indian subsidiary "Veripack Solutions India Pvt Ltd" and to Ivaxia S.r.l. acquired 100% by Ilpra S.p.A., for further details please refer to the paragraph "Significant events occurred during the first half of 2024".

The item "Investments in other associated companies" refers to the 23.33% stake held by the parent company Ilpra S.p.A. in Ilpra System Espana SI and the 34% stake held by IDM Automation S.r.l. in Quantix Digital S.r.l., for Euro 10,200.

The item "Investments in other companies" breaks down as follows:

- shares of Banca BCC Carate e Brianza, held by Ilpra S.p.A., for Euro 9,000;
- shares of Banca di Verona e Vicenza Credito Cooperativo held by Strema S.r.l. for Euro 568;
- Conai fee for 15 Euros, divided as follows: 5 Euros for Eltec S.r.l., 5 Euros for I.P.T. S.r.l. and 5 Euros for Veripack S.r.l.

The item "receivables from other companies" refers to the receivable of I.P.T. S.r.l. from the insurance company Allianz RAS for the payment of premiums paid in order to ensure the end-of-term indemnity to the Sole Director, this item has been reduced by Euro 90,000, an amount of the same nature, previously described, and devolved by Pentavac S.r.l. to the directors.

Mutual fund units and equity investments are valued in the balance sheet at historical purchase cost. There are no capitalized financial charges.

The item "receivables vs. other securities" refers to the non-interest-bearing loan of IDM Automation S.r.l. in favour of the associate Quantix Digital S.r.l.

The value of the equity investments has been valued in the financial statements at historical purchase cost.

There are no capitalized financial charges.

Current assets

Inventories

	Balance 30.06.2024	Balance 31.12.2023	variation
Raw Mat., Sussid and Consumable	3.942.918	3.233.149	709.769
PROD IN PROGRESS OF WORK AND SEMI-FINISHED PRODUCTS	16.159.693	12.402.939	3.756.754
Finished Products & Goods	11.436.593	9.955.372	1.481.221
Totale	31.539.204	25.591.460	5.947.744

The value of the stock of finished products increased by Euro 5,947,744.

The item finished products and products in progress increased compared to the previous year, both due to the group's strategy of having the complete range of machines ready for delivery to facilitate customers who are much more focused on *time to market*, and due to numerous orders with a significant processing time.

The increase in products in progress for Euro 3,756,754 is mainly attributable to Ilpra S.p.A. for Euro 1,214,251 and to MACS S.r.l. for Euro 2,243,167.

Fixed assets held for sale

	balance 30.06.2024	balance 31.12.2023	variation
Tangible fixed assets held for sale	0	8.938	-8.938
Total	0	8.938	-8.938

The fixed asset intended for sale in the financial statements as at 31 December 2023 and sold in the first months of 2024 referred to a Fiat Tipo station wagon model car, redeemed, by Ilpra S.p.A., during 2023.

Credits

	Balance 30.06.2024	Balance 31.12.2023	Variation
Receivables from customers	18.912.224	17.117.883	1.794.341
Receivables from subsidiaries	1.441.665	0	1.441.665
Receivables from associated companies	4.225.640	4.054.018	171.622
Receivables from others	5.508.857	4.700.563	808.294
Total	30.088.386	25.872.464	4.215.922

The item "receivables from customers" is represented by receivables not yet collected as of 30 June 2024. The contribution relating to Ilpra Korea Llc is Euro 14,641.

Receivables from customers are expressed net of the provision for adjustments of Euro 777,387, which reflects the estimates made by the directors regarding the estimated realisable value of trade receivables outstanding as of June 30, 2024.

The item "receivables from subsidiaries" refers to the receivables of Ilpra S.p.A. from Ivaxia S.r.l. for Euro 1,316,165 and Veripack Solution India Ltd for Euro 38,900; Veripack S.r.l. against Veripack Solution India Ltd for Euro 86,600.

The item "receivables from associated companies" refers to receivables from Ilpra System Espana SI, relating to the sale of packaging machinery carried out with the associated company and the receivables claimed by IDM Automation S.r.l. from the associate Quantix Digital S.r.l. for Euro 222,298.

The item "Receivables from others" consists of Euro 10,997 of receivables from Ilpra Korea Llc. There are no receivables and debts with a duration of more than five years and debts secured by collateral on company assets; there are no receivables and payables relating to transactions with the obligation for the purchaser to retrocede forward.

Changes in the Allowance for Doubtful Receivables are shown below:

	Balance 31.12.2023	Increments	Use	Diff. Translation	Reclassificatio n	Balance 30.06.2024
F.do Write-downs of receivables	756.777	49.645	(29.072)	37	-	777.387
Total	756.777	49.645	(29.072)	37	-	777.387

The breakdown of receivables from others is as follows:

	Balance 30.06.2024	Balance 31.12.2023	Variation
Receivables from the Treasury	2.310.169	2.388.646	-78.477
Deferred tax credits	1.466.444	1.228.252	238.192
Receivables from employees	29.384	20.531	8.853
Receivables from social security institutions	642	1.010	-368
Receivables from suppliers for advances	1.643.272	907.234	736.038
Security deposit credits	28.500	18.675	9.825
Receivables from others	30.446	136.215	-105.769
Total	5.508.857	4.700.563	808.294

Financial assets that do not constitute fixed assets are as follows:

	Balance 30.06.2024	Balance 31.12.2023	Variation
Other securities	643.845	558.129	85.716
Total	643.845	558.129	85.716

The item "Other securities", amounting to Euro 643,845, mainly represents the investment made by the subsidiary Ilpra System UK Ltd in the St. James Place Investment Fund, for Euro 442,860, Euro 105,984 from the investment made by Strema S.r.l. in the DWS Investment Banco BPM Fund and for Euro 95,000 relating to the certificate of deposit opened by I.P.T. S.r.l., in 2023 for Euro 60,000 and increased in 2024 by Euro 35,000.

Cash equivalents

	Balance 30.06.2024	Balance 31.12.2023	Variation
Bank and postal deposits	12.277.442	14.666.021	-2.388.579
Money and cash equivalents	22.238	12.066	10.172
Total	12.299.680	14.678.087	-2.378.407

The cash and cash equivalents contributed by Ilpra Korea Llc amounted to Euro 64,846.

Accruals and deferrals

The voice moved as follows:

	Balance 30.06.2024	Balance 31.12.2023	Variation
Deferred income	954.077	833.658	120.419
Accrued income	131.784	94.255	37.529
Total	1.085.861	927.913	157.948

The item "Deferred income" mainly refers to insurance charges, licences and other costs incurred during the year but not attributable to the year. The main amount is attributable to Ilpra S.p.a. for Euro 540,438.

Equity

This table shows the changes in the Group's equity accounts during the year:

	Share Capital	Share premium Res.	Legal reserve	Extraordinary reserve	Res. translation	Cons. Res.	Res neg. Treasury Shares	Undivided gains (losses)	Profit (loss) for the year	Total
Balance sheet as at 01.01.24	2.407.720	4.753.914	481.544	6.843.450	-41.906	3.178.095	-665.808	7.101.479	4.960.530	29.019.018
Dest Result 2023				1.916.234				1.423.826	-3.340.060	0
Translation res					79.271					79.271
Dividends distribution									-1.424.112	-1.424.112
Other movements									-196.358	-196.358
Profit (loss) for the year									1.773.548	1.773.548
Treasury Share Reserve							-51.054			-51.054
Balance Sheet as at 30.06.24	2.407.720	4.753.914	481.544	8.759.684	37.365	3.178.095	-716.862	8.525.305	1.773.548	29.200.313

The Group's Shareholders' Equity as of June 30, 2024 amounted to Euro 29,200,313 and recorded the movements shown in the table above (pursuant to Article 2427, point 4 of the Italian Civil Code); the amount refers entirely to the Group's Shareholders' Equity.

The share capital consists of 12,038,600 shares with no par value.

As of June 30, 2024, the Parent Company holds 172,200 treasury shares, equal to 1.4304% of the share capital, purchased at market value during the year. The purchases made increased the negative reserve for treasury shares, which at the date of these consolidated interim financial statements amounted to Euro 716,862.

The value of the consolidation reserve as at 30 June 2024 refers to the negative difference between the carrying value of the investment of Ilpra System UK Ltd, Strema Srl, Ilpra Middle East Dwc-Illc, Ilpra Hong Kong Ltd, Veripack S.r.l., OOO Ilpra Rus and their respective shares in equity.

The reconciliation of the parent company's result and Shareholders' Equity with the Group's result and Shareholders' Equity as at 30 June 2024 in thousands of Euros is shown below.

Values expressed in thousands of Euro	Equity	Operating result
Shareholders' equity and operating result of Ilpra Spa	25.233	1.228
Elimination of the carrying value of consolidated investments		
Pro-rata results for consolidated companies	6.725	786
Elimination of the Revaluation Reserve	(4.903)	
Consolidation reserve	3.178	
Depreciation of the consolidation difference	(983)	(348)
Elimination of intra-group dividends	-	-
Translation differences	37	
Elimination adjustment IT-gaap amm Manufactured UK	(109)	(11)
Elimination of adjustment IT-gaap amm Apartment UAE	28	4
Elimination of IT-GAAP adjustment IFRS16 rent UAE	4	-
Impact IFRS 16		
IFRS 16 adjustment for previous years	(368)	
Leasing cost reversal	2.693	697
Depreciation on leases	(2.215)	(568)
Recognition of interest expense on leases	(395)	(107)
Elimination of tax effects		
Depreciation diff consolidation net of tax effects	274	97
Depreciation of UK building net of tax effects	25	3
Application of IFRS 16	(24)	(7)
Group shareholders' equity and operating profit	29.200	1.774

Provisions for risks and charges

	Balance 31.12.2023	Translation diff	All.to	Use	Balance 30.06.2024
Quiescence treatment	433.208		62.475	(260.000)	235.683
Provision for taxes	557.196	1.259	169.579	(32.334)	695.700
Other funds	200.217		10.000	-	210.217
Total	1.190.621	1.259	242.054	(292.334)	1.141.600

Changes in the Retirement Allowance break down as follows: increase of Euro 62,475, of which attributable to Ilpra S.p.A. for Euro 38,960, IDM Automations S.r.l. for Euro 5,000, IPT S.r.l. for Euro 3,916, MACS S.r.l. for Euro 10,000, Pentavac S.r.l. for Euro 349 and Veripack S.r.l. for Euro 4,250. The use of Euro 260,000 is attributable to TFM directors' payment Ilpra S.p.A. for Euro 170,000 and Pentavac S.r.l. for Euro 90,000.

The provision for taxes of Euro 695,700 for Euro 46,228 refers to the movements of Ilpra System UK Ltd (and has been increased compared to the previous year by Euro 8,504) and Strema S.r.l. by Euro 839; the remaining amount is entirely attributable to the movement of the "financial" method. The amount of Other Provisions of Euro 200,217 refers entirely to Ilpra S.p.A., for Euro 60,000 relating to the Guarantee Fund, which was increased by Euro 10,000 during the period; and for Euro 150,217 relates to IDM Automation S.r.l.

Employee severance pay

	Balance 31.12.2023	Translation diff	All.to 2024	Use	Other movements	Balance 30.06.2024
Severance Pay Fund	3.706.510	951	253.640	(284.574)	-	3.676.527
Total	3.706.510	951	253.640	(284.574)		3.676.527

The provision for employee severance indemnities represents the Group's actual payables as at 30 June 2024 to employees in force on that date, net of advances paid.

Debts

	Balance 30.06.2024	Balance 31.12.2023	Variation
Payables vs shareholders for financing	464.377	464.377	0
Payables to banks	32.085.969	30.252.083	1.833.886
Advances	7.862.415	5.392.179	2.470.236
Payables to suppliers	9.411.287	9.112.903	298.384
Payables vs Associates	46.279	0	46.279
Tax Payables	1.660.907	1.426.511	234.396
Social security payables	385.503	554.768	-169.265
Payables to others	3.720.116	2.756.979	963.137
Total	55.636.853	49.959.800	5.677.053

Payables to third-party shareholders for loans

The balance of the debt of this item is Euro 464,377 and refers to the loan received by MACS S.r.l. from a shareholder. This loan was already present before the M&A transaction carried out by Ilpra S.p.A.

Payables to banks

The balance of debt to banks as at 30 June 2024 expresses the actual debt for principal, interest and ancillary charges accrued and payable; those expiring beyond 12 months are represented by medium-term loans.

Advances from customers

The balance of the payable for advances from customers as of June 30, 2024 is Euro 7,862,415, and refers to advances received from customers for orders in progress.

Payables to suppliers

The balance of payables to suppliers as at 30 June 2024 expresses the actual payable to suppliers, net of discounts and allowances. The portion of debt attributable to Ilpra Korea Llc is Euro 75.

Debiti tributari

The item "Tax payables" includes only liabilities for certain and determined taxes, as liabilities for taxes are probable or uncertain in the amount or date of occurrence, or for deferred taxes, recorded in item B of the liabilities (Provision for risks and charges).

There are no debts beyond 12 months.

Social security debts

The payables to social security institutions are all within the financial year and there are no debts relating to previous years.

Payables attributable to Ilpra Korea Llc amounted to Euro 1,744.

Payables to others

The item "Payables to others" detailed below includes the items of Ilpra Korea Llc for Euro 9,129.

	Balance 30.06.2024	Balance 31.12.2023	Variation
Security deposits	138.412	153.784	-15.372
Payables vs shareholders dividends not distributed	712.056	408.969	303.087
Payables to staff	2.394.387	1.852.688	541.699
Payables to pension funds	59.208	72.441	-13.233
Credit card payables	154.097	138.546	15.551
Trade union withholdings	255	582	-327
Other payables	261.701	129.969	131.732
Total	3.720.116	2.756.979	963.137

Tax payables as at 30 June 2024 break down as follows:

	Balance 30.06.2024	Balance 31.12.2023	Variation
Payables to the Treasury for withholding taxes	299.249	452.790	-153.541
VAT payables to the Treasury	377.636	515.516	-137.880
Payables to the Treasury for other taxes	90.256	72.735	17.521
Payables to the Treasury for taxes	893.764	385.470	508.294
Payables to local authorities for taxes	-	-	0
Total	1.660.905	1.426.511	234.394

Accrued expenses and deferred income

The changes made to the item are composed as follows:

	Balance 30.06.2024	Balance 31.12.2023	Variation
Passover rate	185.337	62.238	123.099
Deferred income	4.125.843	3.668.339	457.504
Total	4.311.180	3.730.577	580.603

Accrued expenses are mainly related to bank interest.

Deferred income mainly relates to the reversal of rental income not pertaining to the period.

3.5 Detailed information on the Income Statement

It should be noted that the income statement takes into account the costs and revenues of new acquisitions pro rata from the date of purchase of the investments themselves.

Revenue from sales and services

Revenues from sales and services are broken down as follows:

	Balance 30.06.2024	Balance 30.06.2023	Variation
Sales revenue	24.924.269	27.384.329	-2.460.060
Revenue from services	1.268.354	765.603	502.751
Machinery rental revenues	98.588	96.003	2.585
Ancillary services revenues	526.800	576.275	-49.475
Total	26.818.011	28.822.210	-2.004.199

The item revenues includes sales of the new Korean company for Euro 64,061.

The geographical breakdown of sales and service revenues is as follows:

	Balance 30.06.2024	Balance 30.06.2023	Variation
Sales revenues ITALY	9.429.861	9.975.028	-545.167
Revenues from sales ABROAD	17.388.150	18.847.182	-1.459.032
Total	26.818.011	28.822.210	-2.004.199

The turnover achieved by Ilpra Korea Llc is all abroad for Euro 64,061.

Raw material costs

During the year under review, material costs decreased compared to the reference period; this decrease is attributable to a reduction in the costs of these goods and to an increase in the efficiency of purchases by the Group

	Balance 30.06.2024	Balance 30.06.2023	Variation
goods c/purchases	12.565.025	14.031.168	-1.466.143
Packaging	105.597	97.853	7.744
Consumables	343.746	361.355	-17.609
Small Equipment	71.929	82.059	-10.130
Total	13.086.297	14.572.435	-1.486.138

Production costs:

	Balance 30.06.2024	Balance 30.06.2023	Variation
Costs for raw mat, consumables and goods	13.086.297	14.572.435	-1.486.138
Service fees	5.966.539	5.054.427	912.112
Costs for the use of third-party assets	552.843	485.882	66.961
Personnel costs	8.295.968	7.173.335	1.122.633
Changes in inventories	-429.254	3.811	-433.065
Miscellaneous operating costs	412.644	323.983	88.661
Total	27.885.037	27.613.873	271.164

Ilpra Korea Llc incurred service costs of Euro 20,160 and personnel costs of Euro 47,660.

Interest and financial charges

The breakdown of interest and financial charges is shown below:

	Balance 30.06.2024	Balance 30.06.2023	Variation
Other income from equity investments	0	0	0
Bank interest income	55.905	51.161	4.744
Active interests from customers		0	0
Miscellaneous interest income	1.552	679	873
Interest income on securities	2.501	3.413	-912
Total	59.958	55.253	4.705

The portion of interest income attributable to IDM Automation S.r.l. is Euro 25. The item is significantly higher than the previous year as favorable conditions on the financial resources of your company have been negotiated.

	Balance 30.06.2024	Balance 30.06.2023	Variation
Bank interest expense	655.037	319.900	335.137
Leasing interest expense	106.878	74.059	32.819
Exchange rate difference	-39.991	-131.722	91.731
Total	721.924	262.237	459.687

There are no derivative financial instruments.

Taxes

Deferred tax assets are equal to those of the individual companies participating in the consolidated tax consolidation where they are accounted for.

	Balance 30.06.2024	Balance 30.06.2023	Variation
Current taxes	1.051.295	852.801	198.494
Deferred tax assets	175.301	174.081	1.220
Deferred tax assets	-272.297	-142.352	-129.945
Taxes for previous years	16	-49.339	49.355
Total	954.315	835.191	119.124

3.6 Other Information and Details

Average number of employees

The average number of employees for the first half of 2024 is shown below, divided between white-collar and blue-collar workers:

	Balance 30.06.2024	Balance 30.06.2023	Variation
Employees	160	156	4
Workers	174	162	12
Total	334	318	16

The average number of employees of Ilpra Korea Llc is 2 units, to be counted among office workers.

Commitments, guarantees and contingent liabilities not shown in the balance sheet

Commitments not shown in the balance sheet relate to the remaining lease instalments of the buildings. Commitments not shown in the balance sheet relating to the residual lease instalments of industrial buildings, machinery and vehicles leased have been written off for the application of the "financial" method. A guarantee remains for takeover of a real estate leasing contract, stipulated by the former subsidiary Tecnofoodpack S.p.A.

	Balance 30.06.2024	Balance 30.06.2023	Variation
Commitments	0	0	0
Warranty on behalf of Tecnofoodpack S.p.a.	804.837	931.977	-127.140
Total	804.837	931.977	-127.140

These consolidated financial statements, consisting of the Balance Sheet, Income Statement and Notes to the Financial Statements, and the Cash Flow Statement represent the Group's financial position and income statement for the period in a true and fair manner.

Milan, 26 September 2024

For the Board of Directors
The President
Maurizio Bertocco

