



SOL S.p.A.

Half-yearly financial report of the SOL Group as at 30 June 2024

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SOLGROUP
a breath of life

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BOARD OF DIRECTORS

Chairman and Managing Director

ALDO FUMAGALLI ROMARIO

Deputy Chairman and Managing Director

MARCO ANNONI

Director with special powers

GIOVANNI ANNONI

Director with special powers

GIULIO FUMAGALLI ROMARIO

Directors

ALESSANDRA ANNONI

DUCCIO ALBERTI

CRISTINA GRIECO

(Independent)

ANNA GERVASONI

(Independent)

ANTONELLA MANSI

(Independent)

ELLI MELETI

(Independent)

ERWIN PAUL WALTER RAUHE

(Independent)

BOARD OF STATUTORY AUDITORS

Chairman

GIOVANNI MARIA

ALESSANDRO ANGELO GAREGNANI

Regular auditors

GIUSEPPE MARINO

PAOLA DE MARTINI

Alternate Auditors

ANNALISA RANDAZZO

LUCIA FOTI BELLIGAMBI

GENERAL MANAGER

ANDREA MONTI

AUDITING COMPANY

DELOITTE & TOUCHE S.P.A.

Via Tortona n. 25

20144 Milan

Powers granted to the Directors

(CONSOB Communication No. 97001574 dated 20 February 1997)

To the Chairman and Deputy Chairman: legal representation before third parties and the court; several powers of ordinary administration; joint powers of extraordinary administration, it being understood that for the implementation of the relevant acts the signature of one of the two is sufficient with written authorisation from the other; without prejudice to some specific acts of particular importance that are reserved to the competence of the Board of Directors.

To Directors with special appointments: powers of ordinary administration relevant to Legal and Corporate Business (Mr. Giulio Fumagalli Romario) and the Organisation of Information Systems (Mr. Giovanni Annoni) with single signature.

Condensed half-yearly financial report of the SOL Group as at 30 June 2024

Directors' Interim Report

Introduction

This Condensed Half-yearly financial report as at 30 June 2024 was drawn up pursuant to Italian Legislative Decree 58/1998 as amended, as well as with the Issuers' Regulation issued by Consob.

This Condensed half-yearly financial report was prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and approved by the European Union, and was drawn up according to IAS 34 – Interim Financial Reporting, applying the same accounting standards adopted to prepare the consolidated financial statements as at 31 December 2023, with the exception of those illustrated in the Notes to the financial statements.

It has been prepared on a going concern basis in that it has been checked that there are no indicators that the SOL Group will not be able to meet its obligations in the next 12 months.

Alternative performance indicators and definitions

The Directors' Interim Report and the condensed half-yearly consolidated financial statements include economic and financial indicators used by Management to monitor the Group's economic and financial performance. These indicators are not defined or specified in the applicable financial reporting regulations. As the composition of these measures is not regulated by the reference accounting standards, the calculation criterion used by Management may not be consistent with the criterion used by other groups and may therefore not be comparable. The Alternative Performance Measures are constructed exclusively from the historical accounting data and are determined in accordance with the provisions of the Guidelines on Alternative Performance Measures issued by ESMA on 5 October 2015 (2015/1415) as per CONSOB Communication no. 92543 of 3 December 2015 and ESMA on 17 April 2020 are not audited "ESMA Guidelines on Alternative Performance Measures (APMs)".

The following Alternative Performance Measures are presented in this Management Report:

- **Gross Operating Margin (EBITDA):** It is the difference between "Revenues", "Total Costs" and "Payroll and related costs" and can be derived directly from the consolidated Income Statement. However, this measure is not defined in IFRS accounting standards; as a result, it may not be homogeneous and therefore not comparable with that of other groups.
- **EBITDA margin:** It is calculated as the ratio of EBITDA to "Revenues from sales and services".
- **Operating result:** It represents the "Operating result" that can be derived directly from the Consolidated income statement.
- **Operating result margin:** It is calculated as the ratio of the Operating result to "Revenues from sales and services".

- Investments: They represent the sum of the investments shown in the explanatory notes to the consolidated financial statements under "Tangible Fixed Assets" less "Other changes" of the item "Other assets under construction and advances.
- Net financial position (net financial indebtedness): It is determined, in accordance with ESMA Guideline 32-382-1138, as the sum of net current borrowing and non-current borrowing, both of which include financial payables arising from lease agreements in accordance with IFRS 16. "Net current borrowing" is the algebraic sum of cash and cash equivalents, current financial assets (such as securities held for trading) and current borrowing.

General context

The SOL Group is mainly engaged in production, applied research and distribution activities pertaining to industrial, pure and medicinal gases, in door-to-door medical care, as well as in the sector for related medical equipment in Europe, Turkey, Morocco, India, Brazil, China, Ecuador and Peru.

The products and services of companies belonging to the Group are used in the chemical, electronics, iron and steel, engineering and foodstuff industries, as well as in sectors such as environmental protection, research and health.

The first half of 2024 was characterised by a continuing global political and economic environment of considerable uncertainty following the continuation of the war in Ukraine and the new conflict in the Middle East.

Economic growth in Europe was very weak and the negative trend continued in the second half of 2023.

Inflation has been on a slight downward trend so that central banks will not cut interest rates, except to a minimal extent in June 2024 and only in Europe.

In the second half of 2024, economies can be expected to recover slightly, albeit very gradually.

Highlights of SOL Group results

Net sales achieved by the SOL Group in the first half of 2024 amounted to Euro 779.6 million, up by 6.0% when compared to Euro 735.7 million in the first half of 2023.

On a like-for-like basis, sales increased by 3.6%.

The gross operating margin was Euro 201.3 million, equating to 25.8% of sales, up by 4.0% when compared with the first half of 2023 (Euro 193.6 million, or 26.3% of sales).

The operating result came to Euro 122.2 million, equating to 15.7% of sales, up by 2.7% million compared to the figure for the same period of 2023 (Euro 118.9 million or 16.2% of sales).

Net profit, net of estimated taxes, amounted to Euro 74.9 million, compared with Euro 79.6 million in the first half of 2023.

Cash flow amounted to Euro 154.0 million, up compared to the first half of 2023 (Euro 152.9 million).

Capital expenditure recorded in the financial statements totalled Euro 96.1 million (Euro 82.0 million in the same period of 2023).

The average number of staff employed as at 30 June 2024 totalled 7,015 (5,957 in the first half of 2023).

The Group's net financial indebtedness was equal to Euro 422.4 million (Euro 415.8 million as at 31 December 2023). Net of payables recognised in application of IFRS 16 (operating leases), net financial indebtedness was Euro 343.7 million (Euro 341.7 million as at 31 December 2023).

Operating performance and significant events during the half-year

In this context, the SOL Group achieved a good increase in sales of 6.0 % (3.6 % on a like-for-like basis) compared to the first half of 2023.

The half-yearly result was positive both in Italy, where sales grew by 2.3%, and abroad, where there was an increase of 8.5%.

The Technical Gas Division achieved sales of Euro 388.5 million, a slight decrease of 2.3% compared to the first half of 2023, mainly due to lower prices following the drop in the cost of electricity compared to the same period of 2023.

The Home Care Service Division, in which the Group operates through Vivisol, achieved sales of Euro 391.1 million, up 15.6 % on the first half of 2023.

Profit margins increased compared to the first half of 2023.

Compared to the first half of 2023, the Gross Operating Margin increased in absolute terms by 4.0% and the Operating Result by 2.7%.

Technical gas reserves always remained within the safety levels and the sites ran at high loads.

Research and development activities, which have traditionally characterised, justified and supported the Group's development, continued during the first six months of 2024.

With regard to M&A, it should be noted that during the first half of the year, the subsidiary Airsol Srl acquired 100% of the capital of the Swiss company Spitex Aloha, 70% of the capital of the company Medair Srl of Bucharest (Romania) and 85% of the capital of the company Pronep S.A. of Rio de Janeiro (Brazil); all acquired companies operate in the home care sector.

Intra-group transactions and transactions with related parties

Transactions carried out with related parties, including intra-group transactions, cannot be considered as atypical or unusual, as they are part of the normal activities of Group companies. These transactions are settled at arm's length, taking into account the characteristics of the supplied goods and services.

Information on transactions with related parties, including those required by the Consob communication of 28 July 2006, are shown in the Notes to the Financial Statements of this Condensed half-yearly financial report as at 30 June 2024.

Main risks and uncertainties to which the SOL Group is exposed

Risks related to the general economic trend

The Group performance is affected by the increase or decrease of the gross national product, industrial production, cost of energy products and health expense policies adopted in the different European countries in which the Group works.

The consequences of the war in Ukraine and the crisis in the Middle East could cause a further slowdown in various sectors of the economy in the countries where the SOL Group operates.

Risks relating to the Group's results

The SOL Group partially operates in sectors considerably regulated by economic cycles related to the trend in industrial production, such as the steel, metal working, engineering, chemical and glass manufacturing industries. In the case of an extended decline in business, the growth and profitability of the Group could be partially affected.

Moreover, government policies for reducing healthcare expenses could reduce margins in the home-care and medical gas and service sectors.

Risks related to the supply chain

The Group is exposed to the risk of an unintentional and sudden interruption in the supply of a specific good, which may depend on factors exogenous or endogenous to the supplier with whom a supply contract exists.

Therefore, if all or part of the supply under some of the existing production agreements were to cease for any reason, there can be no certainty as to the ability of the remaining producers to absorb the production quota of the defaulting or terminated producer, nor can there be any certainty as to the immediate availability of alternative producers in the market.

To minimise this risk, the Group diversifies its sources of supply where possible and subjects all its suppliers to an assessment of their economic and financial soundness, as well as their ethical and reputational compliance, which is updated regularly in order to avoid relationships with unsuitable parties and to parameterise its exposure to selected suppliers in terms of the risk of insolvency.

Risks related to fund requirements

The SOL Group carries on an activity that entails considerable investments both in production and in commercial equipment and expects to face up to requirements through the flows deriving from the operational management and from new loans.

Operational management should continue to generate sufficient financial resources, while the use of new loans, notwithstanding the Group's excellent capital and financial structure, may show higher interest rates and spreads than in the past.

Other financial risks

The Group is exposed to financial risks associated with its business operations:

- credit risk in relation to normal trade transactions with customers;
- liquidity risk, with particular reference to the raising of financial resources associated with investments and with the financing of working capital;
- market risks (mainly relating to exchange and interest rates and to commodity costs), in that the Group operates internationally in different currency areas and uses interest-bearing financial instruments.

Credit risk

The granting of credit to end customers is subject to specific assessments by means of structured credit facility systems.

Positions amongst trade receivables (if individually significant) for which objective partial or total non-recoverability is ascertained, are subject to individual write-down. Provisions are made on a collective basis for receivables that are not subject to individual write-down, taking into account the historic experience, the statistical data and, as a result of the introduction of the accounting standard IFRS 9, on the basis of a predictive approach, based on the counterparty's probability of default, the ability to recover in case of loss given default and also of expected future losses.

Liquidity risk

The liquidity risk may arise with the inability to raise, under good financial conditions, the financial resources necessary for the anticipated investments and the financing of working capital.

The Group has adopted a series of policies and processes aimed at optimising the management of financial resources, reducing liquidity risk, such as the maintenance of an adequate level of available liquidity, the obtaining of appropriate credit facilities and the systematic monitoring of the forecast liquidity conditions, in relation to the corporate planning process.

Management believes that the funds and the credit facilities currently available, in addition to those that will be generated by operating and financing activities, will permit the Group to satisfy its requirements resulting from investment activities, working capital management and debt repayments on their natural maturity dates.

Exchange rate risk and commodity cost risk

In relation to sales activities, the Group companies may find themselves with trade receivables or payables denominated in currencies other than the reporting currency of the company that holds them.

A number of Group subsidiary companies are located in countries outside the Eurozone, in particular Switzerland, Bosnia, Serbia, Albania, North Macedonia, Bulgaria, Hungary, Romania, the UK, Morocco, Poland, Czech Republic, India, Turkey, Brazil, China, Ecuador and Peru. Since the reference currency for the Group is the Euro, the income statements of these companies are translated into Euro using the average exchange rate for the period and, revenues and margins in local currency being equal, changes in interest rates may have an effect on the equivalent value in Euro of revenues, costs and economic results.

Assets and liabilities of the consolidated companies whose reporting currency is not the Euro can adopt equivalent values in Euro that differ depending on the exchange rate trend. As envisaged by the accounting standards adopted, the effects of these changes are booked directly to shareholders' equity, under the item "Other reserves".

Some Group companies purchase electricity that is used for the primary production of technical gasses. The price of electricity is affected by the Euro/dollar exchange rate and by the price trend of energy commodities. The risk related to their fluctuations is mitigated by signing, if possible and convenient, fixed price purchase contracts or with a variation measured over a longer time period. Moreover, almost all long-term technical gas supply contracts to customers are index-linked in such a way as to cover the fluctuation risks shown above.

The Parent Company has a bond loan outstanding for a total of USD 3.5 million. To hedge the exchange rate risk, a Cross Currency Swap was made in Euros of the total loan amount and duration (12 years). The fair value of the CCSs as at 30 June 2024 was positive in the amount of Euro 534 thousand.

With regard to the currency weakness involving the Turkish lira, note that Group companies resident in Turkey operate only within the country, but there could be a negative effect on their profitability as a result of the higher cost of products purchased from third countries.

As the conditions were met, IAS 29 - Financial Reporting in Hyperinflationary Economies was applied to the financial statements of Turkish companies as from 2022.

Interest rate risk

The Interest rate risk is managed by the Parent Company by centralising most of the medium/long-term debt and by appropriately dividing the loans between fixed rate and floating rate, favouring, when possible and convenient, medium/long-term debt with fixed rates, also through specific Interest Rate Swap agreements.

The Parent Company has stipulated interest Rate Swap agreements linked to floating rate medium-term loans with the aim of ensuring itself a fixed rate on said loans. The notional value as at 30 June 2024 was Euro 109,082 thousand and the positive fair value was equal to Euro 5,574 thousand.

Risks relating to personnel

In various countries in which the Group operates, employees are protected by different laws and/or collective labour contracts that guarantee them the right to be consulted on specific issues - including the downsizing and closing of departments and the reduction of staff numbers - through representations. This could affect the Group's flexibility in strategically redefining its own organisations and activities.

The management of the Group consists of persons of proven expertise who normally have long-standing experience in the sectors in which the Group operates. The replacement of any person in management may require a long period of time.

There are potential risks to the health and safety of workers as well as to compliance with occupational health and safety regulations that are mitigated by the adoption of an integrated management system compliant with ISO 45001.

Risks related to the environment and climate change

The products and the activities of the SOL Group are subject to increasingly complex and strict authorisation and environmental rules and regulations. This concerns manufacturing plants subject to regulations on atmospheric emissions, waste disposal and waste water disposal and the ban on land contamination.

High charges should be shouldered in order to observe such regulations.

During 2024, the Group further deepened its previous assessments of the significance of climate change-related risks, both physical and transitional, and their economic/financial implications.

With particular reference to transition risks, which depend on an overall scenario of change in the economic context with a view to limiting the increase in global temperature to 1.5-2°C, as per the agreement signed in Paris, the Board considers that factors related to changes in market demand (increased sensitivity of customers and, more generally, of the Group's stakeholders to sustainability issues), technological evolution (risks related to the necessary technological innovations) and regulatory evolution (i.e. risks arising from legislative or political impositions aimed at triggering change) are of greater importance to the Group.

In this context, in the industrial gas sector, which is characterised by a high energy content in production costs, the Group is constantly monitoring possible regulatory changes in order to meet the expectations of the market and the Group's stakeholders, and has planned investments in photovoltaic and wind power plants in order to increase the share of energy from renewable sources. Although there are currently no circumstances in which the Group's production processes are at risk of becoming obsolete as a result of the transition to a low-carbon economy, the Group intends to reaffirm its commitment to continue with the planned renewal and rationalisation of its plants, taking advantage of the opportunities offered by technological developments to reduce energy consumption and greenhouse gas emissions.

On the other hand, the Group is already active in the home care sector, continuously streamlining equipment and introducing new, less polluting technologies.

The common objective of both activities is to limit the fuel consumption and related greenhouse gas emissions generated directly and indirectly by the Group in connection with transport, which is mainly carried out by third-party suppliers. To this end, the Group has already experimented with electric vehicles and intends to encourage its suppliers to replace diesel-powered tractors with other lower-emission vehicles, in line with the expected evolution of the market offer of lower-emission alternatives. In this context, these measures will have no direct impact on SOL investments and costs.

It should also be noted that all of the above initiatives to limit energy consumption and emissions, as well as the procurement of energy from renewable sources, have already been outlined in the Group Sustainability Plan.

With regard to the exposure of tangible assets (plants, buildings) to physical risks related to climate change and the business continuity risk resulting from these factors, the Group considers that the overall risk is medium/low and has not identified any need for urgent action or significant investment.

Please refer to the Non-financial statement prepared as at 31 December 2023 for a more detailed discussion of the initiatives implemented by the Group.

Risks relating to IT management and data security

The increasing use of IT tools in the management of company activities and the interconnection of company systems with external IT infrastructures expose these systems to potential risks with regard to the availability, integrity and confidentiality of data, as well as the efficiency of the IT tools themselves.

To ensure effective business continuity, the Group adopted a disaster recovery and business continuity system to ensure immediate replication of the main legacy system workstations.

The choice of these systems to be managed in business continuity was made on the basis of a thorough analysis of the related risk.

Moreover, multiple levels of physical and logical protection, at the level of servers and at the level of clients, ensure the active security of data and business applications.

The SOL Group also has innovative artificial intelligence-based products to protect the digital identity of its employees.

Vulnerability analyses and audits on the security of information systems are periodically carried out by independent technicians to check the adequacy of the company's IT systems.

Finally, with regard to the problem of fraud through the use of IT resources by external parties, all employees are periodically informed and trained on the correct use of the resources and IT applications available to them.

Tax risks

The SOL Group is subject to taxation in Italy and in several other foreign jurisdictions.

The various companies of the Group are subject to the assessment of the income tax returns by the competent tax authorities of the countries in which they operate.

As already occurred in the past, any findings reported in the tax audits are carefully assessed and, when necessary, challenged in the appropriate venues.

At present, a dispute is in progress in Italy for findings - considered groundless - on transfer pricing. The opening of the MAP (Mutual Agreement Procedure) between Italy and four other European countries has been requested and has not yet been completed.

However, at Group level, this should not have a significant effect on profitability, given that the level of taxation in the countries involved is very similar.

Risks deriving from the war in Ukraine and in the Middle East crisis

The risks to which the SOL Group is exposed in connection with the war between Russia and Ukraine that broke out in February 2022 and the war in the Middle East in October 2023 are essentially indirect, in that there are no activities carried out directly by subsidiaries in the two areas involved.

In fact, the likely negative effects caused by the current conflict on the economic growth of European countries could lead to a lower rate of development of the sales of the SOL Group.

Moreover, the wars are contributing to create difficulties in maritime transport and keeping the high volatility of the cost of energy products, which is reflected in the cost of purchasing electricity and fuel; this could mean the risk of not being able to fully transfer these costs to the sales prices of technical gases and services on the market, with a consequent negative effect on the Group's margins.

The continuation of the wars is also contributing to the inflationary effects of high energy commodity prices, with the consequent negative impact on investment costs and operating expenses.

In particular, a significant effect on home care activities is on the supply chain of medical equipment, for which there can be delays and difficulties in deliveries and consequent shortages to meet growing demand, as well as an increase in purchase prices.

Other risks

It is stated that on 21 October 2022 the subsidiary Vivisol S.r.l. was notified of the interim measure prohibiting it from contracting with the Public Administration pursuant to Article 25, paragraph 2, of Italian Legislative Decree No. 231/2001 in connection with criminal suit No. 6036/2022 GEN. CRIM. REG. - No. 4500/2022 RGGIP pending before the Court of Palermo, which involves several natural and legal persons including a manager and a former manager of the Company, who are under investigation for the offences provided for and punished by Articles 319 and 321 of the Italian Penal Code, which were allegedly committed in connection with a tender dating back to 2017 called by the ASP of Palermo and from which, inter alia, no profit was made. An appeal was immediately lodged against the aforesaid precautionary measure pursuant to Article 299 of the Code of Criminal Procedure and on 2 November 2022, with the favourable opinion of the Prosecutors in charge of the investigation, the Investigating Magistrate suspended the aforesaid measure with immediate effect, allowing the Company to continue its operations. The measure was lifted on 10 February 2023.

In July 2024, the Public Prosecutors in charge of the investigation requested to the G.U.P. that all the persons under investigation be committed for trial.

As stated in the press releases immediately issued by the Company, Vivisol reiterates that it is not involved in this matter and trusts that the judiciary will recognise the company's position.

Management and co-ordination activities (pursuant to Article 37, subparagraph 2, Market Regulation issued by Consob)

In the shareholding structure of SOL S.p.A. a controlling shareholder is present, Gas and Technologies World B.V., (in turn controlled by Stichting Airvision, a foundation under Dutch law), that holds 59.978% of the share capital.

Neither Gas and Technologies World B.V. nor Stichting Airvision exercise the activity of direction and coordination of SOL S.p.A. pursuant to art. 2497 of the Italian Civil Code, as the majority shareholder, a holding company, is limited to exercising the rights and prerogatives of each shareholder and does not get involved, with the management of the Company (fully entrusted to the autonomous decisions of the Board of directors of SOL S.p.A.)

Major events occurred after the end of the first half-year and outlook for the current year

There are no subsequent events to report.

In line with the evolution of the international economic and geopolitical situation, with the trend in energy costs and with the resilience of the economy and industrial production, the SOL Group will continue its growth path also during the second half of the year, making new investments in production and distribution, considering possible further acquisitions, developing innovative and diversification projects, with the aim of consolidating during the year the good sales performance of the first half of the year and maintaining profitability at a good level.

The Chairman of the Board of directors
Aldo Fumagalli Romario

Monza, 12 September 2024

Condensed half-yearly consolidated financial statements as at 30 June 2024

Consolidated income statement

(in thousands of Euro)

	Notes	30/06/2024	%	30/06/2023	%
Revenues from sales and services	1	779,564	100.0%	735,733	100.0%
Other revenues and income	2	14,166	1.8%	24,235	3.3%
Revenues		793,730	101.8%	759,968	103.3%
Purchase of materials		196,542	25.2%	216,843	29.5%
Services rendered		217,970	28.0%	197,188	26.8%
Change in inventories		(6,760)	-0.9%	(10,570)	-1.4%
Other costs		17,787	2.3%	16,482	2.2%
Total costs	3	425,539	54.6%	419,943	57.1%
Added value		368,191	47.2%	340,025	46.2%
Payroll and related costs	4	166,890	21.4%	146,416	19.9%
Gross operating margin		201,300	25.8%	193,609	26.3%
Depreciation/amortisation	5	75,538	9.7%	69,568	9.5%
Provisions and write-downs	5	3,604	0.5%	5,126	0.7%
Operating result		122,158	15.7%	118,914	16.2%
Financial income		3,278	0.4%	2,515	0.3%
Financial expense		(13,438)	-1.7%	(9,148)	-1.2%
Results from equity investments		(215)	0.0%	437	0.1%
Total financial income/(expense)	6	(10,375)	-1.3%	(6,196)	-0.8%
Profit (Loss) before income taxes		111,783	14.3%	112,718	15.3%
Income taxes	7	33,306	4.3%	29,365	4.0%
Net result from business activities		78,477	10.1%	83,353	11.3%
Net result from discontinued operations			0.0%		0.0%
(Profit)/Loss pertaining to minority interests		(3,553)	-0.5%	(3,737)	-0.5%
Net Profit/(Loss)		74,924	9.6%	79,616	10.8%
Earnings per share		0.826		0.878	

(in thousands of Euro)

	2Q 2024	%	2Q 2023	%
Revenues from sales and services	394,648	100.0%	369,880	100.0%
Other revenues and income	7,923	2.0%	12,986	3.5%
Revenues	402,572	102.0%	382,866	103.5%
Purchase of materials	99,266	25.2%	103,947	28.1%
Services rendered	112,282	28.5%	100,413	27.1%
Change in inventories	(3,641)	-0.9%	(2,716)	-0.7%
Other costs	8,869	2.2%	8,896	2.4%
Total costs	216,776	54.9%	210,539	56.9%
Added value	185,796	47.1%	172,327	46.6%
Payroll and related costs	86,488	21.9%	75,924	20.5%
Gross operating margin	99,308	25.2%	96,402	26.1%
Depreciation/amortisation	37,780	9.6%	35,456	9.6%
Provisions and write-downs	1,211	0.3%	2,776	0.8%
Operating result	60,317	15.3%	58,170	15.7%
Financial income	1,427	0.4%	1,260	0.3%
Financial expense	(6,371)	-1.6%	(4,402)	-1.2%
Results from equity investments	(243)	-0.1%	355	0.1%
Total financial income/(expense)	(5,187)	-1.3%	(2,788)	-0.8%
Profit (Loss) before income taxes	55,130	14.0%	55,382	15.0%
Income taxes	16,133	4.1%	15,134	4.1%
Net result from business activities	38,997	9.9%	40,248	10.9%
Net result from discontinued operations		0.0%		0.0%
(Profit)/Loss pertaining to minority interests	(1,576)	-0.4%	(1,720)	-0.5%
Net Profit/(Loss)	37,422	9.5%	38,529	10.4%
Earnings per share	0.413		0.425	

Consolidated statement of comprehensive income

(in thousands of Euro)

	30/06/2024	30/06/2023
Profit/(Loss) for the year (A)	78,477	83,353
Components that will never be reclassified to the Income Statement		
Actuarial gains/(losses)	412	11
Tax effect	(99)	(3)
Total components that will never be reclassified to the Income Statement (B1)	313	8
Components that may be reclassified to the Income Statement		
Profits / (losses) on cash flow hedging instruments	(1,284)	(2,099)
Profits/(losses) deriving from conversion of financial statements of foreign companies	1,558	1,513
Tax effect related to other profits (losses)	308	504
Total components that may be reclassified to the Income Statement (B2)	582	(82)
Total other profits/(losses) net of the tax effect (B1) + (B2) = (B)	895	(74)
Overall result for the period (A+B)	79,372	83,280
Attributable to:		
- shareholders of the parent company	75,819	81,224
- minority interest	3,553	2,056

Consolidated statement of financial position

(in thousands of Euro)

	Notes	30/06/2024	31/12/2023
Tangible fixed assets	8	801,398	754,571
Goodwill	9	251,749	245,628
Other intangible fixed assets	10	46,696	42,009
Equity investments	11	29,015	26,926
Other financial assets	12	17,592	17,969
Deferred tax assets	13	22,593	19,211
NON-CURRENT ASSETS		1,169,043	1,106,314
Non-current assets held for sale			
Inventories	14	108,580	100,804
Trade receivables	15	462,959	448,454
Other current assets	16	78,290	61,418
Current financial assets	17	20,236	18,050
Cash and cash equivalents	18	212,967	205,627
CURRENT ASSETS		883,032	834,353
TOTAL ASSETS		2,052,075	1,940,667
Share capital		47,164	47,164
Share premium reserve		63,335	63,335
Legal reserve		10,459	10,459
Reserve for treasury shares in portfolio		0	0
Other reserves		769,419	660,599
Retained earnings (accumulated loss)		1,319	1,321
Net Profit		74,924	145,732
Shareholders' equity - Group		966,621	928,611
Shareholders' equity - Minority interests		44,565	39,543
Profit pertaining to minority interests		3,553	6,972
Shareholders' equity - Minority interests		48,118	46,515
SHAREHOLDERS' EQUITY	19	1,014,738	975,126
Employee severance indemnities and benefits	20	16,699	16,917
Provision for deferred taxes	21	17,396	15,104
Provisions for risks and charges	22	9,449	3,847
Payables and other financial liabilities	23	570,677	550,215
NON-CURRENT LIABILITIES		614,222	586,083
Non-current liabilities held for sale			
Amounts due to banks		3,284	3,190
Trade accounts payable		186,376	168,367
Other financial liabilities		86,201	89,031
Tax payables		49,557	35,452
Other current liabilities		97,698	83,418
CURRENT LIABILITIES	24	423,116	379,459
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		2,052,075	1,940,667

Consolidated cash flow statement

(in thousands of Euro)

	Notes	30/06/2024	30/06/2023
CASH FLOWS GENERATED BY OPERATING ACTIVITIES			
Profit for the year		74,924	79,616
Minority interests in profit/loss		3,553	3,737
<i>Adjustments to items not affecting liquidity</i>			
Depreciation/amortisation	6	75,538	69,568
Results from equity investments	7	215	(437)
Interest on loans and on bonds	7	8,466	5,412
Employee severance indemnities and benefits accrued	5	1,526	1,012
Provisions for risks and charges	22 - 23	(2,917)	1,422
Taxes for the period	8	33,306	29,365
<i>Cash flow before changes in nwc</i>		194,611	189,695
<i>Changes in current assets and liabilities</i>			
Inventories	15	(6,752)	(8,744)
Trade receivables	16	(7,692)	(1,301)
Other assets	14 - 17	(18,742)	(3,484)
Suppliers	25	13,477	(8,673)
Other liabilities		16,197	4,179
Tax payables		(4,594)	(12,045)
<i>Total changes in current assets and liabilities</i>		(8,106)	(30,068)
Other adjustments for non-monetary items		(5,936)	(3,549)
Taxes paid		(13,290)	(15,358)
<i>Cash flow generated by operating activities</i>		167,279	140,720
CASH FLOWS GENERATED BY INVESTMENT ACTIVITIES			
Acquisition of tangible fixed assets	9	(96,093)	(82,034)
Changes in right of use and other changes in tangible fixed assets	9	(18,388)	(15,693)
Increases in intangible assets		(13,668)	(11,220)
(Increase) decrease in non-current financial assets	13	7,399	(2,660)
(Increase) decrease of equity investments and business units		(11,432)	(19,665)
<i>Total</i>		(132,182)	(131,272)
CASH FLOWS GENERATED BY FINANCING ACTIVITIES			
Repayment of loans		(29,215)	(89,167)
Raising of new loans		53,101	104,841
Redemption of bonds		(11,936)	(11,941)
Undertaking bonds		0	0
Change in leases		4,618	4,004
Raising (repayment) of shareholders' loans		(30)	1,994
Dividends	20	(37,925)	(33,638)
Interest on loans and on bonds paid		(8,529)	(5,014)
<i>Total</i>		(29,916)	(28,921)
Effect of exchange rate fluctuations	20	2,065	1,139
INCREASE (DECREASE) IN CASH IN HAND AND AT BANK		7,246	(18,334)
CASH IN HAND AND AT BANK AT BEGINNING OF YEAR	19	202,437	127,782
CASH IN HAND AND AT BANK AT END OF YEAR	19	209,683	109,448

Statement of changes in consolidated shareholders' equity

(in thousands of Euro)

	Share capital	Share premium reserve	Legal reserve	Other reserves	Net Profit	Total Group shareholders' equity	Total minority interests	Total shareholders' equity
Balance as at 31/12/2022	47,164	63,335	10,459	565,965	133,693	820,615	42,015	862,630
Allocation of 2022 profit	-	-	-	103,762	(103,762)	-	-	-
Dividend distribution	-	-	-	-	(29,931)	(29,931)	(3,707)	(33,638)
Other consolidation changes	-	-	-	(3,141)	-	(3,141)	5,945	2,804
Profit (loss) for the financial year	-	-	-	1,607	79,616	81,224	2,056	83,280
Balance as at 30/06/2023	47,164	63,335	10,459	668,193	79,616	868,767	46,309	915,076

(in thousands of Euro)

	Share capital	Share premium reserve	Legal reserve	Other reserves	Net Profit	Total Group shareholders' equity	Total minority interests	Total shareholders' equity
Balance as at 31/12/2023	47,164	63,335	10,459	661,920	145,732	928,611	46,515	975,126
Allocation of 2023 profit	-	-	-	112,173	(112,173)	-	-	-
Dividend distribution	-	-	-	-	(33,559)	(33,559)	(4,366)	(37,925)
Other consolidation changes	-	-	-	(4,250)	-	(4,250)	2,416	(1,834)
Profit (loss) for the financial year	-	-	-	894	74,924	75,819	3,553	79,372
Balance as at 30/06/2024	47,164	63,335	10,459	770,738	74,924	966,621	48,118	1,014,738

Notes to the financial statements

These condensed half-yearly consolidated financial statements have been drawn up in accordance with the International Accounting Principles ("IFRS") established by the International Accounting Standards Board ("IASB") and approved by the European Union. The IFRS are understood to also be all the international accounting standards reviewed (IAS), all the Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), previously known as the Standard Interpretations Committee ("SIC").

The Condensed half-yearly consolidated financial statements consist of Consolidated outline accounts accompanied by notes to the financial statements. The income statement has been drawn up with the allocation of the costs by nature; the Balance Sheet has been prepared in accordance with the format that highlights the separation of the "current/non-current" assets and liabilities, while the indirect method was adopted for the statement of cash flows, adjusting the profit for the period of non-monetary components. Statement of changes in shareholders' equity shows comprehensive income (expenses) for the year and other changes in Shareholders' Equity. The condensed half-yearly consolidated financial statements have been prepared on a going concern basis in that the Group's Directors have assessed that, despite the difficult economic and financial context, there are no significant uncertainties (as defined by IAS 1) as to the Company's ability to continue as a going concern.

In preparing these condensed half-yearly consolidated financial statements, drawn up in accordance with IAS 34 – Interim Financial Reporting, the accounting standards, valuation and consolidation criteria applied were those adopted in preparing the consolidated financial statements as at 31 December 2023, to which reference is made for a more extensive discussion. Moreover, this condensed consolidated half-yearly financial report was prepared in accordance with the International Accounting Standards applicable as from 1 January 2024, for which reference should be made to the following paragraph "Accounting standards, amendments and interpretations of the IFRS applied as from 1 January 2024".

The analysis of the income statement and the consolidated statement of financial position and cash flow statement has also been carried out, in accordance with the matters anticipated by IFRS 8, highlighting the contribution of the "Technical gases" and "Home-care service" activity sectors taken as primary sectors and providing the most important data relating to the activities by geographic area, Italy and the Rest of the world, identified as secondary sectors.

All the amounts are expressed in thousands of Euro unless otherwise specified.

Group composition and scope of consolidation

The condensed half-yearly consolidated financial statements comprise the financial statements as at 30 June 2024 of the SOL S.p.A. Parent Company and of the following companies, pursuant to Article 38, paragraph 2 of Italian Legislative Decree No. 127/91 as amended by the provisions of Italian legislative decree no. 139 of 18 August 2015 "Implementation of directive 2013/34/EU related to the financial statements, consolidated financial statements and related reports of certain types of companies, amending directive 2006/43/EC and repealing directives 78/660/EEC and 83/349/EEC, for the part related to the regulations of the financial statements and consolidated financial statements".

- a) directly or indirectly controlled subsidiaries, consolidated on a line-by-line basis (amounts of share capital expressed in currency units):

Company name and registered office	Notes	Share capital	Ownership percentage		
			Direct	Indirect	Total
AIRSOL Srl - Monza	EUR	7,750,000	100.00%		100.00%
ALLERSHAUSEN CARE GmbH - Neufahrn bei Freising	EUR	25,000		100.00%	100.00%
ANAPNOI MONOPROSOPI IKE - Thessaloniki	EUR	850,000		100.00%	100.00%
BEHRINGER France S.a.r.l. - Saint Andre Lez Lille	EUR	10,000		51.00%	51.00%
BEHRINGER Srl - Genoa	EUR	102,000	2.00%	49.00%	51.00%

Bhoruka Specialty Gases Private Limited - Bangalore	1	INR	204,080	51.00%		51.00%
BiotechSol Srl - Monza		EUR	110,000	51.00%	49.00%	100.00%
BLA SERVICOS HOSPITALARES LTDA - San Paolo		BRL	15,000,000		55.50%	55.50%
C.T.S. Srl - Monza		EUR	156,000	100.00%		100.00%
Centro Ortopedico Ferranti - Gruppo Vivitop Srl - Palermo		EUR	132,000		33.15%	33.15%
CRYOLAB Srl - Rome		EUR	509,021	85.00%		85.00%
CRYOS Srl - Peveragno		EUR	40,000		85.00%	85.00%
DIATHEVA Srl - Cartoceto		EUR	260,000	91.68%		91.68%
Direct Medical Limited Company - Athlone		EUR	100		100.00%	100.00%
DN GLOBAL HOMECARE LTDA. - Salvador		BRL	1,968,130		50.88%	50.88%
Dolby Healthcare Limited - Stirling		GBP	300,100		100.00%	100.00%
Dolby Medical Home Respiratory Care Limited - Stirling		GBP	15,100		100.00%	100.00%
Energetika Z.J. d.o.o. - Jesenice		EUR	999,602	100.00%		100.00%
FLOSIT S.A.S. - Casablanca		MAD	12,000,000	99.97%	0.03%	100.00%
France Oxygene Sarl - Templemars		EUR	1,300,000		100.00%	100.00%
GEBZE GAZ A.S. - Gebze		TRY	38,607,531		85.00%	85.00%
GLOBAL CARE ASSISTENCIA DOMICILIAR LTDA. - San Paolo		BRL	10,736,528		92.50%	92.50%
Green ASU Plant Private Limited - Bangalore	2	INR	10,000,000	100.00%		100.00%
GTH GAZE INDUSTRIALE S.A. - Bucharest		RON	14,228,583	99.99%		99.99%
GTS Sh.p.K. - Tirana		ALL	292,164,000	100.00%		100.00%
HYDROENERGY Sh.P.K. - Tirana		ALL	1,444,108,950	96.04%		96.04%
I.C.O.A. Srl - Vibo Valentia		EUR	45,760	97.60%		97.60%
Il Point Srl - Verona		EUR	98,800		81.00%	81.00%
Industrias Criogenica Del Peru S.A.C. - Lima		PEN	1,610,000		50.01%	50.01%
Intensivpflegedienst Kompass GmbH - Munich		EUR	25,000		100.00%	100.00%
Irish Oxygen Company Limited - Cork		EUR	697,802		50.01%	50.01%
ITOP ORTOPEDIE ASSOCIATE Srl - Palestrina		EUR	10,400		51.00%	51.00%
ITOP SERVIZI Srl - Palestrina		EUR	10,000		51.00%	51.00%
ITOP SpA Officine Ortopediche - Palestrina		EUR	400,000		51.00%	51.00%
JML SERVICOS HOSPITALARES LTDA - San Paolo		BRL	19,597,590		55.50%	55.50%
KSD Kohlensaure-Dienst GmbH - Bretzfeld		EUR	30,000		100.00%	100.00%
Magnus Opieka Domowa sp z o.o. - Chorzów		PLN	2,000,000		100.00%	100.00%
MBAR Assistance Respiratoire S.a.s. - Ballan Mire		EUR	7,622		100.00%	100.00%
Medair Oxygen Solution S.r.l. - Slatina		RON	600		70.01%	70.01%
MEDES Srl - Giussago		EUR	10,400	51.00%		51.00%
MEDSEVEN sp.zo.o. - Osielsko		PLN	646,000		100.00%	100.00%
Medtek Medizintechnik GmbH - Grunstadt		EUR	75,000		100.00%	100.00%
MEL a.d. - Trn		BAM	2,005,830	80.00%		80.00%
Midiperf Sante IDF - La Celle Saint Cloud		EUR	1,000		100.00%	100.00%
Midiperf Sante LR - Vendargues		EUR	20,000		100.00%	100.00%
Midiperf Sante France SAS - Vendargues		EUR	632,500		100.00%	100.00%
MTE Medical Technology and Engineering S.r.l. - Surbo		EUR	66,489	75.00%	25.00%	100.00%
ORTHOHUB Srl - Palestrina		EUR	10,000		51.00%	51.00%
P PAR PARTICIPACOES LTDA. - San Paolo		BRL	31,233,045		92.50%	92.50%
PALLMED sp.zo.o. - Bydgoszcz		PLN	800,802		100.00%	100.00%
Personal Genomics Srl - Verona		EUR	112,149		100.00%	100.00%
Pielmeier Medizintechnik GmbH - Taufkirchen		EUR	25,000		100.00%	100.00%

Polar Ice Limited - Portarlinton	EUR	3,672		61.00%	61.00%
Portare Distribuidora de Produtos e Servicos Medico-Hospitalar Ltda - San Paolo	BRL	2,000,000		92.50%	92.50%
Profi Gesundheits - Service GmbH - Weiler bei Bingen	EUR	25,000		100.00%	100.00%
PRONEP LAR INTERNACAO DOMICILIAR S.A.S. - Rio de Janeiro	BRL	67,918,209		85.00%	85.00%
PRONEP SAO PAULO - SERVICOS ESPECIALIZADOS DOMICILIARES E HOSPITALARES LTDA - San Paolo	BRL	1,181,200		85.00%	85.00%
RESPITEK A.S. - Istanbul	TRY	61,604,682		70.00%	70.00%
Shanghai Mu Kang Medical Device Distribution Service Co. Ltd - Shanghai	CNY	5,000,000		70.00%	70.00%
Shanghai Shenwei Medical Gas Co. Ltd - Shanghai	CNY	10,000,000		70.00%	70.00%
SITEX MAD SA - Plan-les-Ouates	CHF	110,000		100.00%	100.00%
SITEX SA - Plan-les-Ouates	CHF	400,000		100.00%	100.00%
SOL B S.r.l. - Lessines	EUR	5,508,625		100.00%	100.00%
SOL Bulgaria E.A.D. - Sofia	BGN	19,305,720	100.00%		100.00%
SOL Croatia d.o.o. - Sisak	EUR	4,084,050	100.00%		100.00%
SOL Deutschland GmbH - Krefeld	EUR	7,000,000		100.00%	100.00%
SOL France S.a.s. - Eragny	EUR	13,000,000		100.00%	100.00%
SOL Gas Primari Srl - Monza	EUR	500,000	100.00%		100.00%
SOL GROUP LAB Srl - Costabissara	EUR	100,000	100.00%		100.00%
SOL HELLAS S.A. - Maroussi	EUR	8,426,061		99.76%	99.76%
SOL HUNGARY KFT - Dunaharaszti	HUF	50,020,000		100.00%	100.00%
SOL Hydropower d.o.o. - Skopje	MKD	2,460,200	100.00%		100.00%
SOL India Private Limited - Chennai	INR	703,991,650	100.00%		100.00%
SOL Kohlensaure GmbH & Co. KG - Burgbrohl	EUR	20,000	100.00%		100.00%
SOL Kohlensaure Verwaltungs GmbH - Burgbrohl	EUR	25,000		100.00%	100.00%
SOL Kohlensaure Werk GmbH & Co. KG - Burgbrohl	EUR	10,000		100.00%	100.00%
SOL Nederland B.V. - Tilburg	EUR	2,295,000	100.00%		100.00%
SOL Real Estate Deutschland GmbH - Neufahrn bei Freising	EUR	25,000		100.00%	100.00%
SOL SEE d.o.o. - Skopje	MKD	497,554,300	97.16%	2.84%	100.00%
SOL Slovakia s.r.o. - Bratislava	EUR	75,000		100.00%	100.00%
SOL Srbija d.o.o. - Nova Pazova	RSD	317,193,834	67.16%	32.84%	100.00%
SOL T.G. GmbH - Wiener Neustadt	EUR	5,726,728	100.00%		100.00%
SOL TK A.S. - Istanbul	TRY	236,604,014		100.00%	100.00%
SOL-K Sh.p.K. - Gracanica	EUR	2,010,000	99.72%	0.28%	100.00%
SPG – SOL Plin Gorenjska d.o.o. - Jesenice	EUR	8,220,664	54.85%	45.15%	100.00%
Spitex Aloha GmbH - Basel	CHF	20,000		100.00%	100.00%
SPITEX PERSPECTA AG - Basel	CHF	100,000		100.00%	100.00%
Sterimed Srl - Surbo	EUR	100,000		100.00%	100.00%
Swissgas Del Ecuador S.A.S. - Guayaquil	USD	13,200,000		50.01%	50.01%
T.P.J. d.o.o. - Jesenice	EUR	2,643,487	64.11%	35.89%	100.00%
TGP A.D. - Petrovo	BAM	1,177,999	61.45%	26.04%	87.49%
TGS d.o.o. - Skopje	MKD	419,220,422	100.00%		100.00%
TGT A.D. - Trn	BAM	970,081	75.18%		75.18%
U.T.P. d.o.o. - Pula	EUR	2,328,440		100.00%	100.00%
UNIT CARE SERVICOS MEDICOS LTDA. - San Paolo	BRL	2,084,000		94.75%	94.75%
VITORIA MEDICINA DOMICILIAR LTDA - Vitoria	BRL	2,092,845		85.00%	85.00%
Vivicare GmbH - Neufahrn bei Freising	EUR	25,000		100.00%	100.00%
Vivicare Holding GmbH - Neufahrn bei Freising	EUR	25,000		100.00%	100.00%

VIVISOL Adria d.o.o. - Mengeš	EUR	7,500		100.00%	100.00%
VIVISOL B Srl - Lessines	EUR	162,500	0.08%	99.92%	100.00%
VIVISOL Brasil Ltda. - San Paolo	BRL	14,159,000		100.00%	100.00%
VIVISOL Calabria Srl - Vibo Valentia	EUR	10,400		98.32%	98.32%
VIVISOL Czechia s.r.o. - Praga	CZK	100,000		100.00%	100.00%
VIVISOL Deutschland GmbH - Neufahrn bei Freising	EUR	2,500,000		100.00%	100.00%
VIVISOL France Sarl - Vaux le Penil	EUR	3,503,600		100.00%	100.00%
VIVISOL Heimbehandlungsgeräte GmbH - Vienna	EUR	726,728		100.00%	100.00%
VIVISOL Hellas S.A. - Athens	EUR	1,053,981		99.89%	99.89%
VIVISOL Iberica S.L.U. - Arganda del Rey	EUR	5,500,000		100.00%	100.00%
VIVISOL Intensivservice GmbH - Regensburg	EUR	40,000		100.00%	100.00%
VIVISOL Napoli Srl - Marcianise	EUR	98,800		81.00%	81.00%
VIVISOL Nederland B.V. - Tilburg	EUR	500,000	100.00%		100.00%
VIVISOL Portugal Unipessoal LDA - Condeixa-a-Nova	EUR	100,000		100.00%	100.00%
VIVISOL Silarus Srl - Battipaglia	EUR	18,200		56.70%	56.70%
VIVISOL Srl - Monza	EUR	2,600,000	51.00%	49.00%	100.00%
WIP Weiterbildung in der Pflege GmbH - Neufahrn bei Freising	EUR	25,000		100.00%	100.00%
Wonsak Kohlensaure-Service GmbH - Hamburg	EUR	25,000		55.00%	55.00%

1. The Group's share as at 30 June 2024 includes a 5.40 % equity investment of Simest SpA; under an agreement entered into between Sol SpA and SIMEST SpA on 25 November 2022, SOL SpA is under obligation to repurchase the entire Simest SpA share by 30 November 2030.
2. The Group's share as at 30 June 2024 includes a 47.44 % equity investment of Simest SpA; under an agreement entered into between Sol SpA and SIMEST SpA on 25 November 2022, SOL SpA is under obligation to repurchase the entire Simest SpA share by 30 November 2030.

b) jointly controlled companies, consolidated by adopting the equity method (amounts of share capital expressed in currency units):

Company Name and Registered Office		Share capital	Ownership percentage
Consorzio EcoDue - Monza	EUR	800,000	50.00%
CT Biocarbonic GmbH - Zeitz	EUR	50,000	50.00%

c) non-consolidated subsidiary and associated companies (amounts of share capital expressed in currency units):

Company Name and Registered Office		Share capital	Ownership percentage
FLOSIT PHARMA S.A.S. - Casablanca	MAD	5,000,000	100.00%
GTE sl - Barcelona	EUR	12,020	100.00%
SOMNOmedics GmbH - Randersacker	EUR	30,000	15.00%
ZDS JESENICE d.o.o. - Jesenice	EUR	10,000	75.00%

FLOSIT PHARMA S.A. and G.T.E. SI were not consolidated in that they were inactive and not relevant for the purposes of giving a true and fair view of the financial position, the results of the operations and the cash flows of the Group.

The company SOMNOmedics GmbH has not been consolidated since it is a non-controlling interest.

ZDS Jesenice d.o.o. was not consolidated since it is administered by a minority shareholder.

d) associated companies, consolidated by adopting the equity method (amounts of share capital expressed in currency units):

Company Name and Registered Office		Share capital	Ownership percentage
CONSORGAS Srl - Milan	EUR	500,000	25.79%
NEMO LAB Srl - Milan	EUR	14,286	30.00%
Nippon Sanso Shenwei Gases Co. Ltd - Shanghai	CNY	18,224,460	32.00%
OXY TECHNICAL GASES d.o.o. - Karlovac	EUR	13,500,000	40.00%
Shanghai Jiawei Medical Gas Co. Ltd - Shanghai	CNY	1,000,000	30.00%
Shanghai ShenWei Gas Filling Co. Ltd - Shanghai	CNY	1,000,000	37.00%

Finally, equity investments in other companies were carried at fair value through profit and loss, as they cannot be included among subsidiary and associated companies.

The scope of consolidation between 30 June 2024 and 31 December 2023 underwent the following changes:

- with the inclusion of Spitex Aloha GmbH acquired in March 2024,
- with the inclusion of Medair Oxygen Solution S.r.l. acquired in March 2024,
- with the inclusion of PRONEP LAR INTERNACAO DOMICILIAR S.A. and of its subsidiaries PRONEP SÃO PAULO LTDA. E VITÓRIA MEDICINA DOMICILIAR LTDA. acquired in April 2024,
- with the increase in the shareholdings in Tesi Tecnologia & Sicurezza Srl from 89.63% to 100%, subsequently merged in the company MTE Medical Technology and Engineering S.r.l.
- with the increase in the shareholdings in the Company Personal Genomics Srl from 84.71% to 100%.

Accounting and consolidation principles

General principles

Further to the enforcement of Legislative Decree no. 38 of 28 February 2005, implementing in the Italian regulations the European Regulation No. 1606 of 19 July 2002, starting from 1 January 2005, the SOL Group adopted the international accounting standards (IAS/IFRS) issued by the International Accounting Standard Board (IASB), as approved by the European Union.

Use of estimates

The preparation of the financial statements and the related notes in accordance with the IFRS requires management to make estimates and assumptions that have an effect on the values of the financial statement revenues, costs, assets and liabilities and on the disclosures relating to the potential assets and liabilities as of the reporting date.

It should also be noted that some measurement processes, especially the more complex ones, such as the calculation of any impairment of non-current assets, are fully made only when the annual financial statements are prepared, with the exception of the cases in which there are indicators that require the immediate measurement of any impairment loss.

In general, the use of estimates is particularly relevant for provisions for bad debts, impairment tests, employee benefits, taxation, provisions for risks, determining the lease term.

The SOL Group does not carry on activities characterised by significant seasonal or cyclical changes in total sales for the year.

Income taxes are calculated based on the best estimate of the expected rate for the whole financial year.

Consolidation of foreign companies

All the assets and liabilities of foreign companies denominated in currency other than the Euro that are included within the scope of consolidation are converted using the exchange rates in force at the reporting date (current exchange rate method). Income and costs are translated using the average rate for the year. The exchange differences emerging from the application of this method are classified as an equity account until the equity investment is disposed of.

Goodwill and adjustments to the fair value generated by the acquisition of a foreign company are stated in the relevant currency and translated using the period-end exchange rate.

The exchange rates used for converting the financial statements not expressed in Euro are indicated in the table below:

Currency	Exchange rate on 30/06/2024	Average exchange rate 30/06/2024	Exchange rate on 31/12/2023	Average exchange rate 2023	Exchange rate on 30/06/2023	Average exchange rate 30/06/2023
Czech Koruna	Euro 0.03996	Euro 0.03997	Euro 0.04045	Euro 0.04166	Euro 0.04212	Euro 0.04223
Macedonian dinar	Euro 0.01623	Euro 0.01624	Euro 0.01629	Euro 0.01624	Euro 0.01629	Euro 0.01623
Serbian dinar	Euro 0.00854	Euro 0.00854	Euro 0.00855	Euro 0.00853	Euro 0.00853	Euro 0.00853
Moroccan dirham	Euro 0.09385	Euro 0.09232	Euro 0.09151	Euro 0.09127	Euro 0.09297	Euro 0.09071
US Dollar	Euro 0.93414	Euro 0.92491	Euro 0.90498	Euro 0.92481	Euro 0.92030	Euro 0.92498
Hungarian forint	Euro 0.00253	Euro 0.00256	Euro 0.00261	Euro 0.00262	Euro 0.00269	Euro 0.00263
Swiss franc	Euro 1.03799	Euro 1.03999	Euro 1.07991	Euro 1.02902	Euro 1.02166	Euro 1.01463
Albanian lek	Euro 0.00996	Euro 0.00978	Euro 0.00963	Euro 0.00919	Euro 0.00939	Euro 0.00886
Bulgarian lev	Euro 0.51130	Euro 0.51130	Euro 0.51130	Euro 0.51130	Euro 0.51130	Euro 0.51130
Turkish Lira	Euro 0.02842	Euro 0.02842	Euro 0.03062	Euro 0.03062	Euro 0.03531	Euro 0.03531
Convertible mark	Euro 0.51129	Euro 0.51129	Euro 0.51129	Euro 0.51129	Euro 0.51129	Euro 0.51129
New Romanian leu	Euro 0.20091	Euro 0.20104	Euro 0.20098	Euro 0.20215	Euro 0.20147	Euro 0.20268
Nuevo Sol	Euro 0.24377	Euro 0.24657	Euro 0.24499	Euro 0.24708	Euro 0.25331	Euro 0.24608
Brazilian real	Euro 0.16974	Euro 0.18200	Euro 0.18650	Euro 0.18515	Euro 0.18944	Euro 0.18237
Indian rupee	Euro 0.01120	Euro 0.01111	Euro 0.01088	Euro 0.01120	Euro 0.01121	Euro 0.01125
British pound	Euro 1.18150	Euro 1.17021	Euro 1.15068	Euro 1.14970	Euro 1.16512	Euro 1.14075
Yuan Renminbi	Euro 0.12862	Euro 0.12819	Euro 0.12737	Euro 0.13055	Euro 0.12661	Euro 0.13352
Polish Zloty	Euro 0.23207	Euro 0.23166	Euro 0.23044	Euro 0.22017	Euro 0.22529	Euro 0.21617

Hyperinflationary economies

The SOL Group controls companies based in Turkey, a country that has been defined as having high inflation in 2022, as the cumulative inflation rate over the last three years has exceeded 100 %. According to the accounting standard IAS 29 Financial Reporting in Hyperinflationary Economies, the financial statements of Turkish companies must be restated according to specific procedures and a valuation process, in order to eliminate the distorting effects of the loss of the purchasing power of money.

In the income statement, costs and revenues are revalued by applying the change in the general consumer price index. With regard to the balance sheet, monetary items are not revalued as they are already expressed in the current unit of measurement at the end of the reporting period; On the other hand, non-monetary assets and liabilities are revalued from the date of initial recognition to the end of the reporting period.

The financial statements are translated into Euro by applying the period-end exchange rate for both balance sheet and income statement items.

Accounting standards, amendments and interpretations of the IFRS applied as from 1 January 2024

The Group applied the following accounting standards, amendments and interpretations of the IFRS for the first time as from 1 January 2024:

- On 23 January 2020, the IASB published an amendment called "**Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current**" and on 31 October 2022, the IASB published an amendment called "**Amendments to IAS 1 Presentation of Financial Statements: Non-Current Liabilities with Covenants**". The purpose of the documents is to clarify how to classify debts and other short or long term liabilities. These amendments were applied as from 1 January 2024. The adoption of these amendments had no impact on the consolidated financial statements of the Group.
- On 22 September 2022, the IASB published an amendment called "**Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback**". The document requires the seller-lessee to measure the lease liability arising from a sale and leaseback transaction in such a way that no income or loss is recognised in respect of the retained right of use. The amendments were applied beginning on or after 1 January 2024. The adoption of these amendments had no impact on the consolidated financial statements of the Group.
- On 25 May 2023, the IASB published an amendment called "Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements". The document requires an entity to provide additional disclosures about reverse factoring arrangements that enable users of financial statements to evaluate how financial arrangements with suppliers may affect the entity's liabilities and cash flows and to understand the effect of those arrangements on the entity's exposure to liquidity risk. The amendments were applied beginning on or after 1 January 2024. The adoption of these amendments had no impact on the consolidated financial statements of the Group.

Accounting standards, amendments and IFRS and IFRIC interpretations not yet approved by the European Union

At the end of the reporting period, the competent bodies of the European Union have not yet completed the approval process required to adopt the amendments and standards described below:

- On 30 May 2024, the IASB published the document "**Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7**". The paper clarifies a number of problematic issues that have emerged from the post-implementation review of IFRS 9, including the accounting treatment of financial assets whose returns vary when ESG objectives are met (i.e. green bonds). With these amendments, the IASB also introduced additional disclosure requirements for investments in equity instruments designated as FVOCI. The amendments will apply as from the financial statements for financial years beginning on or after 1 January 2026. The directors do not expect a significant effect on the Group's consolidated financial statements through the adoption of this amendment.
- On 9 April 2024, the IASB published a new standard **IFRS 18 Presentation and Disclosure in Financial Statements**, which will replace IAS 1 Presentation of Financial Statements. The new standard aims to improve the presentation of the main financial statements and introduces significant changes with regard to the income statement. The new standard will become effective beginning on 1 January 2027 but earlier application is permitted. The directors are currently assessing the possible effects of the introduction of their new standard on the Group's consolidated financial statements.
- On 15 August 2023, the IASB published an amendment called "**Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability**". The document requires an entity to apply a consistent method for checking whether one currency can be converted into another and, if not, how to determine the exchange rate to be used and the disclosures to be made in the notes to the financial statements. The amendment will be effective beginning on 1 January 2025, but earlier application is permitted. The directors do not expect a significant effect on the Group's consolidated financial statements through the adoption of this amendment.

Notes

Income statement

1. Net sales

Balance as at 30/06/2024	779,564
Balance as at 30/06/2023	735,733
Change	<u>43,831</u>

Revenues by type of business break down as follows:

Description	30/06/2024	30/06/2023	Change
Technical gases	388,462	397,477	(9,015)
Home-care	391,102	338,257	52,846
Total	779,564	735,733	43,831

Reference should be made to the "Operating performance" section and to the analysis of the results by type of business for the relevant comments.

The effect of applying IAS 29 "Financial Reporting in Hyperinflationary Economies" to companies in Turkey was insignificant.

2. Other revenues and income

Balance as at 30/06/2024	14,166
Balance as at 30/06/2023	24,235
Change	<u>(10,069)</u>

The item "Other revenues and income" breaks down as follows:

Description	30/06/2024	30/06/2023	Change
Capital gains on disposal	634	693	(59)
Extraordinary income	5,043	16,465	(11,422)
Grants received	346	456	(109)
Real estate rentals	256	215	41
Other	7,886	6,405	1,480
Total	14,166	24,235	(10,069)

3. Total costs

Balance as at	30/06/2024	425,539
Balance as at	30/06/2023	419,943
Change		<u>5,596</u>

The breakdown of the item is as follows:

Description	30/06/2024	30/06/2023	Change
Purchase of materials	196,542	216,843	(20,301)
Services rendered	217,970	197,188	20,782
Change in inventories	(6,760)	(10,570)	3,810
Other costs	17,787	16,482	1,305
Total	425,539	419,943	5,596

The item "Purchase of materials" includes purchases of gas and materials, electricity, water, diesel and methane for production.

The item "Services rendered" includes costs of transports, maintenance, third-party services, consultancy and insurances.

The item "Other costs" includes rentals, taxes other than income tax, contingent liabilities and capital losses.

4. Payroll and related costs

Balance as at	30/06/2024	166,890
Balance as at	30/06/2023	146,416
Change		<u>20,474</u>

The breakdown of the item is as follows:

Description	30/06/2024	30/06/2023	Change
Wages and salaries	131,338	114,825	16,513
Social security charges	34,027	30,326	3,700
Employee severance indemnities	1,526	1,265	261
Total	166,890	146,416	20,474

5. Amortisation/depreciations, provisions and write-downs, non-recurring expenses

Balance as at	30/06/2024	79,142
Balance as at	30/06/2023	74,694
Change		<u>4,448</u>

The breakdown of the item is as follows:

Description	30/06/2024	30/06/2023	Change
Depreciation/amortisation	75,538	69,568	5,970
Provisions and write-downs	3,604	5,126	(1,522)
Total	79,142	74,694	4,448

The breakdown of the item "Amortisation and depreciation" of intangible and tangible fixed assets and rights of use by asset category is presented below:

Depreciation of tangible fixed assets and Rights of use

Description	30/06/2024	30/06/2023	Change
Land	215	211	4
Buildings	9,155	8,584	571
Plant and machinery	11,616	11,115	501
Industrial and commercial equipment	40,788	38,278	2,510
Other assets	9,751	8,133	1,619
Total	71,525	66,320	5,205

The increase in depreciation is linked to investments made during the period, amounting to Euro 96.1 million.

Depreciation of tangible fixed assets

Description	30/06/2024	30/06/2023	Change
Buildings	3,095	3,170	(75)
Plant and machinery	11,596	11,095	501
Industrial and commercial equipment	40,751	38,217	2,535
Other assets	4,491	3,817	674
Total	59,934	56,299	3,635

Depreciation of rights of use

Description	30/06/2024	30/06/2023	Change
Land	215	211	4
Buildings	6,060	5,414	646
Plant and machinery	19	19	0
Industrial and commercial equipment	37	62	(25)
Other assets	5,260	4,315	945
Total	11,591	10,021	1,570

Amortisation of other intangible fixed assets

Description	30/06/2024	30/06/2023	Change
Development costs	133	129	4
Patents and rights to use patents of others	71	78	(7)
Concessions, licences and trademarks	3,357	2,933	424
Other	452	108	345
Total	4,013	3,248	766

The breakdown of the item "Provisions and write-downs" is as follows:

Description	30/06/2024	30/06/2023	Change
Provisions for bad debts	3,372	3,704	(333)
Provisions for risks	232	1,422	(1,190)
Total	3,604	5,126	(1,522)

6. Financial income/(expenses)

Balance as at	30/06/2024	(10,375)
Balance as at	30/06/2023	(6,196)
Change		<u>(4,179)</u>

The breakdown of the item is as follows:

Description	30/06/2024	30/06/2023	Change
Financial income	3,278	2,515	763
Financial expense	(13,438)	(9,148)	(4,289)
Results from equity investments	(215)	437	(652)
Total	(10,375)	(6,196)	(4,179)

The breakdown of the item "Financial income" is as follows:

Description	30/06/2024	30/06/2023	Change
From long-term receivables	289	16	273
Interest on investment securities	1		1
Interests on securities not held as fixed assets	61	28	33
Interest on banks and postal accounts	1,117	384	733
Interest from customers	138	539	(401)
Exchange rate gains	1,122	1,110	12
Other financial income	550	439	111
Total	3,278	2,515	763

For further information on derivatives, see paragraph "Payables and other financial liabilities".

The breakdown of the item "Financial expense" is as follows:

Description	30/06/2024	30/06/2023	Change
Interest payable to banks	(86)	(121)	35
Supplier interest	(2)	(11)	9
Interest payable on loans	(6,902)	(3,654)	(3,248)
Interest on bonds	(1,564)	(1,758)	194
Exchange rate losses	(1,695)	(1,480)	(215)
Other financial expense	(3,190)	(2,125)	(1,064)
Total	(13,438)	(9,148)	(4,289)

The breakdown of the item "Results from equity investments" is as follows:

Description	30/06/2024	30/06/2023	Change
Revaluations of equity investments	114	459	(345)
Write-downs of equity investments	(329)	(22)	(308)
Total	(215)	437	(652)

The item “Revaluations of equity investments” refers to the measurement at equity of the associated company Shanghai Jiawei Medical Gas Co. Ltd (Euro 52 thousand), of the associated company 'Nippon Sanso Shenwei Gases Co. Ltd (Euro 13 thousand) and of the associated company Shanghai ShenWei Gas Filling Co. Ltd (Euro 49 thousand).

The item “Write-downs of investments” refers to the measurement at equity of the associated company Consorgas Srl (Euro 31 thousand), of the jointly-controlled company CT Biocarbonic GmbH (Euro 195 thousand) and to the write-down of the equity investment in the company Energy for growth (Euro 103 thousand).

7. Income taxes

Balance as at	30/06/2024	33,306
Balance as at	30/06/2023	29,365
Change		<u>3,941</u>

The breakdown of the item is as follows:

Description	30/06/2024	30/06/2023	Change
Income taxes	31,989	27,724	4,265
Deferred tax liabilities	406	194	212
Deferred tax assets	911	1,447	(536)
Total	33,306	29,365	3,941

The Group has monitored and continues to monitor the implementation of Pillar II developed by the OECD Inclusive Framework in all countries in which it operates. The Group has also carried out some analyses concerning the applicability of the simplified transitional regimes set forth in art. 39 of Legislative Decree no. 209 of 27 December 2023 (published in the Official Gazette on 28 December 2023, no. 301) and the Ministerial Decree of 20 May 2024, concluding that, on the basis of the data available to it, the impact would be insignificant and would in any case relate to previous years..

Balance sheet

8. Tangible fixed assets

Balance as at	30/06/2024	801,398
Balance as at	31/12/2023	754,571
Change		<u>46,827</u>

Breakdown of tangible fixed assets and rights of use

Changes in tangible fixed assets and rights of use, with reference to their historical cost, depreciation and net value are as follows:

Cost	Land	Buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Assets under construction and advance payments	Total
Balance as at 01/01/2023	29,840	248,644	480,973	1,190,346	130,245	26,273	2,106,321
Increases	1,423	23,542	12,115	100,609	24,955	48,355	211,000
Revaluations	74	3,015	339	1,717	874		6,019
Write-downs				(16)		(1,174)	(1,190)
Other changes	10,571	677	(1,234)	(432)	4,609	(19,845)	(5,655)
Exchange differences	70	1,037	634	(337)	15	10	1,428
(Disposals)	(120)	(6,596)	(968)	(11,292)	(16,599)		(35,576)
Balance as at 31/12/2023	41,858	270,319	491,859	1,280,593	144,098	53,619	2,282,347
Increases	39	7,120	7,723	54,864	13,362	53,267	136,375
Revaluations	42	2,033	239	1,063	559		3,937
Write-downs							-
Other changes	173	(603)	1,248	(1,658)	6,410	(26,240)	(20,669)
Exchange differences	349	(380)	1,778	1,254	68	422	3,492
(Disposals)	(62)	(1,104)	(684)	(10,577)	(6,982)		(19,408)
Balance as at 30/06/2024	42,399	277,386	502,163	1,325,540	157,515	81,069	2,386,073

Accumulated depreciation	Land	Buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Assets under construction and advance payments	Total
Balance as at 01/01/2023	3,984	118,877	314,640	880,172	94,483		1,412,157
Depreciation charges	427	17,320	23,143	78,047	17,478		136,415
Revaluations							-
Write-downs							-
Other changes	(6)	1,735	7,924	(1,294)	793		9,152
Exchange differences	14	362	653	(12)	41		1,058
(Disposals)		(5,902)	(558)	(9,595)	(14,951)		(31,006)
Balance as at 31/12/2023	4,419	132,392	345,802	947,318	97,845		1,527,776
Depreciation charges	215	9,155	11,616	40,788	9,751		71,525
Revaluations							-
Write-downs							-
Other changes		(409)	94	(1,251)	3,321		1,754
Exchange differences	14	(119)	546	746	65		1,252
(Disposals)		(1,063)	(648)	(9,633)	(6,288)		(17,632)
Balance as at 30/06/2024	4,648	139,956	357,410	977,967	104,693		1,584,675

Net value	Land	Buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Assets under construction and advance payments	Total
Balance as at 01/01/2023	25,856	129,767	166,333	310,173	35,761	26,273	694,164
Increases	1,423	23,542	12,115	100,609	24,955	48,355	211,000
(Depreciations and write-downs)	(427)	(17,320)	(23,143)	(78,047)	(17,478)	-	(136,415)
Other changes	10,650	1,957	(8,818)	2,563	4,689	(21,019)	(9,978)
Exchange differences	56	675	(20)	(326)	(26)	10	369
(Disposals)	(120)	(694)	(410)	(1,697)	(1,648)	-	(4,569)
Balance as at 31/12/2023	37,439	137,927	146,057	333,276	46,253	53,619	754,571
Increases	39	7,120	7,723	54,864	13,362	53,267	136,375
(Depreciations and write-downs)	(215)	(9,155)	(11,616)	(40,788)	(9,751)	-	(71,525)
Other changes	215	1,840	1,393	656	3,649	(26,240)	(18,486)
Exchange differences	335	(261)	1,232	508	3	422	2,240
(Disposals)	(62)	(41)	(36)	(944)	(693)	-	(1,776)
Balance as at 30/06/2024	37,751	137,430	144,753	347,573	52,822	81,069	801,398

Analysis of tangible fixed assets

Changes in tangible fixed assets, with reference to their historical cost, depreciation and net value are as follows:

Cost	Land	Buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Assets under construction and advance payments	Total
Balance as at 01/01/2023	26,045	171,539	480,793	1,190,194	97,886	26,273	1,992,730
Increases	1,324	11,447	12,115	100,609	11,552	48,355	185,402
Revaluations		18	312	1,678	120		2,128
Write-downs				(16)		(1,174)	(1,190)
Other changes	10,585	1,358	(1,234)	(393)	4,935	(19,845)	(4,594)
Exchange differences	48	419	634	(337)	63	10	836
(Disposals)	(115)	(372)	(968)	(11,244)	(8,190)		(20,889)
Balance as at 31/12/2023	37,887	184,409	491,652	1,280,491	106,366	53,619	2,154,423
Increases	36	1,722	7,723	54,864	4,720	53,267	122,332
Revaluations		15	215	1,028	80		1,338
Write-downs							-
Other changes	173	(20)	1,248	(1,658)	6,968	(26,240)	(19,529)
Exchange differences	314	(6)	1,778	1,254	77	422	3,840
(Disposals)	(62)	(227)	(684)	(10,577)	(2,601)		(14,150)
Balance as at 30/06/2024	38,348	185,893	501,933	1,325,402	115,609	81,069	2,248,254

Accumulated depreciation	Land	Buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Assets under construction and advance payments	Total
Balance as at 01/01/2023	2,809	89,625	314,529	880,114	76,747		1,363,824
Depreciation charges	-	5,906	23,104	77,934	8,311		115,255
Revaluations							-
Write-downs							-
Other changes		2,031	7,924	(1,261)	902		9,595
Exchange differences		141	653	(12)	41		823
(Disposals)		(157)	(558)	(9,547)	(6,664)		(16,926)
Balance as at 31/12/2023	2,809	97,547	345,652	947,228	79,336		1,472,572
Depreciation charges	-	3,095	11,596	40,751	4,491		59,934
Revaluations							-
Write-downs							-
Other changes		(87)	94	(1,251)	3,571		2,327
Exchange differences		(39)	546	746	60		1,312
(Disposals)		(199)	(648)	(9,633)	(1,928)		(12,408)
Balance as at 30/06/2024	2,809	100,317	357,241	977,841	85,530		1,523,738

Net value	Land	Buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Assets under construction and advance payments	Total
Balance as at 01/01/2023	23,236	81,913	166,264	310,081	21,139	26,273	628,906
Increases	1,324	11,447	12,115	100,609	11,552	48,355	185,402
(Depreciations and write-downs)	-	(5,906)	(23,104)	(77,934)	(8,311)	-	(115,255)
Other changes	10,585	(655)	(8,845)	2,530	4,153	(21,019)	(13,251)
Exchange differences	48	278	(20)	(326)	22	10	13
(Disposals)	(115)	(216)	(410)	(1,697)	(1,526)	-	(3,963)
Balance as at 31/12/2023	35,078	86,862	146,000	333,263	27,030	53,619	681,851
Increases	36	1,722	7,723	54,864	4,720	53,267	122,332
(Depreciations and write-downs)	-	(3,095)	(11,596)	(40,751)	(4,491)	-	(59,934)
Other changes	173	83	1,369	621	3,476	(26,240)	(20,518)
Exchange differences	314	34	1,232	508	17	422	2,527
(Disposals)	(62)	(28)	(36)	(944)	(672)	-	(1,742)
Balance as at 30/06/2024	35,539	85,577	144,692	347,561	30,079	81,069	724,516

The breakdown of major changes for the period relating to tangible fixed assets is shown below:

- Investments made during the period with regard to the item "Buildings" are mainly investments made by the subsidiary companies Bhoruka Specialty Gases Private Limited (Euro 469 thousand), SOL HELLAS S.A. (Euro 299 thousand) and VIVISOL Portugal Unipessoal LDA (Euro 145 thousand).
- Acquisitions made during the period under the item "Plants and machinery" are mainly due to the purchase of plants at the factories by the Parent Company (Euro 635 thousand) and of the subsidiaries Bhoruka Specialty Gases Private Limited (Euro 2,712 thousand), SOL HELLAS S.A. (Euro 1,081 thousand) and VIVISOL Srl (Euro 747 thousand) and to a lesser extent to other capital expenditure carried out by all the other Group companies.
- The item "Industrial and commercial equipment" comprises commercial equipment (supplying devices, cylinders, base units, concentrators and medical appliances) as well as other small and sundry equipment. The increase recorded for the financial year was due to investments in commercial equipment in the form of cylinders, dispensing devices and tanks, made by companies in the technical gases sector in the amount of Euro 15,951 thousand (including Euro 5,828 by the parent company) and to investments made by companies operating in the home-care sector in the amount of Euro 38,913 thousand (including Euro 10,512 thousand by VIVISOL Srl) for base units and other medical appliances.
- The item "Other assets" includes motor vehicles and motor cars, electric office equipment, furniture and fixtures, EDP systems. The increase recorded for the period refers to investments made for motor vehicles, laboratory equipment, hardware, furniture and fixtures, including Euro 265 thousand by the Parent Company, the subsidiaries Vivisol Srl (Euro 942 thousand), Sol Deutschland GmbH (Euro 487 thousand), SOL Croatia d.o.o. (Euro 300 thousand), Dolby Medical Home Respiratory Care Limited (Euro 286 thousand), TGS d.o.o. (Euro 244 thousand) and to a lesser extent to other investments by other company groups.
- The item "Assets under construction" mainly refers to amounts relating to investments in progress made by the Parent Company (Euro 13,645 thousand) and by the subsidiaries SOL Gas Primari Srl (Euro 8,740 thousand), GTH GAZE INDUSTRIALE S.A. (Euro 1,714 thousand), SOL France Sas (Euro 1,268 thousand), VIVISOL Srl (Euro 985 thousand), SOL India Private Limited (Euro 16,988 thousand), SOL Bulgaria E.A.D. (Euro 1,380 thousand), SOL HELLAS S.A. (Euro 18,663 thousand) and SOL TG GmbH (Euro 1,013 thousand).

Please note that the Mantua, Verona, Jesenice and Varna plants have mortgages and liens governed by medium-term mortgage agreements between financial institutions and several group companies.

As at 30 June 2024, mortgages amounted to Euro 67,450 thousand.

As at 30 June 2024, liens amounted to Euro 68,788 thousand.

Breakdown of rights of use

Changes in tangible fixed assets, with reference to their historical cost, depreciation and net value are as follows:

Cost	Land	Buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Assets under construction and advance payments	Total
Balance as at 01/01/2023	3,795	77,106	180	151	32,358		113,590
Increases	100	12,095			13,403		25,598
Revaluations	74	2,997	27	39	754		3,891
Write-downs							-
Other changes	(14)	(682)		(39)	(326)		(1,061)
Exchange differences	22	618			(48)		592
(Disposals)	(5)	(6,223)		(49)	(8,410)		(14,686)
Balance as at 31/12/2023	3,972	85,911	207	103	37,732		127,924
Increases	3	5,398			8,642		14,043
Revaluations	42	2,018	24	36	479		2,599
Write-downs							-
Other changes		(583)			(557)		(1,140)
Exchange differences	35	(374)			(9)		(348)
(Disposals)		(877)			(4,381)		(5,258)
Balance as at 30/06/2024	4,052	91,493	231	138	41,906		137,820

Accumulated depreciation	Land	Buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Assets under construction and advance payments	Total
Balance as at 01/01/2023	1,175	29,252	111	59	17,736		48,333
Depreciation charges	427	11,414	39	112	9,167		21,159
Revaluations							-
Write-downs							-
Other changes	(6)	(296)		(33)	(108)		(443)
Exchange differences	14	221			-		235
(Disposals)		(5,745)		(49)	(8,287)		(14,080)
Balance as at 31/12/2023	1,610	34,846	150	90	18,509		55,204
Depreciation charges	215	6,060	19	37	5,260		11,591
Revaluations							-
Write-downs							-
Other changes		(322)			(251)		(573)
Exchange differences	14	(80)			5		(60)
(Disposals)		(865)			(4,360)		(5,225)
Balance as at 30/06/2024	1,839	39,639	169	126	19,163		60,937

Net value	Land	Buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Assets under construction and advance payments	Total
Balance as at 01/01/2023	2,620	47,854	69	92	14,622	-	65,258
Increases	100	12,095	-	-	13,403	-	25,598
(Depreciations and write-downs)	(427)	(11,414)	(39)	(112)	(9,167)	-	(21,159)
Other changes	66	2,612	27	33	536	-	3,273
Exchange differences	8	397	-	-	(48)	-	357
(Disposals)	(5)	(478)	-	-	(123)	-	(606)
Balance as at 31/12/2023	2,362	51,065	57	13	19,223	-	72,720
Increases	3	5,398	-	-	8,642	-	14,043
(Depreciations and write-downs)	(215)	(6,060)	(19)	(37)	(5,260)	-	(11,591)
Other changes	42	1,757	24	36	173	-	2,032
Exchange differences	21	(295)	-	-	(14)	-	(288)
(Disposals)	-	(13)	-	-	(21)	-	(34)
Balance as at 30/06/2024	2,213	51,854	61	12	22,743	-	76,883

9. Goodwill

Balance as at	30/06/2024	251,749
Balance as at	31/12/2023	245,628
Change		<u>6,121</u>

The breakdown of the item is as follows:

Net value	Goodwill
Balance as at 01/01/2023	216,811
Increases	28,385
(Write-downs)	(1,259)
Other changes	2,228
Exchange differences	(537)
Balance as at 31/12/2023	245,628
Increases	5,663
(Write-downs)	-
Other changes	-
Exchange differences	458
Balance as at 30/06/2024	251,749

The increase in the period is due to the acquisition of Spitex Aloha GmbH and Medair Oxygen Solution S.r.l. in the first quarter of 2024.

In March 2024, the subsidiary SPITEX PERSPECTA AG acquired 100.00% of the shares of Spitex Aloha GmbH, a company under Swiss law providing home care and nursing services.

In March 2024, the subsidiary AIRSOL Srl acquired 70.005% of the capital of Medair Oxygen Solution S.r.l., a company incorporated under Romanian law that rents and retails medical devices for oxygen therapy, ventilotherapy and sleep-related respiratory disorders. If the acquisition had occurred on 1 January 2024, Group revenues and profit would have been increased by Euro 582 thousand and Euro 134 thousand respectively for the six-month period ended 30 June 2024.

The result of the acquisitions on the assets and liabilities of the Group is set below:

	Values recorded during acquisition	Adjustments to fair value	Book values before acquisition
Tangible fixed assets	3,148	-	3,148
Intangible fixed assets	10	-	10
Long-term investments	5	-	5
Inventories	141	-	141
Trade and other receivables	864	-	864
Prepayments and accrued income	22	-	22
Cash and cash at bank	660	-	660
Minority interests	(368)	-	(368)
Suppliers	(571)	-	(571)
Other payables	(2,605)	-	(2,605)
Risk provisions	-	-	-
Employee severance indemnities	-	-	-
Accrued expenses and deferred income	(36)	-	(36)
Identifiable net assets and liabilities	1,271	-	1,271
Goodwill deriving from acquisition	5,663		
Amount paid	(6,934)		
Available funds acquired	660		
Net outlays of available funds	(6,274)		

The Group checks the recoverability of goodwill at least annually or more frequently if specific events or changed circumstances indicate the possibility of having suffered an impairment loss, at Cash Generating Unit level to which the Company's management charges said goodwill, in accordance with the matters anticipated by IAS 36 "Impairment of assets".

Impairment test

As provided by IAS 36 "Impairment of assets", the value of intangible assets with an indefinite useful life is not amortised, but instead subject to an impairment test at least once per year. The Group does not record intangible assets with an indefinite useful life other than goodwill.

IAS 36 also requires a company to assess at each reporting date the existence of indications of impairment in relation to any other asset.

The recoverability of the carrying amounts is tested by comparing the carrying amount of the asset with its fair value (for example, using market multiples obtained from comparable transactions) or its value in use, whichever is greater.

The methodology used to identify the recoverable amount (value in use) consists of discounting future cash flows generated by activities directly attributed to the entity to which the goodwill (CGU) is allocated, as well as the value expected from its divestment or transfer upon the end of its useful life. Value in use is calculated as the sum of the current value of expected future cash flows based on the forecasts issued for every CGU and approved by the Board of Directors of the Company.

In accordance with the provisions of IAS 36, in the first half of 2024, the short-term economic and scenario variables were analysed; confirming the overall trend of an increase in revenues and a marked improvement in margins, they did

not show, also with respect to the 2024 budget, any specific internal or external impairment losses such as to require an impairment test during the first half of the year.

10. Other intangible fixed assets

Balance as at 30/06/2024	46,696
Balance as at 31/12/2023	42,009
Change	<u>4,688</u>

The breakdown of the item is as follows:

Net value	Development costs	Patents and rights to use patents of others	Concessions, licences, trademarks and similar rights	Other	Assets under construction and advance payments	Total
Balance as at 01/01/2023	3,006	352	16,541	1,469	5,182	26,550
Increases	571	14	8,057	4,120	7,615	20,378
Revaluations (Write-downs)	-	-	22	-	-	22
Other changes	-	33	(282)	6,020	(2,387)	3,384
Exchange differences	-	-	(2)	22	5	25
(Amortisation)	(267)	(158)	(6,877)	(1,048)	-	(8,350)
Balance as at 31/12/2023	3,309	242	17,459	10,584	10,415	42,009
Increases	246	24	2,023	67	12,355	14,715
Revaluations (Write-downs)	-	-	13	-	-	13
Other changes	25	-	64	(142)	(6,136)	(6,189)
Exchange differences	-	-	4	165	(8)	161
(Amortisation)	(133)	(71)	(3,357)	(452)	-	(4,013)
Balance as at 30/06/2024	3,448	195	16,205	10,222	16,627	46,696

11. Equity investments

Balance as at 30/06/2024	29,015
Balance as at 31/12/2023	26,926
Change	<u>2,089</u>

The breakdown of the item is as follows:

Description	30/06/2024	31/12/2023	Delta
Flosit Pharma S.A.	469	458	11
GTE sl	25	25	-
ZDS Jesenice d.o.o.	8	8	-
Non-consolidated subsidiary companies	501	491	11
Consorzio ECODUE	407	407	-
CT Biocarbonic GmbH	5,833	6,028	(195)
Jointly controlled companies	6,240	6,435	(195)
Consorgas Srl	3	34	(32)
Nemo Lab Srl	169	169	-
Nippon Sanso Shenwei Gases Co. Ltd	1,012	989	22
OXY TECHNICAL GASES d.o.o.	10,200	8,000	2,200
Shanghai Jiawei Medical Gas Co.	2,346	2,289	56
Shanghai ShenWei Gas Filling Co. Ltd	164	142	22
SOMNOmedics GmbH	4,661	4,661	-
Associated companies	18,554	16,285	2,269
Other minority interests	3,720	3,716	4
Other companies	3,720	3,716	4
Total	29,015	26,926	2,089

Except for:

- Euro 476 thousand recognised as non-consolidated subsidiaries (in the portfolio of the subsidiary SPG – SOL Plin Gorenjska d.o.o. of Euro 8 thousand, SOL France S.a.s. of Euro 46 thousand and FLOSIT S.A. of Euro 422 thousand)
- Euro 407 thousand recognised as jointly controlled companies (in the portfolio of the subsidiary SOL Gas Primari Srl)
- Euro 18,551 thousand recognised as associated companies (in the portfolio of the subsidiaries Shanghai Shenwei Medical Gas Co. Ltd of Euro 1,175 thousand, VIVISOL Srl of Euro 169 thousand, SOL Croatia d.o.o of Euro 10,200 thousand and AIRSOL Srl of Euro 7,007 thousand)
- Euro 3,701 thousand recorded among the other minority interests (relevant to investments in local businesses by the subsidiary SOL Gas Primari Srl of Euro 3,122 thousand, SOL India Private Limited of Euro 308 thousand, UTP d.o.o. of Euro 246 thousand, Centro Ortopedico Ferranti - Gruppo Vivitop Srl of Euro 1 thousand, ITOP SpA Officine Ortopediche of Euro 9 thousand, ITOP ORTOPEDIE ASSOCIATE Srl of Euro 1 thousand, T.G.S. A.D. of Euro 2 thousand, T.P.J. d.o.o. of Euro 2 thousand, ICOA Srl of Euro 8 thousand, Cryos Srl of Euro 1 thousand, and VIVISOL Silarus Srl of Euro 1 thousand),

all of the above investments are held by the parent company.

Non-consolidated subsidiaries and other minority interests are measured at fair value.

12. Other financial assets

Balance as at	30/06/2024	17,592
Balance as at	31/12/2023	17,969
Change		<u>(378)</u>

The breakdown of the item is as follows:

Description	30/06/2024	31/12/2023	Change
Amounts receivable from third parties	16,734	17,073	(339)
Securities	858	896	(39)
Total	17,592	17,969	(378)

The breakdown of the item "Amounts receivable from third parties" is as follows:

Description	30/06/2024	31/12/2023	Change
Guarantee deposits	11,838	12,354	(517)
Derivatives	3,382	3,892	(510)
Tax receivables	294	158	136
Other receivables	1,220	668	552
Total	16,734	17,073	(339)

The breakdown for the item "Securities" is as follows:

Company	30/06/2024	31/12/2023	Change
Cryos Srl	76	73	3
SOL Hellas S.A.	777	818	(42)
SOL T.G. GmbH	6	5	-
Total	858	896	(39)

The item Securities relating to SOL Hellas refers to government securities of Greece, with maturity exceeding 12 months issued in payment of receivables claimed by the subsidiary SOL Hellas from public bodies.

13. Deferred tax assets

Balance as at	30/06/2024	22,593
Balance as at	31/12/2023	19,211
Change		<u>3,382</u>

The breakdown of the above item is as follows:

	Bad debts	Risk provisions	Internal profits	Prior losses	Other	Total
Balance as at 01/01/2023	999	148	740	3,520	13,151	18,557
Provisions/Uses	49		294	(539)	(852)	(1,048)
Other changes			-	437	1,189	1,626
Exchange differences				27	49	75
Balance as at 31/12/2023	1,048	148	1,034	3,445	13,537	19,211
Provisions/Uses			(16)	(176)	(719)	(911)
Other changes			-	2,375	1,828	4,203
Exchange differences				68	22	90
Balance as at 30/06/2024	1,048	148	1,019	5,712	14,668	22,593

Deferred tax assets were measured in the case of probable realisation and tax recoverability considering the limited time horizon based on the business plans of the companies.

Deferred tax assets of Euro 5,712 thousand is recognised against prior losses in that there exists the probability of obtaining, in future financial years, taxable income sufficient to absorb the tax losses carried forward.

14. Inventories

Balance as at	30/06/2024	108,580
Balance as at	31/12/2023	100,804
Change		<u>7,776</u>

The breakdown of the item is as follows:

Description	30/06/2024	31/12/2023	Change
Raw, subsidiary and consumable materials	5,750	4,787	962
Work in progress and semi-finished goods	2,691	2,601	91
Finished products and goods for resale	100,140	93,416	6,723
Total	108,580	100,804	7,776

15. Trade receivables

Balance as at	30/06/2024	462,959
Balance as at	31/12/2023	448,454
Change		<u>14,506</u>

The breakdown of the item is as follows:

Description	Within 12 months	Beyond 12 months	Allowance for doubtful accounts	30/06/2024	31/12/2023
Trade receivables	491,694	94	(28,829)	462,959	448,454
Total	491,694	94	(28,829)	462,959	448,454

The allowance for doubtful accounts changed as follows:

Description	31/12/2023	Provisions	Uses	Other changes	30/06/2024
Allowance for doubtful accounts	26,154	3,372	(1,124)	427	28,829
Total	26,154	3,372	(1,124)	427	28,829

The item "Other changes" refers to exchange rate differences of Euro -38 thousand and to reversals of the fund of Euro 465 thousand.

16. Other current assets

Balance as at	30/06/2024	78,290
Balance as at	31/12/2023	61,418
Change		<u>16,872</u>

The breakdown of the item is as follows:

Description	30/06/2024	31/12/2023	Change
Amounts receivable from employees	1,250	944	306
Amounts receivable in respect of	9,152	10,013	(861)
VAT receivables	25,141	16,682	8,459
Other amounts receivable from the	5,166	5,409	(243)
Other receivables	10,878	12,251	(1,373)
Prepayments and accrued income	26,703	16,119	10,584
Total	78,290	61,418	16,872

"Prepayments and accrued income" represent the harmonising items for the period calculated on an accrual basis.

This item breaks down as follows:

Description	30/06/2024	31/12/2023	Change
Accrued income			
Interest	860	4	855
Other accrued income	7,727	3,348	4,379
Total accrued income	8,586	3,352	5,234
Prepayments			
Insurance premiums	1,919	879	1,040
Rents	378	553	(176)
Other prepayments	15,820	11,334	4,485
Total prepayments	18,117	12,767	5,350
Total prepayments and accrued	26,703	16,119	10,584

The item "Other prepayments" mainly comprises purchase invoices referring to maintenance agreements or other expenses.

17. Current financial assets

Balance as at 30/06/2024	20,236
Balance as at 31/12/2023	18,050
Change	<u>2,186</u>

The breakdown of the item is as follows:

Description	30/06/2024	31/12/2023	Change
Financial receivables from jointly controlled companies	200	200	-
Derivatives	2,725	3,499	(774)
Short-term time deposits	10,198	11,022	(824)
Other financial receivables	7,113	3,329	3,784
Total	20,236	18,050	2,186

The breakdown for the item "Short-term time deposits" is as follows:

Company	30/06/2024	31/12/2023	Change
BLA SERVICOS HOSPITALARES LTDA	38	76	(38)
DN GLOBAL HOMECARE LTDA	411	400	11
Energetika Z.J. d.o.o.	2,998	2,998	(1)
FLOSIT S.A.S.	1,031	546	485
GLOBAL CARE LTDA	276	764	(488)
JML SERVICOS HOSPITALARES LTDA	-	107	(107)
Midiperf Sante France IDF	11	11	-
Midiperf Sante France LR	41	41	-
Midiperf Sante France SAS	60	60	-
P PAR LTDA	562	457	105
Portare LTDA	3	10	(7)
PRONEP LAR INTERNACAO DOMICILIAR S.A.	699	-	699
PRONEP SAO PAULO - SERVICOS ESPECIALIZADOS DOMICILIARES E HOSPITALARES LTDA	14	-	14
SOL Croatia d.o.o.	800	800	-
SOL India Private Limited	85	1,575	(1,490)
T.G.T. A.D.	1,425	1,425	-
UNIT CARE LTDA	123	111	12
UTP d.o.o.	1,496	1,496	-
VITORIA MEDICINA DOMICILIAR LTDA	1	-	1
VIVISOL Brasil Ltda	125	146	(20)
Total	10,198	11,022	(824)

18. Cash and cash equivalents

Balance as at	30/06/2024	212,967
Balance as at	31/12/2023	205,627
Change		<u>7,339</u>

The breakdown for this item is as follows:

Description	30/06/2024	31/12/2023	Change
Bank and postal deposits	212,382	205,105	7,277
Cash and cash equivalents on hand	585	522	63
Total	212,967	205,627	7,339

19. Shareholders' equity

Balance as at	30/06/2024	1,014,738
Balance as at	31/12/2023	975,126
Change		<u>39,612</u>

The share capital of SOL S.p.A. as at 30 June 2024 comprised 90,700,000 ordinary shares with a par value of Euro 0.52 each, fully subscribed and paid up.

The breakdown of and changes in shareholders' equity at year-end are detailed below:

	31/12/2023	Transfer of result	Dividends paid	Translation differences	Other changes	Profit (loss)	30/06/2024
Pertaining to the Group:							
Share capital	47,164	-	-	-	-	-	47,164
Share premium reserve	63,335	-	-	-	-	-	63,335
Revaluation reserves	-	-	-	-	-	-	-
Legal reserve	10,459	-	-	-	-	-	10,459
Statutory reserves	-	-	-	-	-	-	-
Treasury share reserves	-	-	-	-	-	-	-
Other reserves	660,599	112,173	-	1,557	(4,911)	-	769,419
Profits/(Losses) carried forward	1,321	33,559	(33,559)	-	(2)	-	1,319
Net Profit	145,732	(145,732)	-	-	-	74,924	74,924
Shareholders' equity - Group	928,611	-	(33,559)	1,557	(4,913)	74,924	966,621
Minority interests:							
Shareholders' equity - Minority	39,543	6,972	(4,366)	506	1,909	-	44,565
Profit pertaining to minority	6,972	(6,972)	-	-	-	3,553	3,553
Shareholders' equity - Minority	46,515	-	(4,366)	506	1,909	3,553	48,118
SHAREHOLDERS' EQUITY	975,126	-	(37,925)	2,064	(3,003)	78,477	1,014,738

The item "Other reserves" mainly includes extraordinary reserves, the Cash Flow Hedge (CFH) reserve and unallocated profits.

The CFH reserve, gross of the tax effect, was positive and amounted to Euro 6,107 thousand as at 30 June 2024 (positive for Euro 7,392 thousand as at 31 December 2023). The change in the period is reported in the Consolidated Statement of Comprehensive Income.

For further information on derivatives, see paragraph "Payables and other financial liabilities".

20. Employee severance indemnities and benefits

Balance as at	30/06/2024	16,699
Balance as at	31/12/2023	16,917
Change		<u>(217)</u>

The provisions underwent the following changes:

Employee severance indemnities and benefits	30/06/2024	31/12/2023
Balance as at 1 January	16,917	15,143
Provisions	1,526	2,922
(Uses)	(941)	(1,390)
Financial expense	140	262
Other changes	(950)	(46)
Exchange differences	8	27
Balance at the end of the period	16,699	16,917

21. Provision for deferred taxes

Balance as at	30/06/2024	17,396
Balance as at	31/12/2023	15,104
Change		<u>2,293</u>

The item "Provision for deferred taxes" represents the net balance of deferred tax liabilities allocated in the consolidated financial statements as at 30 June 2024 with regard to tax items present in the financial statements of the Group companies (accelerated depreciation), and of deferred tax liabilities referring to the other consolidation entries; the item comprises:

	Capital gains	Accelerated depreciations/amortisation	Leasing	Other minor	Total
Balance as at 01/01/2023	24	3,987	(87)	8,238	12,163
Provisions/Uses	222	682	(236)	677	1,345
Other changes		1,382	-	136	1,518
Exchange differences		78	(1)	1	77
Balance as at 31/12/2023	246	6,129	(324)	9,053	15,104
Provisions/Uses		(208)	(133)	747	406
Other changes			3	1,704	1,707
Exchange differences		115	7	58	179
Balance as at 30/06/2024	246	6,036	(447)	11,561	17,396

22. Provisions for risks and charges

Balance as at	30/06/2024	9,449
Balance as at	31/12/2023	3,847
Change		<u>5,602</u>

The breakdown of the item is as follows:

	30/06/2024	31/12/2023	Change
Other minor provisions	9,449	3,847	5,602
Total other provisions	9,449	3,847	5,602
Total	9,449	3,847	5,602

Provisions for risks and charges are allocated exclusively in the presence of a current obligation assessable in a reliable way, as a result of past events, which may be legal, contractual or derive from declarations or behaviour of the company such as to create in third parties a reasonable expectation that the company is responsible or assumes the responsibility of fulfilling an obligation. If the financial effect of time is significant, the liability is discounted, the discounting effect is recorded under financial expense.

The provisions underwent the following changes:

Description	31/12/2023	Provisions	Uses	Other changes	30/06/2024
Other minor provisions	3,847	232	(729)	6,098	9,449
Total	3,847	232	(729)	6,098	9,449

The consolidation deficit generated by the acquisition of PRONEP LAR INTERNACAO DOMICILIAR S.A.S. was provisionally allocated to this item.

23. Payables and other financial liabilities

Balance as at	30/06/2024	570,677
Balance as at	31/12/2023	550,215
Change		<u>20,463</u>

The breakdown of the item is as follows:

	30/06/2024	31/12/2023	Change
Bonds	153,693	160,837	(7,144)
Amounts due to other lenders	337,808	313,883	23,925
Lease liabilities	56,777	53,669	3,108
Other	22,398	21,825	573
Total	570,677	550,215	20,463

The item "Bonds" refers:

- to the issue of a bond subscribed by an American institutional investor.
The original amount of these issues totals US\$35 million converted to Euro 27,069 thousand by means of a cross currency swap (CCS) contract for a duration equal to the original bond loans (12 years).
- to the issue of a bond subscribed by three American institutional investors.
The original amount of this issue was Euro 40 million.
- to the issue of a bond subscribed by two American institutional investors.
The original amount of this issue was Euro 70 million.
- to the issue of a bond subscribed by five American institutional investors.
The original amount of this issue was Euro 75 million.

The item "Amounts due to other lenders" for the most part comprises medium- and long-term loans granted by credit institutions. Some of these loans are backed by liens on movable assets and mortgages on real property, as already mentioned in the notes regarding tangible fixed assets.

The item "Others" includes Euro 18 million in payables to SIMEST SpA for the repurchase of shares in the companies Bhoruka Specialty Gases Private Limited and Green ASU Plant Private Limited.

The detailed breakdown of the item "Bonds", "Amounts due to other lenders", "Lease liabilities" and "Derivatives" is as follows (with values expressed in thousands of Euro):

Lending institution	Amount	Long-term portion	Short-term portion	Interest rate	Maturity	Original amount		
Credit Mutuel	2	-	2	Fixed	1.35%	05/04/2024	Euro	41,000
CREDEM	6	-	6	Fixed	1.70%	17/07/2024	Euro	200,000
BNL	4	-	4	Floating.	5.84%	22/07/2024	Euro	200,000
PRODUBANCO	47	-	47	Fixed	8.91%	29/07/2024	Euro	462,492
RAIFFEISEN	12	-	12	Floating.	8.28%	30/07/2024	Euro	405,039
PRODUBANCO	290	77	214	Fixed	9.47%	09/09/2024	Euro	323,744
UNICREDIT	2	-	2	Floating.	10.50%	24/09/2024	Euro	33,151
UNICREDIT	2	-	2	Floating.	10.50%	23/12/2024	Euro	22,100
INTERNACIONAL	82	-	82	Fixed	8.92%	06/02/2025	Euro	231,246
ING	442	-	442	Floating.	8.50%	12/02/2025	Euro	442,007
DUCATI	5	-	5	Fixed	2.11%	01/05/2025	Euro	26,219
Monte Paschi Siena	833	-	833	Fixed	4.21%	15/06/2025	Euro	10,000,000
Intesa San Paolo *	3,750	-	3,750	Fixed	1.44%	30/06/2025	Euro	30,000,000
COMMERZ BANK	50	-	50	Floating.	1.00%	30/06/2025	Euro	200,000
Credito Valtellinese	1,915	640	1,274	Floating.	4.56%	05/07/2025	Euro	10,000,000
Credito Valtellinese	957	320	637	Floating.	4.56%	05/07/2025	Euro	5,000,000
Intesa San Paolo	44	3	41	Fixed	1.00%	13/07/2025	Euro	200,000
UNICREDIT	111	9	103	Fixed	1.80%	31/07/2025	Euro	400,000
BNL	265	53	212	Floating.	5.44%	01/09/2025	Euro	900,000
UBI Banca	3,857	1,316	2,541	Fixed	1.00%	14/09/2025	Euro	20,000,000
PRODUBANCO	156	41	115	Fixed	8.91%	15/10/2025	Euro	277,495
Credit Mutuel	58	20	38	Fixed	1.50%	31/12/2025	Euro	200,000
Banca IMI *	1,391	615	777	Fixed	6.50%	01/26/2026	Euro	7,000,000
PRODUBANCO	1,951	875	1,075	Floating.	7.46%	02/03/2026	Euro	8,324,854
UNICREDIT	23	10	13	Floating.	10.50%	11/03/2026	Euro	90,686
UNICREDIT	69	29	39	Floating.	10.50%	20/03/2026	Euro	196,894
PRODUBANCO	315	151	164	Fixed	8.91%	30/03/2026	Euro	416,243
Unicredit	255	111	145	Floating.	2.50%	31/03/2026	Euro	500,000
PRODUBANCO	433	193	240	Fixed	5.25%	31/03/2026	Euro	924,984
RAIFFEISEN	188	86	103	Floating.	7.76%	30/04/2026	Euro	361,977
PRODUBANCO	531	280	252	Fixed	8.91%	12/06/2026	Euro	647,489
BCC Carate	2,575	1,294	1,281	Floating.	5.01%	13/06/2026	Euro	10,000,000
Intesa San Paolo *	10,000	5,000	5,000	Fixed	1.10%	30/06/2026	Euro	40,000,000
COMMERZ REAL	39	20	18	Floating.	1.89%	01/07/2026	Euro	90,490

BNL	45	24	20	Fixed	1.86%	24/08/2026	Euro	100,000
Bank of Ireland	45	11	34	Floating.	4.28%	30/09/2026	Euro	290,000
INTERNACIONAL	191	118	73	Fixed	9.73%	05/11/2026	Euro	231,246
BNL - BNP Paribas *	9,000	6,000	3,000	Fixed	1.69%	25/11/2026	Euro	30,000,000
BCC Roma	46	27	19	Fixed	1.50%	25/11/2026	Euro	100,000
PRODUBANCO	462	306	156	Fixed	10.27%	11/01/2027	Euro	462,492
PRODUBANCO	601	438	164	Fixed	10.77%	01/03/2027	Euro	601,239
CARIGE	104	68	36	Fixed	1.55%	30/04/2027	Euro	180,000
PRODUBANCO	324	266	58	Fixed	11.84%	26/05/2027	Euro	323,744
UBI Banca *	15,601	10,483	5,118	Fixed	2.00%	26/06/2027	Euro	40,000,000
RAIFFEISEN	321	247	74	Floating.	8.00%	20/01/2028	Euro	361,642
Mediobanca	20,000	15,000	5,000	Fixed	2.00%	28/01/2028	Euro	40,000,000
BCC Roma	855	640	214	Floating.	5.00%	31/05/2028	Euro	1,500,000
Bank of Ireland	380	271	109	Floating.	4.00%	12/06/2028	Euro	600,000
UBI Banca	452	351	101	Floating.	2.00%	24/09/2028	Euro	1,000,000
RAIFFEISEN	290	240	50	Floating.	8.00%	31/10/2028	Euro	301,368
COMMERZ REAL	187	148	39	Floating.	5.00%	01/11/2028	Euro	243,506
Invitalia	6,563	5,253	1,310	Fixed	0.00%	30/06/2029	Euro	12,643,000
Banco BPM	29,379	23,508	5,871	Fixed	2.00%	30/06/2029	Euro	50,000,000
BNL - BNP Paribas *	27,474	22,482	4,992	Fixed	2.00%	31/12/2029	Euro	40,000,000
BNL - BNP Paribas *	17,045	13,823	3,222	Fixed	1.00%	06/05/2030	Euro	30,000,000
INTESA SAN PAOLO	268	225	43	Fixed	6.00%	08/07/2030	Euro	300,000
BCC Carate	3,647	3,099	548	Fixed	1.00%	17/12/2030	Euro	5,000,000
Unicredit * / SIMEST	17,956	17,964	(8)	Floating.	3.00%	30/06/2031	Euro	18,000,000
POP. SONDRIO / SIMEST	23,649	23,658	(9)	Floating.	3.00%	01/08/2031	Euro	23,700,000
CDP	50,000	50,000	-	Floating.	5.00%	27/11/2031	Euro	50,000,000
BCC Carate *	9,993	9,424	569	Floating.	5.00%	06/10/2032	Euro	10,000,000
Banco BPM *	37,645	33,231	4,414	Floating.	6.00%	31/12/2032	Euro	40,000,000
POP. SONDRIO	39,914	38,177	1,737	Floating.	5.00%	01/08/2033	Euro	40,000,000
UNICREDIT	1,471	1,354	118	Floating.	6.00%	28/02/2034	Euro	1,500,000
UNICREDIT	49,801	49,831	(30)	Floating.	5.00%	25/06/2034	Euro	50,000,000
Total amounts due to other lenders	394,370	337,808	56,561					
Lease liabilities	78,726	56,777	21,949					
Bonds	160,828	153,693	7,135					
Total	633,924	548,279	85,645					

Covenants

The loan agreements marked by an asterisk (*) contain financial restrictions (covenants) that envisage the maintenance of certain ratios between net financial indebtedness and shareholders' equity, between net financial indebtedness and cash-flow, and between net financial indebtedness and EBITDA referable to the consolidated financial statements.

To date, these parameters have been observed.

Derivatives

Some loan agreements were covered by derivative contracts, as defined below:

1. The loan agreement outstanding with BNL – BNP Paribas, the residual debt of which amounts to Euro 27,474 thousand, was hedged by a fixed rate of 1.45% against a floating 6-month Euribor rate.
The fair value as at 30 June 2024, calculated by the same bank, was positive for Euro 2,117 thousand (positive for Euro 2,130 thousand as at 31 December 2023).
2. The bond whose residual debt amounts to Euro 2,707 thousand was hedged by a CCS contract entered into with Intesa San Paolo on 29 May 2013.
The fair value as at 30 June 2024, calculated by the same bank, was positive for Euro 534 thousand (positive for Euro 878 thousand as at 31 December 2023).
3. The loan agreement outstanding with Intesa San Paolo, the residual debt of which amounts to Euro 3,750 thousand, was hedged by a fixed rate of 0.44% against a floating 6-month Euribor rate.
The fair value as at 30 June 2024, calculated by the same bank, was positive for Euro 87 thousand (positive for Euro 159 thousand as at 31 December 2023).
4. The loan agreement outstanding with Banca Popolare di Bergamo, the residual debt of which amounts to Euro 3,857 thousand, was hedged by a fixed rate of 0.10% against a floating 3-month Euribor rate.
The fair value as at 30 June 2024, calculated by the same bank, was positive for Euro 138 thousand (positive for Euro 209 thousand as at 31 December 2023).
5. The loan agreement outstanding with Intesa San Paolo, the residual debt of which amounts to Euro 10,000 thousand, was hedged by a fixed rate of 0.10% against a floating 6-month Euribor rate.
The fair value as at 30 June 2024, calculated by the same bank, was positive for Euro 395 thousand (positive for Euro 521 thousand as at 31 December 2023).
6. The loan agreement outstanding with BNL – BNP Paribas, the residual debt of which amounts to Euro 9,000 thousand, was hedged by a fixed rate of 0.535% against a floating 6-month Euribor rate.
The fair value as at 30 June 2024, calculated by the same bank, was positive for Euro 302 thousand (positive for Euro 368 thousand as at 31 December 2023).
7. The loan agreement outstanding with Mediobanca, the residual debt of which amounts to Euro 20,000 thousand, was hedged by a fixed rate of 0.759% against a floating 6-month Euribor rate.
The fair value as at 30 June 2024, calculated by the same bank, was positive for Euro 1,085 thousand (positive for Euro 1,184 thousand as at 31 December 2023).
8. The loan agreement outstanding with BNL – BNP Paribas, the residual debt of which amounts to Euro 17,045 thousand, was hedged by a fixed rate of -0.13% against a floating 6-month Euribor rate.
The fair value as at 30 June 2024, calculated by the same bank, was positive for Euro 1,237 thousand (positive for Euro 1,329 thousand as at 31 December 2023).
9. The loan agreement outstanding with Unicredit, the residual debt of which amounts to Euro 17,956 thousand, was hedged by a fixed rate of 1.60% against a floating 6-month Euribor rate.
The fair value as at 30 June 2024, calculated by the same bank, was positive for Euro 213 thousand.

The Group, where possible, applies hedge accounting, verifying compliance with the requirements of IAS 39.

From 1 January 2018, the Group decided to continue to use the hedge accounting rules set out in IAS 39 and not IFRS 9 for all hedges already designated in hedge accounting at 31 December 2017 and for new hedges designated in subsequent periods.

Derivative instruments that qualify as hedges pursuant to IFRS 9 and IAS 39 comprise transactions put in place to hedge the fluctuations in cash flows (Cash Flow Hedge - CFH) and to hedge the fair value of the hedged element (Fair Value Hedge - FVH).

All contracts were assessed at cash flow hedge.

Hierarchical levels of fair value measurement

As regards the financial instruments recorded in the statement of financial position at fair value, the IFRS 7 requires that such values be classified on the basis of a hierarchical level that reflects the importance of the inputs used when determining the fair value.

The levels are broken down as follows:

- Level 1 – prices recorded on an active market for measured assets or liabilities;
- Level 2 – inputs other than the prices set forth above, which are directly (prices) or indirectly (derived from the prices) observable on the market;
- Level 3 – inputs that are based on observable market figures.

The following table shows the fair value as at 30 June 2024 of financial instruments by hierarchical level of fair value measurement :

Payables and other financial liabilities	Notes	Level 1	Level 2	Level 3	Total
Negative measurement					
Positive measurement					
Intesa San Paolo		-	87	-	87
Intesa San Paolo		-	395	-	395
Banca Popolare di Bergamo		-	138	-	138
BNL - BNP Paribas		-	302	-	302
Mediobanca		-	1,085	-	1,085
BNL - BNP Paribas		-	1,237	-	1,237
BNL - BNP Paribas		-	2,117	-	2,117
Intesa San Paolo		-	534	-	534
Unicredit		-	213	-	213
Total positive measurement		-	6,108	-	6,108
Overall total		-	6,108	-	6,108

24. Current liabilities

Balance as at	30/06/2024	423,116
Balance as at	31/12/2023	379,459
Change		<u>43,657</u>

This item breaks down as follows:

Description	30/06/2024	31/12/2023	Change
Amounts due to banks	3,284	3,190	94
Trade accounts payable	186,376	168,367	18,009
Other financial liabilities	86,201	89,031	(2,830)
Tax payables	49,557	35,452	14,105
Other current liabilities	97,698	83,418	14,280
Total	423,116	379,459	43,657

The item "Other financial liabilities" represents the short-term portions of the following items " Bonds", " Due to other lenders", "Lease liabilities" and "Derivatives", for which reference is made to the breakdown reported previously in the section "Payables and other financial liabilities".

The breakdown of the item "Tax payables" comprises:

Description	30/06/2024	31/12/2023	Change
Income tax payables	36,504	21,068	15,436
VAT payables	8,659	9,209	(550)
Other tax payables	4,394	5,175	(781)
Total	49,557	35,452	14,105

"Other current liabilities" comprise:

Description	30/06/2024	31/12/2023	Change
Amounts due to social security institutions	11,073	11,767	(694)
Amounts due to employees	18,996	17,112	1,884
Amounts due to shareholders for dividends	5,245	436	4,809
Guarantee deposits payable	2,163	2,167	(4)
Other payables	2,803	2,607	196
Accrued expenses and deferred income	57,417	49,329	8,088
Total	97,698	83,418	14,280

The breakdown of the item "Accrued expenses and deferred income" is as follows:

Description	30/06/2024	31/12/2023	Change
Accrued expenses			
Interest payable on loans	3,233	3,296	(63)
Other	20,686	16,209	4,477
Total accrued expenses	23,919	19,505	4,414
Deferred income			
Sink funds granted	919	905	14
Rentals receivable	61	53	8
Other	32,518	28,867	3,651
Total deferred income	33,498	29,824	3,674
Total accrued expenses and deferred income	57,417	49,329	8,088

Breakdown of revenues by type of business

(in thousands of Euro)	30/06/2024							30/06/2023						
	Technical	%	Home-care	%	Write-	Consolidated	%	Technical	%	Home-	%	Write-	Consolidated	%
Technical gas sector	405,557	100.0%			(17,095)	388,462	49.8%	414,077	100.0%			(16,600)	397,477	54.0%
Home-care service sector			391,932	100.0%	(829)	391,102	50.2%			339,017	100.0%	(761)	338,257	46.0%
Revenues from sales and services	405,557	100.0%	391,932	100.0%	(17,924)	779,564	100.0%	414,077	100.0%	339,017	100.0%	(17,360)	735,733	100.0%
Other revenues and income	11,808	2.9%	3,305	0.8%	(947)	14,166	1.8%	17,200	4.2%	7,463	2.2%	(429)	24,235	3.3%
Revenues	417,364	102.9%	395,236	100.8%	(18,871)	793,730	101.8%	431,277	104.2%	346,481	102.2%	(17,789)	759,968	103.3%
Purchase of materials	125,952	31.1%	81,826	20.9%	(11,237)	196,542	25.2%	150,560	36.4%	77,840	23.0%	(11,557)	216,843	29.5%
Services rendered	114,611	28.3%	110,173	28.1%	(6,814)	217,970	28.0%	109,280	26.4%	93,406	27.6%	(5,499)	197,188	26.8%
Change in inventories	(1,731)	-0.4%	(5,029)	-1.3%		(6,760)	-0.9%	(4,223)	-1.0%	(6,347)	-1.9%		(10,570)	-1.4%
Other costs	8,264	2.0%	10,319	2.6%	(797)	17,787	2.3%	8,144	2.0%	9,036	2.7%	(699)	16,482	2.2%
Total costs	247,097	60.9%	197,290	50.3%	(18,847)	425,539	54.6%	263,761	63.7%	173,936	51.3%	(17,754)	419,943	57.1%
Added value	170,267	42.0%	197,947	50.5%	(23)	368,191	47.2%	167,516	40.5%	172,545	50.9%	(36)	340,025	46.2%
Payroll and related costs	65,340	16.1%	101,551	25.9%		166,890	21.4%	60,247	14.5%	86,169	25.4%		146,416	19.9%
Gross operating margin	104,928	25.9%	96,396	24.6%	(23)	201,300	25.8%	107,268	25.9%	86,376	25.5%	(36)	193,609	26.3%
Depreciation/amortisation	34,579	8.5%	40,651	10.4%	308	75,538	9.7%	33,291	8.0%	35,969	10.6%	308	69,568	9.5%
Provisions and write-downs	2,506	0.6%	1,098	0.3%		3,604	0.5%	4,373	1.1%	754	0.2%		5,126	0.7%
Operating result	67,842	16.7%	54,647	13.9%	(331)	122,158	15.7%	69,605	16.8%	49,653	14.6%	(344)	118,914	16.2%
Financial income	30,230	7.5%	5,401	1.4%	(32,353)	3,278	0.4%	29,593	7.1%	3,160	0.9%	(30,238)	2,515	0.3%
Financial expense	(12,087)	-3.0%	(7,338)	-1.9%	5,987	(13,438)	-1.7%	(8,634)	-2.1%	(4,925)	-1.5%	4,410	(9,148)	-1.2%
Results from equity investments	(268)	-0.1%	52	0.0%		(215)	0.0%	316	0.1%	121	0.0%		437	0.1%
Total financial income/(expense)	17,876	4.4%	(1,884)	-0.5%	(26,366)	(10,375)	-1.3%	21,276	5.1%	(1,644)	-0.5%	(25,829)	(6,196)	-0.8%
Profit (Loss) before income taxes	85,718	21.1%	52,763	13.5%	(26,698)	111,783	14.3%	90,881	21.9%	48,009	14.2%	(26,172)	112,718	15.3%
Income taxes	16,887	4.2%	16,411	4.2%	8	33,306	4.3%	15,392	3.7%	13,971	4.1%	2	29,365	4.0%
Net result from business activities	68,830	17.0%	36,352	9.3%	(26,705)	78,477	10.1%	75,489	18.2%	34,039	10.0%	(26,174)	83,353	11.3%
Net result from discontinued		0.0%		0.0%			0.0%		0.0%		0.0%			0.0%
(Profit)/Loss pertaining to minority	(2,057)	-0.5%	(1,521)	-0.4%	25	(3,553)	-0.5%	(2,196)	-0.5%	(1,566)	-0.5%	25	(3,737)	-0.5%
Net Profit/(Loss)	66,774	16.5%	34,831	8.9%	(26,680)	74,924	9.6%	73,293	17.7%	32,473	9.6%	(26,149)	79,616	10.8%

Other information

	30/06/2024				30/06/2023			
Total assets	1,558,311	1,058,731	(564,967)	2,052,075	1,401,490	952,010	(556,112)	1,797,387
Total liabilities	866,820	369,834	(204,344)	1,032,310	768,489	363,835	(250,012)	882,312
Investments	51,831	44,264		96,094	38,845	43,189		82,034

Breakdown of revenues by type of business: Technical gas sector

The income statement of the Technical Gas Sector is shown below:

(in thousands of Euro)

	30/06/2024	%	30/06/2023	%
Revenues from sales and services	405,557	100.0%	414,077	100.0%
Other revenues and income	11,808	2.9%	17,200	4.2%
Revenues	417,364	102.9%	431,277	104.2%
Purchase of materials	125,952	31.1%	150,560	36.4%
Services rendered	114,611	28.3%	109,280	26.4%
Change in inventories	(1,731)	-0.4%	(4,223)	-1.0%
Other costs	8,264	2.0%	8,144	2.0%
Total costs	247,097	60.9%	263,761	63.7%
Added value	170,267	42.0%	167,516	40.5%
Payroll and related costs	65,340	16.1%	60,247	14.5%
Gross operating margin	104,928	25.9%	107,268	25.9%
Depreciation/amortisation	34,579	8.5%	33,291	8.0%
Provisions and write-downs	2,506	0.6%	4,373	1.1%
Operating result	67,842	16.7%	69,605	16.8%
Financial income	30,230	7.5%	29,593	7.1%
Financial expense	(12,087)	-3.0%	(8,634)	-2.1%
Results from equity investments	(268)	-0.1%	316	0.1%
Total financial income/(expense)	17,876	4.4%	21,276	5.1%
Profit (Loss) before income taxes	85,718	21.1%	90,881	21.9%
Income taxes	16,887	4.2%	15,392	3.7%
Net result from business activities	68,830	17.0%	75,489	18.2%
Net result from discontinued operations		0.0%		0.0%
(Profit)/Loss pertaining to minority interests	(2,057)	-0.5%	(2,196)	-0.5%
Net Profit/(Loss)	66,774	16.5%	73,293	17.7%

Sales in the Technical Gas Sector reported a 2.1% decrease.

Gross operating margin decreased by 2.2% compared to the previous year.

Operating result decreased by 2.5% compared to the previous year.

The quarterly income statement of the Technical Gas Sector is shown below:

(in thousands of Euro)

	2Q 2024	%	2Q 2023	%
Revenues from sales and services	202,129	100.0%	206,028	100.0%
Other revenues and income	6,369	3.2%	7,354	3.6%
Revenues	208,497	103.2%	213,382	103.6%
Purchase of materials	63,053	31.2%	74,753	36.3%
Services rendered	58,203	28.8%	54,937	26.7%
Change in inventories	(1,079)	-0.5%	(4,003)	-1.9%
Other costs	4,021	2.0%	4,698	2.3%
Total costs	124,197	61.4%	130,385	63.3%
Added value	84,301	41.7%	82,997	40.3%
Payroll and related costs	33,729	16.7%	31,819	15.4%
Gross operating margin	50,571	25.0%	51,177	24.8%
Depreciation/amortisation	17,286	8.6%	17,048	8.3%
Provisions and write-downs	802	0.4%	2,516	1.2%
Operating result	32,484	16.1%	31,614	15.3%
Financial income	26,563	13.1%	26,954	13.1%
Financial expense	(5,463)	-2.7%	(4,124)	-2.0%
Results from equity investments	(268)	-0.1%	316	0.2%
Total financial income/(expense)	20,832	10.3%	23,147	11.2%
Profit (Loss) before income taxes	53,316	26.4%	54,761	26.6%
Income taxes	8,251	4.1%	8,051	3.9%
Net result from business activities	45,066	22.3%	46,710	22.7%
Net result from discontinued operations		0.0%		0.0%
(Profit)/Loss pertaining to minority interests	(913)	-0.5%	(970)	-0.5%
Net Profit/(Loss)	44,153	21.8%	45,739	22.2%

The statement of financial position of the Technical Gas sector is presented below:

(in thousands of Euro)

	30/06/2024	31/12/2023
Tangible fixed assets	512,118	484,506
Goodwill	59,707	59,153
Other intangible fixed assets	27,895	24,620
Equity investments	263,537	209,205
Other financial assets	10,699	11,850
Deferred tax assets	13,894	13,917
NON-CURRENT ASSETS	887,850	803,250
Non-current assets held for sale	0	0
Inventories	48,921	47,207
Trade receivables	289,505	287,786
Other current assets	47,831	40,581
Current financial assets	120,247	177,287
Cash and cash equivalents	163,957	145,425
CURRENT ASSETS	670,462	698,286
TOTAL ASSETS	1,558,311	1,501,536
Share capital	47,164	47,164
Share premium reserve	63,335	63,335
Legal reserve	10,459	10,459
Reserve for treasury shares in portfolio	0	0
Other reserves	469,116	400,142
Retained earnings (accumulated loss)	0	0
Net Profit	66,774	104,890
Shareholders' equity - Group	656,848	625,991
Shareholders' equity - Minority interests	32,587	29,714
Profit pertaining to minority interests	2,057	4,188
Shareholders' equity - Minority interests	34,644	33,902
SHAREHOLDERS' EQUITY	691,492	659,893
Employee severance indemnities and benefits	10,697	11,113
Provision for deferred taxes	7,713	7,952
Provisions for risks and charges	2,149	2,757
Payables and other financial liabilities	525,715	508,457
NON-CURRENT LIABILITIES	546,274	530,280
Non-current liabilities held for sale		
Amounts due to banks	1,333	1,029
Trade accounts payable	119,979	109,879
Other financial liabilities	124,930	142,538
Tax payables	27,542	18,205
Other current liabilities	46,761	39,713
CURRENT LIABILITIES	320,546	311,364
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	1,558,311	1,501,536

Breakdown of revenues by type of business: Home-care Service sector

The income statement of the Home-care Service sector is shown below:

(in thousands of Euro)

	30/06/2024	%	30/06/2023	%
Revenues from sales and services	391,932	100.0%	339,017	100.0%
Other revenues and income	3,305	1.0%	7,463	2.0%
Revenues	395,236	101.0%	346,481	102.0%
Purchase of materials	81,826	21.0%	77,840	23.0%
Services rendered	110,173	28.0%	93,406	28.0%
Change in inventories	(5,029)	-1.0%	(6,347)	-2.0%
Other costs	10,319	3.0%	9,036	3.0%
Total costs	197,290	50.0%	173,936	51.0%
Added value	197,947	51.0%	172,545	51.0%
Payroll and related costs	101,551	26.0%	86,169	25.0%
Gross operating margin	96,396	25.0%	86,376	25.0%
Depreciation/amortisation	40,651	10.0%	35,969	11.0%
Provisions and write-downs	1,098	0.0%	754	0.0%
Operating result	54,647	14.0%	49,653	15.0%
Financial income	5,401	1.0%	3,160	1.0%
Financial expense	(7,338)	-2.0%	(4,925)	-1.0%
Results from equity investments	52	0.0%	121	0.0%
Total financial income/(expense)	(1,884)	0.0%	(1,644)	0.0%
Profit (Loss) before income taxes	52,763	13.0%	48,009	14.0%
Income taxes	16,411	4.0%	13,971	4.0%
Net result from business activities	36,352	9.0%	34,039	10.0%
Net result from discontinued operations		0.0%		0.0%
(Profit)/Loss pertaining to minority interests	(1,521)	0.0%	(1,566)	0.0%
Net Profit/(Loss)	34,831	9.0%	32,473	10.0%

Sales in the Home-care service sector registered an increase of 15.6%.

Gross operating margin increased by 11.6% compared to the previous year.

Operating result increased by 10.1% compared to the previous year.

The income statement of the Home-care Service sector is shown below:

(in thousands of Euro)

	2Q 2024	%	2Q 2023	%
Revenues from sales and services	201,669	100.0%	172,666	100.0%
Other revenues and income	2,042	1.0%	5,841	3.4%
Revenues	203,711	101.0%	178,507	103.4%
Purchase of materials	42,013	20.8%	34,922	20.2%
Services rendered	57,493	28.5%	48,416	28.0%
Change in inventories	(2,561)	-1.3%	1,287	0.7%
Other costs	5,250	2.6%	4,545	2.6%
Total costs	102,195	50.7%	89,169	51.6%
Added value	101,517	50.3%	89,338	51.7%
Payroll and related costs	52,759	26.2%	44,105	25.5%
Gross operating margin	48,758	24.2%	45,233	26.2%
Depreciation/amortisation	20,341	10.1%	18,255	10.6%
Provisions and write-downs	409	0.2%	261	0.2%
Operating result	28,008	13.9%	26,717	15.5%
Financial income	4,177	2.1%	2,498	1.4%
Financial expense	(3,855)	-1.9%	(2,642)	-1.5%
Results from equity investments	25	0.0%	39	0.0%
Total financial income/(expense)	347	0.2%	(106)	-0.1%
Profit (Loss) before income taxes	28,355	14.1%	26,612	15.4%
Income taxes	7,879	3.9%	7,079	4.1%
Net result from business activities	20,476	10.2%	19,532	11.3%
Net result from discontinued operations		0.0%		0.0%
(Profit)/Loss pertaining to minority interests	(688)	-0.3%	(775)	-0.4%
Net Profit/(Loss)	19,787	9.8%	18,758	10.9%

The statement of financial position of the Home-care Service sector is presented below:

(in thousands of Euro)

	30/06/2024	31/12/2023
Tangible fixed assets	278,107	258,560
Goodwill	144,442	138,875
Other intangible fixed assets	18,802	17,389
Equity investments	185,484	183,186
Other financial assets	8,780	8,007
Deferred tax assets	8,604	5,191
NON-CURRENT ASSETS	644,219	611,208
Non-current assets held for sale	0	0
Inventories	59,659	53,597
Trade receivables	198,698	188,722
Other current assets	32,012	21,504
Current financial assets	75,134	83,750
Cash and cash equivalents	49,009	60,200
CURRENT ASSETS	414,512	407,774
TOTAL ASSETS	1,058,731	1,018,982
Share capital	7,750	7,750
Share premium reserve	20,934	20,934
Legal reserve	1,550	1,550
Reserve for treasury shares in portfolio	0	0
Other reserves	580,735	487,464
Retained earnings (accumulated loss)	24,577	24,577
Net Profit	34,831	66,064
Shareholders' equity - Group	670,377	608,339
Shareholders' equity - Minority interests	11,971	9,809
Profit pertaining to minority interests	1,521	2,823
Shareholders' equity - Minority interests	13,492	12,632
SHAREHOLDERS' EQUITY	683,869	620,971
Employee severance indemnities and benefits	6,002	5,803
Provision for deferred taxes	9,657	7,125
Provisions for risks and charges	7,842	1,637
Payables and other financial liabilities	104,832	154,427
NON-CURRENT LIABILITIES	128,333	168,992
Non-current liabilities held for sale		
Amounts due to banks	1,950	2,161
Trade accounts payable	91,470	84,735
Other financial liabilities	77,744	78,698
Tax payables	22,015	17,247
Other current liabilities	53,351	46,179
CURRENT LIABILITIES	246,530	229,019
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	1,058,731	1,018,982

Information by geographic area

The breakdown of revenues by geographic area is presented below:

Description	30/06/2024	30/06/2023	Change
Italy	305,268	298,457	6,811
Abroad	474,296	437,277	37,020
Total	779,564	735,733	43,831

The breakdown of investments by geographic area is presented below:

Description	30/06/2024	30/06/2023	Change
Italy	28,769	20,406	8,363
Other countries	67,325	61,627	5,698
Total	96,094	82,034	14,060

Intra-group transactions and transactions with related parties

The Parent Company SOL S.p.A. is controlled by Gas and Technologies World B.V., in turn controlled by Stichting AIRVISION; the Group has not entered into any transaction with the latter.

Intra-group transactions

All the intra-group transactions fall within the ordinary operations of the Group, they are conducted on an arms' length basis, and there were no atypical or unusual transactions or transactions causing potential conflicts of interest.

Intra-group sales and services carried out during the first half of 2024 amounted to Euro 145.2 million.

As at 30 June 2024, receivable and payable transactions between Group companies came to Euro 530.7 million, of which Euro 342.4 million of a financial nature and Euro 188.3 million of a trade nature.

The breakdown of intercompany financial receivables is as follows:

- Financial receivables granted by SOL S.p.A. Euro 203.6 million
- Financial receivables granted by AIRSOL BV Euro 37.5 million
- Financial receivables granted by other companies Euro 101.3 million.

The transactions of the SOL Group with non-consolidated subsidiary companies, jointly controlled companies and associated companies comprised:

- Purchases from CT Biocarbonic GmbH Euro 1,134 thousand
- Amounts due to CT Biocarbonic GmbH Euro 419 thousand
- Sales and services to ZDS JESENICE d.o.o. Euro 2,327 thousand
- Purchases from ZDS JESENICE d.o.o. Euro 2,851 thousand
- Trade receivables from ZDS JESENICE d.o.o. Euro 647 thousand
- Amounts due to ZDS JESENICE d.o.o. Euro 624 thousand
- Trade receivables from Consorgas Srl Euro 3 thousand
- Financial receivables from Consorgas Srl Euro 76 thousand
- Amounts due to Consorgas Euro 6 thousand

• Sales and services to Consorzio EcoDue	Euro	66 thousand
• Purchases from Consorzio Ecodue	Euro	210 thousand
• Trade receivables from Consorzio Ecodue	Euro	40 thousand
• Amounts due to Consorzio Ecodue	Euro	124 thousand
• Sales and services to Shanghai Jiawei Medical Gas Co. Ltd	Euro	113 thousand
• Purchases from Shanghai Jiawei Medical Gas Co. Ltd	Euro	11 thousand.

Commitments, guarantees and potential liabilities

The Sol Group obtained sureties totalling Euro 102,375 thousand.

Net financial position

(in thousands of Euro)

	30/06/2024	31/12/2023
A. Cash and cash equivalents	212,967	205,627
B. Cash equivalents	10,198	11,022
C. Other current financial assets	10,898	7,033
D. Liquidity (A + B + C)	234,062	223,682
E. Current financial debt (including debt instruments, but excluding the current portion of non-current financial debt)	(29,022)	(26,990)
F. Current portion of non-current financial debt	(63,696)	(68,528)
G. Current borrowing (E + F)	(92,718)	(95,517)
H. Net current borrowing (G - D)	141,344	128,164
I. Non-current financial debt (excluding the current portion and debt instruments)	(545,729)	(525,982)
J. Debt instruments		0
K. Trade payables and other non-current debts	(18,000)	(18,000)
L. Non-current borrowing (I + J + K)	(563,729)	(543,982)
M. Total net borrowing (H + L)	(422,385)	(415,818)

Letter E "Current financial debt" includes Euro 19,369 thousand related to the short-term portion arising from the application of IFRS 16, while letter I "Non-current financial debt" includes Euro 50,698 thousand related to the long-term portion.

After deduction of lease portions, net indebtedness amounted to Euro 350,487 thousand (Euro 341,710 thousand as at 31 December 2023).

Non-recurring significant events and transactions

Pursuant to Consob communication no. DEM/6064296 of 28 July 2006, the SOL Group did not carry out non-recurring significant transactions during the first half of 2024.

Transactions deriving from atypical and/or unusual operations

Pursuant to Consob communication no. DEM/6064296 of 28 July 2006, the SOL Group did not carry out atypical and/or unusual operations in the first half of 2024, as defined by the Communication itself.

The Chairman of the Board of Directors

Mr. Aldo Fumagalli Romario

Monza, 12 September 2024

Certification of the Condensed half-yearly consolidated financial statements pursuant to Article 154-bis of Italian Legislative Decree 58/98

The undersigned Aldo Fumagalli Romario and Marco Annoni, as Managing directors, and Marco Filippi, as Manager in charge of drawing up company accounting documents for SOL S.p.A., certify, also considering the provisions of Article 154-bis, paragraphs 3 and 4, of Italian Legislative Decree no. 58 of 24 February 1998:

- the adequacy in relation to the characteristics of the business and
- actual application

of the administrative and accounting procedures for preparing the condensed half-yearly consolidated financial statements during the first half of 2024.

We also certify that:

1. The condensed half-yearly consolidated financial statements:
 - a) were prepared in accordance with the International Financial Reporting Standards recognised by the European Community pursuant to Regulation (EC) no. 1606/2002 of the European Parliament and of the Council of 19 July 2002;
 - b) correspond to the results of the accounting books and records;
 - c) give a true and fair view of the financial position, the results of the operations and of the cash flows of the issuer and of the consolidated companies.
2. The directors' interim report refers to the important events that took place during the first six months of the financial period and their impact on the condensed half-yearly consolidated financial statements, together with a description of the main risks and uncertainties for the six remaining months of the financial period. The directors' interim report also includes a reliable analysis of information on significant transactions with related parties.

Monza, 12 September 2024

The Managing directors

Manager in charge of drawing up company accounting documents

(Aldo Fumagalli Romario)

(Marco Filippi)

(Marco Annoni)

REPORT ON REVIEW OF THE HALF-YEARLY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of
SOL S.p.A.

Introduction

We have reviewed the accompanying half-yearly condensed consolidated financial statements, which comprise the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated cash flow statement, the consolidated statement of changes in equity and the related explanatory notes of SOL S.p.A. and subsidiaries (the "SOL Group"), as at June 30, 2024. The Directors are responsible for the preparation of the half-yearly condensed consolidated financial statements in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on the half-yearly condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with the criteria recommended by the Italian Regulatory Commission for Companies and the Stock Exchange ("Consob") for the review of the half-yearly financial statements under Resolution n° 10867 of July 31, 1997. A review of half-yearly condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying half-yearly condensed consolidated financial statements of the SOL Group as at June 30, 2024 are not prepared, in all material respects, in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as adopted by the European Union.

DELOITTE & TOUCHE S.p.A.

Signed by
Matteo Bresciani
Partner

Milan, Italy
September 16, 2024

*This report has been translated into the English language solely for the convenience of international readers.
Accordingly, only the original text in Italian language is authoritative.*