press release

EUROTECH: BOARD OF DIRECTORS APPROVES 2025 CONSOLIDATED RESULTS

A SIGNIFICANT IMPROVEMENT IN OPERATING PROFITABILITY, PARTICULARLY IN THE SECOND HALF OF THE YEAR, AS A RESULT OF THE REORGANISATION MEASURES IMPLEMENTED BY THE GROUP. EDGE AIoT ACCOUNTS FOR 59.5% OF REVENUE.

Main consolidated economic and financial results for the year 2025:

- **Consolidated revenues:** Euro 55.4 million (-6.4% compared to Euro 59.1 million in 2024);
- **FY2025 EBITDA:** Euro -3.1 million (+38.1%, an improvement compared to Euro -5.0 million in 2024);
- **EBITDA H2 2025:** Euro 2.2 million (compared to Euro - 5.3 million in H1 2025);
- **EBIT:** Euro -8.5 million (+73.5%, an improvement compared to Euro -32.3 million in 2024);
- **Group net result:** Euro -9.3 million (+74.4%, an improvement compared to Euro -36.2 million in 2024);
- **Net financial position:** Euro 16.8 million (Euro 20.4 million as of December 31, 2024).

Amaro (UD), Italy, March 16, 2026 – Eurotech S.p.A., a multinational company that designs, develops and supplies Edge Computing and Internet of Things (IoT) solutions, integrating software, hardware, cybersecurity and services, and whose shares are listed on Euronext STAR Milan, announces that the Board of Directors has approved the draft annual financial statements and the consolidated financial statements as at 31 December 2025.

Massimo Milan, CEO of Eurotech, said: *"For Eurotech, 2025 marked the start of a major reorganisation and transformation process. Against a complex macroeconomic backdrop, which has particularly affected the industrial sector in Western markets, the Group recorded a decline in revenue but, at the same time, a significant improvement in operating profitability.*
The efficiency measures implemented lowered the operating break-even point and enabled a return to positive EBITDA in the second half of the financial year. At the same time, the Edge AIoT business strengthened its strategic role, coming to account for around 60% of the Group's revenue.
Looking ahead to 2026, Eurotech is entering a new phase, focused on consolidating profitability and creating sustainable value in the medium term."

Economic performance for the period

Throughout 2025, the company's performance was characterised by a two-speed dynamic:

- in the **first half of the year,** activity was affected by the contraction in order intake recorded in the second half of 2024, linked to the weakness of the industrial sector, particularly in Europe and partly in the United States;
- in the **second half of the year**, on the other hand, there was a gradual recovery in commercial activity, accompanied by the effects of the reorganisation and improvement of operating efficiency undertaken by the Group.

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For the 2025 financial year as a whole, the **Eurotech Group's consolidated revenue** stood at **€55.4 million**, representing a decrease of 6.4% compared with **€59.1 million** in the 2024 financial year. At constant exchange rates, the decline in revenue would have been more modest, at 4.9%.
In 2025, the Edge AIoT business maintained revenue levels broadly in line with the previous year, increasing its share of total revenue to 59.5%, compared with 55.4% in 2024. The decline in revenue is therefore primarily attributable to the contraction of the traditional Embedded business, particularly in the Americas.

With reference to the breakdown of revenues by geographical area based on the customer's location:

- America: – 29.5%;
- Japan: +1.8%;
- Europe: –3.9%;
- Other areas: -12.0%.

The **first margin**[1] for the period was **Euro 27.5 million**, with an EBITDA margin of 49.7%, compared to 50.7% recorded in 2024.

Adjusted EBITDA[2] amounted to **Euro -1.3 million**, a significant improvement compared to Euro -3.7 million in 2024, with an overall recovery of Euro 2.4 million.

Taking non-recurring items into account, **reported EBITDA** for 2025 stood at €-3.1 million, compared with €-5.0 million in the previous year, reflecting an improvement in the Group's operating profitability. The EBITDA margin therefore stood at -5.5%, compared with -8.4% in 2024.

Operating profit (EBIT) stood at **€-8.5 million**, a marked improvement on the €-32.3 million recorded in 2024. The previous financial year had been significantly affected by a goodwill impairment charge of €22.7 million relating to the cash-generating unit (CGU) in the US geographical area. Excluding this impairment charge, EBIT for 2024 would still have been negative at €-9.6 million.

The **Group's net result** amounted to **Euro -9.3 million**, compared to Euro -36.2 million in 2024.

Financial statement and financial position of the Eurotech Group

During 2025, the Group's **net working capital** fell by €5.0 million, mainly due to a reduction in current assets (a decrease of €4.2 million). Specifically, the following changes occurred during the period:

- reduction in inventories of Euro -5.2 million;
- increase in trade receivables for Euro 1.5 million.

As at 31 December 2025, the Eurotech Group reported **net financial position** of **€16.8 million**, an improvement on the **€20.4 million** recorded as at 31 December 2024. This result, in addition to improved working capital management, also reflects payments made by the relative majority shareholder Emera S.r.l. to support the Group's operational management, amounting to €7 million, as part of a future capital increase.

The Group's **equity** stands at **€52.7 million**, compared with **€60.7 million** as at 31 December 2024.

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[1] The First Margin is the result of the difference between revenues from the sale of goods and services and the consumption of raw materials.

[2] *Adjusted EBITDA* isolates the cost and/or revenue components considered non-recurring by management. This measure is used by the Group to monitor and evaluate its operating performance net of any non-recurring costs or revenues that are therefore not frequently repeated in the normal course of business activities.

Significant events occurring after the end of the financial year

In January 2026, the relative majority shareholder, Emera S.r.l., made further payments towards a future capital increase, bringing the total payments made between 2025 and 2026 to €9 million.

Following the resolution passed by the Board of Directors on 27 January 2026, Eurotech launched a capital increase of €17.5 million, in accordance with the resolution passed by the Shareholders' Meeting on 15 October 2024, following the €2.5 million capital increase carried out in June 2025.
The transaction was successfully completed in February 2026, with the issue of 20,996,436 new ordinary shares

Outlook and strategic priorities

The international macroeconomic and geopolitical environment remains characterised by high volatility and uncertainty, with potential implications for industrial demand trends and technological investment.
In particular, the memory market (SSDs) is currently experiencing significant strain, characterised by rising component prices and longer delivery times.
The Group is closely monitoring these developments and is taking the necessary supply chain and procurement measures to mitigate any potential operational impacts.

In this scenario, management will continue to implement the business plan, supported by the recent strengthening of the company's capital base.
For 2026, the focus will be on the transition from the recovery phase to a state of structural profitability (*From Recovery to Structural Profitability*).
Operational priorities include:

- development of Research & Development activities;
- strengthening of skills and "go-to-market" activities;
- expansion of the technological solutions offered.

The Group is focused on the implementation of the Eutotech NeXt plan based on:

- focus on 4 vertical markets with high development potential: *Industrial, Transportation & Mobility, Energy & Grids* and *Aerospace & Defense;*
- focus on high value-added solutions;
- *cost management*;
- strengthening of the *end-to-end integrated technology platform (*hardware, software, cybersecurity and services).

In light of these strategic priorities and the completion of the rationalisation measures undertaken, management forecasts moderate revenue growth for 2026, a return to positive EBITDA and positive operating cash flow

Financial statements of the parent company Eurotech S.p.A.

Revenue for the parent company, Eurotech S.p.A., amounted to €14.6 million, compared with €20.1 million in 2024 (-27.5%). EBITDA for the financial year stood at €-4.7 million, compared with €-5.5 million in 2024. The net result for 2025 shows a loss of €8.4 million, compared with the loss of €52.4 million recorded in 2024.
The result for the current financial year was influenced in particular by the write-down of the value of the investment in the Japanese subsidiary Advanet Inc. by €2.4 million.

This adjustment is entirely attributable to the effects of the yen's depreciation against the euro during 2025 and to the increase in the discount rate (WACC) used in the valuations, resulting from the rise in interest rates in Japan.
Based on the results for the year, the equity of Eurotech S.p.A. decreased from €63.7 million as of 31 December 2024 to €62.3 million as of 31 December 2025.
In 2025, the Parent Company reports a net financial position with net debt of €12.1 million, an improvement compared to the net debt of €18.0 million recorded in 2024.
The Board of Directors will propose to the Shareholders' Meeting that the loss for the year, amounting to €8.4 million, be carried forward.

Annual general meeting convened and new share capital increase authorization proposed

The Company's Board of Directors has also resolved to convene the Annual General Meeting on 29 April 2026 (in a single call) to discuss and resolve:

- at the ordinary general meeting, regarding: (i) the approval of the financial statements for the year ended 31 December 2025, (ii) the approval of the remuneration policy and the advisory vote on the second section of the report on the remuneration policy and remuneration paid, (iii) the re-election of the Board of Directors and the Board of Statutory Auditors, (iv) the authorisation to purchase and dispose of treasury shares, and (v) the one-off supplement to the remuneration of the independent auditors;
- at an extraordinary general meeting, regarding the granting to the board of directors of a new power, pursuant to Article 2443 of the Civil Code, to increase the share capital up to a maximum of 20 million (including any share premium), to be carried out, including in separate instalments, in one or more tranches, over the next three years, by way of a rights issue to shareholders or, alternatively, with the exclusion of subscription rights pursuant to Article 2441, paragraphs 4 and/or 5 and/or 8, of the Italian Civil Code.

The proposed authorisation to increase the share capital is intended to further accelerate the Eurotech Group's growth and development and, consequently, to secure any additional financial resources necessary to achieve the strategic objectives set out in the Company's business plan, including any potential acquisitions; it should be noted, however, that as of today, no terms, conditions or procedures have been established for any capital increase to be carried out under this authorisation.
As regards the proposal to the ordinary general meeting concerning authorisation to purchase and dispose of treasury shares, it provides that: the maximum number of shares that the Board of Directors, should it deem it appropriate to make use of this authorisation, shall be authorised to purchase within the limits of the law shall correspond to one-fifth of the Company's share capital; the authorisation to purchase shall be valid for a period of 18 months, whilst the duration of the authorisation to dispose of treasury shares shall be without time limits; purchase transactions may be carried out in accordance with the procedures and within the timeframes to be determined on a case-by-case basis by the Board of Directors in compliance with Article 5 of EU Regulation No 596/2014, Article 132 of the Consolidated Law on Finance, Article 144-bis of the Issuers' Regulations, accepted market practices and/or the guidelines of the Supervisory Authority, in any event in such a way as to ensure equal treatment of Shareholders and compliance with all applicable regulations, including European regulations

(including, in particular, the regulatory technical standards adopted in implementation of the MAR). The proposed authorisation stipulates that the purchase price of each of the company's own ordinary shares shall be, at a minimum, no less than 15% and, at a maximum, not exceed 15% of the official price recorded for Eurotech ordinary shares on the trading day preceding each individual purchase transaction, subject also to compliance with the trading conditions set out in Article 3 of Delegated Regulation (EU) 2016/1052. The reasons underlying the request for authorisation to purchase and dispose of treasury shares are set out in detail in the relevant explanatory report pursuant to Article 125-ter of the Consolidated Law on Finance, which will be made available in accordance with the procedures and within the time limits laid down by law.
The notice convening the Ordinary and Extraordinary General Meeting of 29 April 2026 will be published in accordance with the terms and procedures laid down by current legislation, including regulations, together with the Board of Directors' explanatory reports on the items on the agenda and any further documentation for the General Meeting.

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On March 17, 2026, at 14:30 CEST, Eurotech's management will hold a conference call to present the consolidated results for the period to the financial community and the press.
It will be possible to participate in the conference call at the following **link.**

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Sandro Barazza, the Manager responsible for preparing the company's financial statements, certifies, in accordance with Article 154-bis (2) of the Consolidated Law on Finance, that the financial information contained in this press release is consistent with the company's documentary records, books and accounting records.

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Eurotech
Eurotech is a multinational company that designs, develops, and delivers computer edge and Internet of Things (IoT) solutions complete with services, software, and hardware for system integrators and enterprises. By adopting Eurotech's solutions, customers have access to IoT software components and platforms, Edge Gateways to enable asset monitoring, and High-Performance Edge Computers (HPEC) for Artificial Intelligence (AI) applications. To offer increasingly complete solutions, Eurotech has entered into partnerships with leading companies in their field of action, thus creating a global ecosystem that allows it to create "first-order" solutions for the Internet of Things.
Find out more about: www.eurotech.com

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ANNEX – ACCOUNTING SCHEDULES

CONSOLIDATED PROFIT AND LOSS ACCOUNT

(€ '000)	FY 2025 (b)	*of which non recurrent*	%	FY 2024 (a)	*of which non recurrent*	%	change (b-a) amount	change (b-a) %
Sales revenue	55,377		100.0%	59,133		100.0%	(3,756)	-6.4%
Cost of material	(28,276)		-51.1%	(29,144)		-49.3%	(868)	-3.0%
Gross profit	**27,101**		**48.9%**	**29,989**		**50.7%**	**(2,888)**	**-9.6%**
Services costs	(10,426)	(607)	-18.8%	(12,921)	(659)	-21.9%	(2,495)	-19.3%
Lease & hire costs	(670)		-1.2%	(894)		-1.5%	(224)	-25.1%
Payroll costs	(20,903)	(1,178)	-37.7%	(23,784)	(437)	-40.2%	(2,881)	-12.1%
Other provisions and costs	(721)		-1.3%	(985)	(154)	-1.7%	(264)	-26.8%
Other revenues	2,562		4.6%	3,637		6.2%	(1,075)	-29.6%
EBITDA	**(3,057)**	**(1,785)**	**-5.5%**	**(4,958)**	**(1,250)**	**-8.4%**	**1,901**	**38.3%**
Depreciation & Amortization	(5,212)		-9.4%	(4,446)		-7.5%	766	17.2%
Asset impairment	(282)		-0.5%	(22,855)		-38.7%	(22,573)	-98.8%
EBIT	**(8,551)**	**(1,785)**	**-15.4%**	**(32,259)**	**(1,250)**	**-54.6%**	**23,708**	**73.5%**
Finance expense	(1,692)		-3.1%	(2,597)		-4.4%	(905)	-34.8%
Finance income	1,054		1.9%	2,241		3.8%	(1,187)	-53.0%
Profit before tax	**(9,189)**	**(1,785)**	**-16.6%**	**(32,615)**	**(1,250)**	**-55.2%**	**23,426**	**71.8%**
Income tax	(83)		-0.1%	(3,540)		-6.0%	(3,457)	-97.7%
Net profit (loss) of continuing operations before minority interest	**(9,272)**	**(1,785)**	**-16.7%**	**(36,155)**	**(1,250)**	**-61.1%**	**26,883**	**74.4%**
Minority interest	**-**		**0.0%**	**-**		**0.0%**	**-**	**n/a**
Profit (Losses) from company in liquidation	**0**		**0.0%**	**0**		**0.0%**	**0**	**n/a**
Group net profit (loss) for period	**(9,272)**	**(1,785)**	**-16.7%**	**(36,155)**	**(1,250)**	**-61.1%**	**26,883**	**74.4%**
Base earnings per share	**(0.251)**			**(1.025)**				
Diluted earnings per share	**(0.251)**			**(1.025)**				

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REVENUES BREAKDOWN BY END-CUSTOMER LOCATION

(€' 000) BREAKDOWN BY GEOGRAPHIC AREA	FY 2025	%	FY 2024	%	% change
European Union	28,130	50.8%	29,280	49.5%	-3.9%
United States	5,626	10.2%	7,984	13.5%	-29.5%
Japan	17,544	31.7%	17,235	29.1%	1.8%
Other	4,077	7.4%	4,634	7.8%	-12.0%
TOTAL SALES AND SERVICE REVENUES	**55,377**	**100.0%**	**59,133**	**100.0%**	**-6.4%**

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(€'000)	at December 31, 2025	at December 31, 2024	change
ASSETS			
Intangible assets	55,938	62,425	(6,487)
Property, Plant and equipment	6,897	8,367	(1,470)
Investments in affiliate companies	4	4	-
Investments in other companies	137	152	(15)
Deferred tax assets	1,973	1,647	326
Other non-current assets	416	480	(64)
Total non-current assets	**65,365**	**73,075**	**(7,710)**
Inventories	11,918	17,141	(5,223)
Trade receivables	13,929	12,405	1,524
Income tax receivables	568	934	(366)
Other current assets	1,361	1,498	(137)
Other current financial assets	17	115	(98)
Derivative instruments	4	29	(25)
Cash & cash equivalents	6,455	6,170	285
Total current assets	**34,252**	**38,292**	**(4,040)**
Total assets	**99,617**	**111,367**	**(11,750)**
LIABILITIES AND EQUITY			
Share capital	9,657	8,879	778
Reserves	(85,792)	(48,460)	(37,332)
Share premium reserve	138,122	136,400	1,722
Net profit (loss) for period	(9,272)	(36,155)	26,883
Other reserves	(95,064)	(84,615)	(10,449)
Group shareholders' equity	**52,715**	**60,664**	**(7,949)**
Equity attributable to minority interest	**-**	**-**	**-**
Total shareholders' equity	**52,715**	**60,664**	**(7,949)**
Medium-/long-term borrowing	11,574	17,551	(5,977)
Employee benefit obligations	1,938	2,331	(393)
Deferred tax liabilities	2,865	3,164	(299)
Other non-current liabilities	775	1,200	(425)
Total non-current liabilities	**17,152**	**24,246**	**(7,094)**
Trade payables	9,384	9,040	344
Trade payables from affiliates companies	209	399	(190)
Short-term borrowing	11,601	9,048	2,553
Income tax liabilities	879	953	(74)
Other current liabilities	7,576	6,902	674
Business combination liabilities	101	115	(14)
Total current liabilities	**29,750**	**26,457**	**3,293**
Total liabilities	**46,902**	**50,703**	**(3,801)**
Total liabilities and equity	**99,617**	**111,367**	**(11,750)**

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STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(€'000)	Share capital	Legal reserve	Share premium reserve	Conversion reserve	Other reserves	Cash flow hedge reserve	Actuarial gains/(losses) on defined benefit plans reserve	Exchange rate differences reserve	Treasury shares	Profit (loss) for period	Group shareholders ' equity	Equity attributable to Minority interest	Total shareholders ' equity
Balance as at December 31, 2024	**8,879**	**1,776**	**136,400**	**(2,187)**	**(51,514)**	**29**	**(513)**	**4,611**	**(662)**	**(36,155)**	**60,664**	**-**	**60,664**
2024 Result allocation	-	-	-	-	(36,155)	-	-	-	-	36,155	-	-	-
Profit (loss) as at December 31, 2025	-	-	-	-	-	-	-	-	-	(9,272)	(9,272)	-	(9,272)
Comprehensive other profit (loss):													
- Hedge transactions	-	-	-	-	-	(25)	-	-	-	-	(25)	-	(25)
- Actuarial gains/(losses) on defined benefit plans for employees	-	-	-	-	(22)	-	180	-		-	158	-	158
- Foreign balance sheets conversion difference	-	-	-	(3,063)	-			-	-	-	(3,063)	-	(3,063)
- Exchange differences on equity investments in foreign companies	-	-	-	-		-	-	(2,782)	-	-	(2,782)	-	(2,782)
Total Comprehensive result	**-**	**-**	**-**	**(3,063)**	**(22)**	**(25)**	**180**	**(2,782)**	**-**	**(9,272)**	**(14,984)**	**-**	**(14,984)**
Performance Share Plan	-	-	-	-	51	-	-	-	157	-	208	-	208
Buyback of Treasury stock									(63)		(63)		(63)
Increase of capital	778		1,722	-	(2,610)	-					(110)		(110)
Future capital increase payment				-	7,000	-			-		7,000		7,000
Balance as at December 31, 2025	**9,657**	**1,776**	**138,122**	**(5,250)**	**(83,250)**	**4**	**(333)**	**1,829**	**(568)**	**(9,272)**	**52,715**	**-**	**52,715**

NET FINANCIAL POSITION

(€'000)		at December 31, 2025	at December 31, 2024
Cash	A	6,455	6,170
Cash equivalents	B	-	-
Other current financial assets	C	21	144
Cash equivalent	**D=A+B+C**	**6,476**	**6,314**
Current financial debt	E	4,023	6,808
Current portion of non-current financial debt	F	7,578	2,240
Other current financial liabilities	G	101	115
Short-term financial position	**H=E+F+G**	**11,702**	**9,163**
Short-term net financial position	**I=H-D**	**5,226**	**2,849**
Non current financial debt	J	11,574	17,551
Debt instrument	K	-	-
Medium-/long-term net financial position	**M=J+K+L**	**11,574**	**17,551**
(NET FINANCIAL POSITION) NET DEBT ESMA	**N=I+M**	**16,800**	**20,400**

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NET WORKING CAPITAL

(€'000)	31, 2025 (b)	31, 2024 (a)	Changes (b-a)
Inventories	11,918	17,141	(5,223)
Trade receivables	13,929	12,405	1,524
Income tax receivables	568	934	(366)
Other current assets	1,361	1,498	(137)
Current assets	**27,776**	**31,978**	**(4,202)**
Trade payables	(9,384)	(9,040)	(344)
Trade payables from affiliates companies	(209)	(399)	190
Income tax liabilities	(879)	(953)	74
Other current liabilities	(7,576)	(6,902)	(674)
Current liabilities	**(18,048)**	**(17,294)**	**(754)**
Net working capital	**9,728**	**14,684**	**(4,956)**

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