



PRESS RELEASE

BACK TO GROWTH IN Q2-25 (+3.7% VS Q2-24) NEW EBITDA RECORD IN H1-25 (14.6% OF SALES)

1. Interim Directors' Report as at 30 June 2025 approved

In the first half of 2025, the Group recorded:

- **EUR 294.7 million in turnover (-0.6% vs H1-24)**
- **EUR 225.0 million in order backlog (+31.7% vs June 2024)**
- **EUR 43.1 million in adjusted EBITDA (14.6% of sales, +0.3% vs H1-24)**
- **EUR 22.6 million in adjusted net profit (7.7% of sales, +9.5% vs H1-24)¹.**

As at 30 June 2025, the net financial position improved by EUR 22.5 million to EUR 96.4 million (compared to EUR 118.9 million as at 30 June 2024), thanks to operational profitability and strict control of net working capital.

Uboldo (VA) 9 September 2025 – The Board of Directors of LU-VE S.p.A. met today to examine and approve the interim consolidated financial report as at 30 June 2025.

“Internationally, the past few months have been characterised by widespread uncertainty. In spite of this, we returned to growth in the second quarter and closed the first half of the year with a new EBITDA record.” – declared **Matteo Liberali, Chairman and CEO of LU-VE Group** – *“In the coming months, we expect sales volume to increase as a result of our solid order backlog, improving demand in certain market segments, the impact of recent strategic investments in the US and China, and a potential easing of global instability. Above all, however, we rely on the value, passion, and professionalism of the women and men at LU-VE. It is thanks to them that we look ahead with confidence and optimism.”*

¹ Including the amortisation of the Purchase Price Allocation and the normalization of unrealised intercompany exchange differences.



1. INTERIM CONSOLIDATED FINANCIAL REPORT

The overall picture

Thanks to considerable recovery in the second quarter compared to 2024 (+3.7%), the first half of 2025 closed with a very slight decrease (-0.7%) in product turnover, which stood at EUR 290.6 million, and with improved profitability both in absolute terms (adjusted EBITDA EUR 43.1 million, +0.3% compared to H1-24) and as a percentage of turnover (14.6%) compared to the first half of 2024 (14.5%).

At the end of June, the order backlog reached a new record in the Group's history with an amount of EUR 225 million, up by 31.7% compared to the first half of 2024, and 6.9% compared to the first quarter of 2025. The "Cooling Systems" SBU has seen significant growth in orders, with most projects scheduled for the second half of the year and some already due to be completed in 2026, particularly in the field of high-powered products for power generation.

LU-VE Group is characterised by cutting-edge technology and a well-diversified structure that is capable of capturing the benefits of new opportunities, the first being linked to the green transition, for example, with regard to the resurgence of heat pumps, while on the business side, focus is on the exponential growth of data centres, made all the more essential by artificial intelligence applications. As regards production positioning, our direct presence in the United States allows us to reduce the impact of any duties and tariffs.

In the early months of the year, production of high-powered outdoor machines began in China, and the first orders and pilot projects were acquired for the new applications for which the plant extension is intended in order to serve the domestic market and the Asia-Pacific region.

Work continued in the United States on the expansion of the production site in Jacksonville (Texas). Construction is expected to be completed by the end of the year, with production gradually starting up in the first quarter of 2026. In light of the new "tariff war" launched by the new American administration, commissioning the new plant takes on even greater strategic importance and, as a result, the Group is accelerating the completion of the local team through strong support from the entire organisation.

Consolidation of the new global organisational structure on a regional basis continued alongside this. Through the definition of a matrix model and the redefinition of roles and operational responsibilities, the aim is to improve overall efficiency and productivity while streamlining business processes to better meet the needs of stakeholders and ensure a consistent level of service. The new structure was created



with the fundamental contribution of each Cluster and Function, as an extraordinary and enthusiastic example of teamwork.

ESG themes

In the first half of 2025, LU-VE continued its activities in line with the Sustainability Plan 2023-2025 approved in February 2023 by the BoD of the Parent Company LU-VE S.p.A.

The Sustainability Plan identifies a set of actions – aligned with the Group’s strategic priorities and sustainability vision – focused on four main macro-objectives: climate neutrality, cutting-edge products, high employee engagement and sustainability integrated into the business plan. All targets set for 2024 have been achieved and the targets set for 2025 have been confirmed.

In the first half-year, LU-VE Group launched a number of new analyses and projects to define the new objectives to be incorporated into the Business Plan 2026-2029. Specifically, calculating “Scope 3” emissions has made it possible to identify the areas most relevant to the Group, which will be analysed further in the coming months in order to identify reduction measures.

With regard to climate targets, the Group is committed to reducing emissions by at least 19% by the end of 2025 (based on the 2022 baseline). In this regard, new structured analysis activities have continued in order to reduce “Scope 1” and “Scope 2” emissions, starting with the Group’s most emissions-intensive plants. A number of new commercial and technological formulas are also being evaluated to reduce emissions without direct investments.

In terms of sustainability governance, with the definition of the Remuneration Policy, as part of the proposed MBOs and LTI Plan 2023-2025, a parameter linked to the reduction of emissions (Scope 1 and Scope 2) has been confirmed for the third consecutive year, in addition to the existing parameters linked to accident rates.

With regard to social impacts, in the first half of 2025, the Group continued the Sustainability Ambassadors’ Journey, arranged into two main modules:

- i) **Climate Fresk Path** is a programme dedicated to employees, designed to raise awareness of climate change and its social and environmental impacts through interactive workshops. Many of those involved have already completed their training, and the first workshops will be held in the coming months;
- ii) **Sustainability Labs** are work groups in which employees can generate ideas and proposals on sustainability to be developed within the company. The process has been reviewed and updated in order to integrate the results into the next Business Plan 2026-2028.



Impact on suppliers' employees: audits were continued as set out in the Sustainability Plan, integrating the assessment of environmental and social aspects in the broadest sense with aspects relating to quality, production and workplace safety.

Impact on customers: in the early months of the year, a survey was conducted among customers of the Components Strategic Business Unit, with the aim of gaining a deeper understanding of their strategic priorities in terms of sustainability.

The Group continued its collaboration with the Unione del Caldo e del Freddo Green (green heating and cooling union) and ASERCOM, the association of European component manufacturers.

Finally, activities continued in order to comply with the legal obligations set out in the European Regulation "Carbon Border Adjustment Mechanism - CBAM", which requires the reporting of climate-change emissions for certain carbon-intensive goods.

Revenues

"Revenues and operating income" decreased by EUR 1.7 million (-0.6%) compared to the first half of 2024. At constant exchange rates, the decrease would have been 1%. This decrease is particularly due to the drop in volumes and the change in the product mix.

As at 30 June 2025, sales revenues relating to the top 10 customers overall represented 28.7% of turnover (down compared to the first half of 2024), with the main customer accounting for only 3.9% of the total. This confirms the Group's lack of significant dependence on individual commercial or industrial contracts.

Geographic markets

In terms of **sales distribution by geographical area**, despite a good recovery in some markets such as Italy, Germany, the Czech Republic and Finland, the first half of 2025 saw a slight decline in sales in the European Union, accounting for 74.3% of total revenues, and modest progress in non-European countries, with the exception of the American continent, which, however, has a very interesting order backlog for the second half of this year.

The export value amounted to EUR 231.5 million, accounting for almost 80% of total sales.

Non-EU turnover accounts for 25.7% of the total.

Product and application segments

The first half of the year saw once again a significantly different performance between the two Business Units. The **"Components" SBU** is growing by 4.8%, with a turnover of EUR 150.9 million, while the **"Cooling Systems" SBU** recorded an amount of EUR 139.7 million, down 6.1% but recovering compared to the delay highlighted at the end of the first quarter.



The growth of the “**Components**” SBU was primarily driven by heat exchangers for commercial refrigeration and clothes dryers, and by a better-than-expected recovery in demand for heat pumps, which suggests the possibility of exceeding sales forecasts.

The negative turnover figure for the “**Cooling Systems**” SBU instead affected almost all applications, mainly due to the postponement of some major projects; however, the extremely positive figures for the order backlog in the second half of the year, especially in the “industrial cooling” and “data centre” sectors (against continuing stagnation in more traditional air conditioning applications) should enable the company to substantially achieve its targets at the end of the financial year.

The table below shows turnover trends by application type in the first half of 2025 and 2024.

APPLICATIONS (in thousands of Euro)	H1-2025	%	H1-2024	%	% delta
Refrigeration	144,000	48.9%	142,825	48.2%	0.8%
Air Conditioning	65,376	22.2%	72,269	24.4%	-9.5%
Special Applications	47,570	16.1%	43,345	14.6%	9.7%
Industrial Cooling	33,681	11.4%	34,330	11.6%	-1.9%
TOTAL APPLICATIONS	290,627	98.6%	292,769	98.8%	-0.7%
Other	4,081	1.4%	3,613	1.2%	13.0%
TOTAL	294,708	100%	296,382	100%	-0.6%

With a 0.8% growth, “**Refrigeration**” remains the Group’s most important application, despite a different trend between the two SBUs due to positive results in heat exchangers for refrigerated counters and display cabinets, as well as in the “**Horeca**” segment and, in general, in the world of large-scale retail projects, compared to less buoyant demand in recent years in industrial refrigeration and projects dedicated to large logistics centres in Europe.

The sharp decline in “**Air Conditioning**”, net of the recovery in sales of heat pump exchangers, is instead partly attributable to a particularly unfavourable comparison with the first half of 2024 in the data centre segment and partly to persistently stagnant demand in Europe in the market for large-building air conditioning projects.

“**Special Applications**” owe their growth to the very positive performance of exchangers for clothes dryers, while “**Mobile**” applications are experiencing a slow start, especially for products intended for the railway sector.



The “**Industrial Cooling**” segment, strongly recovering compared to the first quarter of 2025, is still affected by the postponement of some significant projects due to construction delays. However, there are two noteworthy positive aspects: an order backlog that has almost doubled compared to the first half of 2024, with some projects already scheduled in 2026, and first orders received for pilot projects acquired in China, thanks to new production capacity available locally.

Income results

“**EBITDA**” amounted to EUR 42.2 million (14.3% of revenues) compared to EUR 43.0 million (14.5% of revenues) in the first half of 2024. **Adjusted EBITDA** for the first half of 2025, net of the impact of non-operating costs, was EUR 43.1 million (zero non-operating costs in the first half of 2024).

The change in adjusted EBITDA compared to the first half of 2024 (positive by EUR 0.1 million) was generated by an EUR 0.4 million increase in the costs of the main raw materials and other production costs and by EUR 1.4 million substantially related to the volume effect, net of EUR 1.9 million from the increase in sales prices.

“**Depreciation and amortisation**” show a decrease of EUR 0.2 million (impact on turnover of 5.2%).

“**Operating profit (EBIT)**” was EUR 26.9 million (9.1% of revenues) compared to EUR 27.4 million (9.2% of revenues) in the first half of 2024. Net of non-operating costs, adjusted EBIT for the first half of 2025 was EUR 27.8 million, 9.4% of revenues.

The balance of “**Net financial income and expense and net exchange gains/(losses)**” was negative for EUR 4.3 million (negative for EUR 1.1 million in the first half of 2024). The negative difference of EUR 3.2 million was due to: i) the negative impact of amortised cost of EUR 2.0 million, ii) the negative change in the fair value of hedging financial derivatives on loans of EUR 1.3 million, iii) the negative change in exchange rate deltas of EUR 3.2 million, iv) the positive change in the return on invested liquidity of EUR 1.7 million and v) the decrease in financial expense of EUR 1.6 million. In addition, the negative change in fair value of the put and call option in the first half of 2024, related to the acquisition of the remaining 25% of the investment of the subsidiary Refrion S.r.l., equal to EUR 0.9 million, was recognised within this item.

“**Pre-tax result (EBT)**” was equal to EUR 22.7 million (7.7% of revenues) compared to EUR 26.3 million as at 30 June 2024 (8.9% of revenues). The EBT for the first half of 2025 normalised (adjusted EBT) for the net effect of the negative change in the fair value of derivatives and the impact of amortised cost (EUR 1.5 million) and non-operating costs amounted to EUR 25.0 million (8.5% of revenues). The EBT for the first half of 2024 normalised (adjusted EBT) for the negative change in the value of the put and call option (EUR 0.9 million) and for the net effect of the



positive change in the fair value of derivatives and the impact of amortised cost (EUR 1.9 million) amounted to EUR 25.3 million (8.5% of revenues).

The “**Net result**” was EUR 17.0 million (5.8% of revenues) compared to EUR 20.1 million in the first half of 2024 (6.8% of revenues). When applying the tax effect to non-operating costs and revenues, the net result for the first half of 2025 (Adjusted net result) amounted to EUR 19.0 million, 6.5% of revenues (in the first half of 2024, EUR 19.6 million, 6.6% of revenues).

When including the adjustment related to the amortisation of the “Purchase Price Allocation” and that related to unrealised intercompany exchange differences, the adjusted net result was EUR 22.6 million (EUR 20.6 million in H1-24).

Net working capital

The Group’s operating **working capital** (equal to the sum of inventories and trade receivables net of trade payables) as at 30 June 2025 amounted to EUR 102.5 million, accounting for 17.4% of sales in the last 12 months (EUR 105.8 million as at 30 June 2024, 17.8% of sales of the last 12 months).

Investments

Non-current assets as at 30 June 2025 show an increase of EUR 0.4 million, mainly due to higher amortisation compared to the investments made in the period for a net overall change of EUR 2.1 million, partially offset by the increase in Deferred tax assets for EUR 2.3 million.

The investments for the period amounted to approximately EUR 17.1 million, of which EUR 9.5 million are related to the investment in LU-VE US Inc. and EUR 1.8 to rights of use.



Net financial position and cash generation

The **net financial position** was negative for EUR 96.4 million (EUR 97.5 million as at 31 December 2024), with an improvement of EUR 1.1 million. This was mainly due to positive cash flow from operations of EUR 30.3 million, net of EUR 16.7 million related to investments, EUR 9.8 million in dividend distributions, EUR 6.7 million related to the increase in operating working capital, and thanks to EUR 3.0 million related to changes in other payables and receivables and EUR 1.0 million related to the decrease in other financial liabilities (IFRS 16).

The **net financial position** as at 30 June 2024 was EUR 118.9 million (an improvement of EUR 22.5 million over the last twelve months).

In the period 1 July 2024 – 30 June 2025, **cash flow** from operations, adjusted for non-operating items, amounted to EUR 53.4 million.

Shareholders' Equity

Consolidated shareholders' equity amounted to EUR 262.8 million compared to EUR 255.4 million as at 31 December 2024. The increase (EUR 7.4 million) is mainly due to the result for the period (EUR 17.0 million) adjusted by the distribution of dividends totalling EUR 9.8 million.

2. SUBSEQUENT EVENTS AFTER THE END OF THE PERIOD

On 1 July 2025, the Company held an extraordinary general meeting that approved the proposed amendments to the Articles of Association aimed, among other things, at introducing an enhancement of the increased voting right already in force.

As a result of this introduction, in addition to the existing “ordinary increased voting right” – which assigns two votes for each LU-VE share held by the same person for a continuous period of 24 months from the date of registration in the special list for increased voting rights, established and maintained by the company in accordance with applicable regulations (the “Special List”) – for the same LU-VE share held by the same person, which will continue to be registered in the Special List also after the double vote has accrued, there is the allocation of a third vote at the end of a further 12-month period from the accrual of the ordinary increased voting right, and an additional vote at the end of each further 12-month period, up to a maximum total of 10 votes per share.

As the company did not receive any requests for withdrawal from eligible shareholders during the withdrawal period between 3 July 2025 and 18 July 2025 (included), and since neither of the two conditions for termination had been met, the resolution of the shareholders' meeting to amend the Articles of Association adopted on 1 July became definitively effective and the enhancement of the increased voting right approved by the shareholders' meeting is therefore fully implemented in the Articles of Association, with effect from 3 July 2025.



3. BUSINESS OUTLOOK

Sales are expected to grow mainly in the second half of 2025, thanks to a strong order backlog, improved market demand in certain segments, the impact of recent strategic investments and a potential easing of global instability, factors that could foster a more favourable environment for growth.

Nevertheless, short-term visibility remains limited due to ongoing uncertainty. The current macroeconomic landscape and ongoing tariff disputes are contributing to volatility, with repercussions particularly for large-scale projects related to data centres and power generation, where customer decisions may be delayed.

In this context, LU-VE Group continues to approach the market with caution and agility, remaining focused on its strategic priorities.

Looking ahead, the company will focus on operational efficiency and selective growth initiatives to promote long-term sustainable expansion, while preserving a solid financial position.



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The financial reporting manager, Mr Eligio Macchi, declares, pursuant to paragraph 2 of Article 154-bis of the Consolidated Law on Finance, that the accounting disclosure contained in this press release corresponds to the results of the accounting documents, books and entries. The Consolidated Reclassified Income Statement, the Consolidated Reclassified Balance Sheet, and the Consolidated Statement of Cash Flow are attached.

Please note that the interim financial report is still undergoing limited auditing by the independent auditors, which have not yet issued their report. The independent auditors' report will be published in the same manner as the interim financial report and as soon as it becomes available, in accordance with the terms set out in the current regulations.

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LU-VE Group is one of the world's leading industrial companies specialising in the design and manufacture of highly engineered air heat exchangers and high-efficiency cooling systems for commercial, industrial and technological applications. Founded in 1986, it has grown to become a global player in the HVACR industry, and is known for its strong commitment to innovation. LU-VE Group has a network of 20 production plants (in 9 countries) and 35 sales offices in Europe, Asia and North America, serving customers in over 100 countries. The company's portfolio includes air heat exchangers, condensers, dry coolers, ventilated units and glass doors for refrigerated counters and cabinets, with applications ranging from cold chain and data centre cooling to industrial refrigeration, power generation, mobile applications and air conditioning. The Group's strength lies in over 4,000 highly qualified people. LU-VE Group is heavily involved in R&D and actively collaborates with numerous universities around the world to drive innovation and provide advanced heat exchange solutions. Listed on the Italian Stock Exchange since 2015.

www.luvegroup.com

ATTACHMENTS

1. Reclassified Consolidated Income Statement

Reclassified Consolidated Income Statement <i>(in thousands of Euro)</i>	H1 2025	% revenues	H1 2024	% revenues	% change
Revenues and operating income	294,708	100%	296,382	100%	-0.6%
Purchases of materials	(153,623)	52.1%	(150,086)	50.6%	
Changes in inventories	12,450	-4.2%	5,019	-1.7%	
Services	(37,828)	12.8%	(38,148)	12.9%	
Personnel costs	(71,666)	24.3%	(68,430)	23.1%	
Other operating expenses and accruals	(1,852)	0.6%	(1,781)	0.6%	
Total operating costs	(252,519)	85.7%	(253,426)	85.5%	-0.4%
EBITDA	42,189	14.3%	42,956	14.5%	-1.8%
Depreciation and amortisation	(15,342)	5.2%	(15,567)	5.3%	
Gains/(Losses) on Non-current assets	72	0.0%	(20)	0.0%	
Operating profit (EBIT)	26,919	9.1%	27,369	9.2%	-1.6%
Net financial income and expense and net exchange gains/(losses)	(4,266)	1.4%	(1,085)	0.4%	
Pre-tax result (EBT)	22,653	7.7%	26,284	8.9%	-13.8%
Income taxes	(5,627)	1.9%	(6,190)	2.1%	
Net result	17,026	5.8%	20,094	6.8%	-15.3%
Net result attributable to non-controlling interests	748		658		
Net result attributable to the Group	16,278	5.5%	19,436	6.6%	-16.2%

2. Reclassified Consolidated Balance Sheet

Reclassified Consolidated Balance Sheet					
(in thousands of Euro)	30/06/2025	% of net invested capital	31/12/2024	% of net invested capital	Change 2025 over 2024
Net intangible assets	84,455		88,080		(3,625)
Net property, plant and equipment	215,139		213,621		1,518
Deferred tax assets	13,566		11,227		2,339
Other non-current assets	626		424		202
Non-current assets (A)	313,786	87.4%	313,352	88.8%	434
Inventories	112,648		101,061		11,587
Trade receivables	121,631		102,961		18,670
Other receivables and current assets	14,254		13,631		623
Current assets (B)	248,533		217,653		30,880
Trade payables	131,807		108,291		23,516
Other payables and current liabilities	46,074		44,641		1,433
Current liabilities (C)	177,881		152,932		24,949
Net working capital (D=B-C)	70,652	19.6%	64,721	18.3%	5,931
Provisions for employee benefits	5,361		5,390		(29)
Deferred tax liabilities	13,279		13,698		(419)
Provisions for risks and charges	6,580		6,012		568
Medium/long-term liabilities (E)	25,220	7.0%	25,100	7.1%	120
Net Invested Capital (A+D-E)	359,218	100%	352,973	100%	6,245
Shareholders' equity attributable to the Group	256,195		249,434		6,761
Shareholders' equity attributable to non-controlling interests	6,618		6,003		615
Total Consolidated Shareholders' Equity	262,813	73.2%	255,437	72.4%	7,376
Medium-term Net Financial Position	304,926		279,756		25,170
Short-term Net Financial Position	(208,521)		(182,220)		(26,301)
Total Net Financial Position	96,405	26.8%	97,536	27.6%	(1,131)
Shareholder's equity and net financial debt	359,218	100%	352,973	100%	6,245

3. Consolidated Statement of Cash Flows

Consolidated Statement of Cash Flows (in thousand Euro)	H1 2025	H1 2024
A. Cash and cash equivalents at the beginning of the period	271,191	212,059
Profit for the period	17,026	20,094
Adjustments for:		
- Depreciation and amortisation	15,342	15,568
- (Gains)/losses, write-downs of non-current assets	(72)	(120)
- (Gains)/losses from the sale of investments	-	-
- Net financial expenses	447	1,556
- Income taxes	5,627	6,190
- Changes in fair value	1,811	706
Changes in post-employment benefits	47	157
Changes in provisions	568	75
Changes in trade receivables	(18,670)	(27,176)
Changes in inventories	(12,450)	(5,019)
Changes in trade payables	23,516	30,549
Changes in net working capital	(7,604)	(1,646)
Changes in other receivables and payables, deferred taxes	(403)	616
Taxes paid	(5,611)	(6,244)
Net paid financial expense	(899)	(2,413)
B. Cash flows from (used in) operating activities	26,279	34,539
Investments in non-current assets:		
- intangible assets	(722)	(1,223)
- property, plant and equipment	(15,958)	(11,171)
- financial assets	-	-
Net investments in current financial assets	(33,905)	4,159
C. Cash flows from (used in) investing activities	(50,585)	(8,235)
Repayment of loans	(75,843)	(61,765)
Loans taken out	90,472	75,000
Contingent consideration subsequent to a business combination	-	-
Changes in other financial liabilities	(2,263)	(3,413)
Dividends paid	(9,348)	(9,695)
Other changes	-	-
D. Cash flows from (used in) financing activities	3,018	127
Exchange differences	34	4,471
Other non-monetary changes	3,943	(3,041)
E. Other changes	3,977	1,430
F. Net cash flows in the period (B+C+D+E)	(17,311)	27,861
Cash and cash equivalents at the end of the period (A+F)	253,880	239,920
Current financial indebtedness	45,359	100,739
Non-current financial indebtedness	304,926	258,049
Net financial indebtedness	96,405	118,868