PRESS RELEASE

SIT: PROFITABILITY AND CASH GENERATION GROW IN THE FIRST HALF OF 2026. NET DEBT IN SHARP DECLINE

EBIT up 42.3%, return to profit and positive operating cash flow of Euro 15.9 million. Outlook for 2026 confirmed

Highlights

In the first half of 2026 SIT reports:

- **Consolidated revenues** of Euro 150.8 million (-1.9% compared to the same period of 2025);
- **Sales of the Heating&Ventilation Division** of Euro 105.0 million (-1.6% compared to the first half of 2025, in line at same forex);
- **Sales of the Metering Division** of Euro 43.1 million (-1.6% compared to the same period of 2025)
- **EBITDA** of Euro 17.1 million, 11.4% of revenues, improving vs the same period of previous year (Euro 16.9 million, 11.0% of revenues);
- **Operating result** of Euro 5.4 million (3.6% of revenues), improved by 42,3% vs the first half of 2025, equal to Euro 3.8 million (2.5% of revenues);
- **Net income** of Euro 0.8 million vs a loss of Euro 0.7 million in the first half of 2025;
- **Operating cash flow** for the first half of 2026 positive for Euro 15.9 million after investments of Euro 4.7 million;
- **Net financial position** of Euro 125.8 million improving both versus end of 2025 (Euro139.3) and versus Euro 150.8 million as of June 30, 2025.

In the second quarter of 2026 the results are:

- **Consolidated revenues** of Euro 78.4 million, -6.3% compared to the second quarter of 2025;
- **Sales of the Heating & Ventilation Division** of Euro 54.2 million, -4.3% compared to the second quarter of 2025 (-3.9% at same forex rates);
- **Sales of the Metering Division** of Euro 23.2 million, down 8.7% versus the same period of the previous year.

- **A Euro 100 million financing transaction was completed with a pool of financial institutions, aimed at optimizing the debt profile and supporting the Group's investment plan and future growth.**

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Padova, 5 August 2026 - The Board of Directors of **SIT S.p.A.,** a company listed on the Euronext Milan segment of the Italian Stock Exchange, at today's meeting chaired by **Federico de' Stefani, Executive Chairman**, approved the consolidated results for the first half of 2026.

Federico de' Stefani, Executive Chairman of SIT stated:

"The results of the first half of the year show strong progress with respect to the priorities we have set for 2026: reducing net financial debt and improving the Group's profitability.

Despite the slight contraction of revenues and a still complex market environment, SIT generated a positive operating cash flow of Euro 15.9 million, which made it possible to reduce net financial debt to Euro 125.8 million, with an improvement of Euro 13.5 million compared to the end of 2025 and Euro 25 million compared to June 30 last year.
In the period, the Group recorded a further strengthening of operating performance: the EBITDA margin rose to 11.4%, with prospects for further growth, the operating result grew by more than 42% and the net result returned to positive. These results reflect the effectiveness of the actions taken on cost discipline, the efficiency of the operating structure and the focus of resources on the activities with the highest potential.
At the same time the Group's industrial and technological development path continues, supported by investments in research and innovation.
The visibility gained on the third quarter, the seasonality of the Heating & Ventilation business and the solidity of the commercial pipeline allow us to confirm our expectations for the full year 2026, with the aim of continuing to improve profitability, cash generation and financial structure."

CONSOLIDATED KEY FINANCIALS

(Euro.000)	H1 26	%	H1 25	%	Diff%
Revenues	150,763	100.0%	153,692	100.0%	(1.9%)
EBITDA	17,130	11.4%	16,855	11.0%	1.6%
EBIT	5,375	3.6%	3,778	2.5%	42.3%
Net income	836	0.6%	(697)	-0.5%	220.1%
Cash flow from operations	15,938		1,279		

(Euro.000)	30/06/2026	31/12/2025	30/06/2025
Net financial debt	125,837	139,321	150,825
Net financial debt/LTM adj EBITDA	3.16	3.26	4.13
Net trade working capital	67,221	72,503	77,252
Net trade working capital/Revenues	22.1%	22.7%	24.9%

Sales performance

Consolidated Revenues by Division

(Euro.000)	H1 2026	%	H1 2025	%	diff	diff %
Heating & Ventilation	105,031	69.7%	106,700	69.4%	(1,669)	(1.6%)
Metering	43,142	28.6%	43,827	28.5%	(685)	(1.6%)
Total business sales	148,173	98.3%	150,527	97.9%	(2,354)	(1.6%)
Other revenues	2,590	1.7%	3,165	2.1%	(575)	(18.2%)
Total revenues	**150,763**	**100%**	**153,692**	**100%**	**(2,929)**	**(1.9%)**

(Euro.000)	Q2 26	%	Q2 25	%	diff	diff %
Heating & Ventilation	54,173	69.1%	56,585	67.7%	(2,413)	(4.3%)
Metering	23,189	29.6%	25,399	30.4%	(2,210)	(8.7%)
Total business sales	77,362	98.7%	81,984	98.0%	(4,623)	(5.6%)
Other revenues	1,043	1.3%	1,654	2.0%	(611)	(36.9%)
Total revenues	**78,405**	**100%**	**83,638**	**100%**	**(5,234)**	**(6.3%)**

Consolidated revenues by geography

(Euro.000)	H1 26	%	H1 25	%	diff	diff %
Italy	44,900	29.8%	50,898	33.1%	(5,999)	(11.8%)
Europe (excluding Italy)	66,504	44.1%	60,873	39.6%	5,631	9.3%
America	28,184	18.7%	29,092	18.9%	(908)	(3.1%)
Asia/Pacifico	11,175	7.4%	12,829	8.3%	(1,654)	(12.9%)
Total revenues	**150,763**	**100%**	**153,692**	**100%**	**(2,929)**	**(1.9%)**

(Euro.000)	Q2 26	%	Q2 25	%	diff	diff %
Italy	23,362	29.8%	28,935	34.6%	(5,573)	(19.3%)
Europe (excluding Italy)	33,768	43.1%	32,266	38.6%	1,502	4.7%
America	14,745	18.8%	15,135	18.1%	(390)	(2.6%)
Asia/Pacifico	6,530	8.3%	7,301	8.7%	(771)	(10.6%)
Total revenues	**78,406**	**100%**	**83,638**	**100%**	**(5,232)**	**(6.3%)**

Consolidated revenues for the first half of 2026 amounted to Euro 150.8 million, recording a slight decrease of 1.9% compared to the same period of 2025 (Euro 153.7 million). At constant exchange rates, the reduction was 1.1%.
Sales of the **Heating & Ventilation Division** in the first half of 2026 amounted to Euro 105 million, down 1.6% compared to Euro 106.7 million in the first half of 2025. At constant exchange rates, sales are in line with the first half of 2025.

The following table shows the sales by geographical area of the Heating & Ventilation Division:

(Euro.000)	H1 26	%	H1 25	%	diff	diff %
Italy	19,703	18.8%	21,759	20.4%	(2,056)	(9.4%)
Europe (excluding Italy)	49,552	47.2%	44,555	41.8%	4,997	11.2%
America	25,110	23.9%	26,859	25.2%	(1,749)	(6.5%)
Asia/Pacifico	10,666	10.2%	13,527	12.7%	(2,861)	(21.1%)
Total sales	**105,031**	**100%**	**106,700**	**100%**	**(1,669)**	**(1.6%)**

(Euro.000)	Q2 26	%	Q2 25	%	diff	diff %
Italy	9,711	17.9%	11,123	19.7%	(1,412)	(12.7%)
Europe (excluding Italy)	24,896	46.0%	23,393	41.3%	1,503	6.4%
America	13,364	24.7%	14,000	24.7%	(636)	(4.5%)
Asia/Pacifico	6,202	11.4%	8,069	14.3%	(1,867)	(23.1%)
Total sales	**54,173**	**100%**	**56,585**	**100%**	**(2,412)**	**(4.3%)**

Looking at sale by geography, in Italy sales decreased by 9.4% in the first half of the year compared to the same period in 2025, mainly recorded in Central Heating due to weaker market demand, while Direct Heating and ventilation were positive.
As for Europe, excluding Italy, in the first half of 2026 there was significant growth in sales, equal to 11.2% compared to the same period of the previous year. This positive result is in line with the trend of recent quarters thanks to growth in Turkey, in particular in sales to the local market and some OEMs operating in Central Heating. Central Europe was also positive, while the UK marked a reduction in the period as a result of a second quarter down compared to the second quarter of the previous year.
America recorded a trend in the first half in reduction by 6.5% compared to the first half of the previous year, equal to -1.7% on a like-for-like exchange rate basis. The half-year marks a negative trend in Central Heating and Storage Water Heating, reflecting particularly marked purchasing policies at the end of 2025 and some delays in customer projects, while Direct Heating remains positive.
The Asia Pacific area recorded a reduction of 21.1% in the first half of 2026 compared to the same period in 2025, where China continues to record a weak market trend, with Australia falling due to regulatory changes and the other geographies impacted by the international context.

Metering Division

Sales of the Metering Division amounted to Euro 43.1 million compared to Euro 43.8 million, marking a decrease of 1.6% compared to the same period of the previous year.
Sales in the **Smart Gas Metering** segment amounted to Euro 26.0 million compared to Euro 28.6 million recorded in the first half of 2025, with a reduction of 9.1%; residential meters slowed down by Euro 5.8 million, or 23.2%, due to some short term delivery policies implemented by the main customer, while growth in Commercial & Industrial (+Euro 3.2 million, +130%) thanks to the introduction of new products. Sales remain prevalent in Italy, 93.0% compared to 96% in the same period of 2025.
Water Metering sales amounted to Euro 17.2 million, up 12.6% compared to the first half of 2025. The trend is due to the good performance of direct sales of meters to utilities with sales to OEMs remaining stable. As far as geographical distribution is concerned, sales in Portugal were 24.9%, Spain 31.5%, the rest of Europe 29.1% and 13.2% and 1.3% in America and Asia respectively.

Economic performance

Consolidated revenues for the first half of 2026 amounted to Euro 150.8 million, down 1.9% compared to the same period of 2025 (Euro 153.7 million).
EBITDA amounted to Euro 17.1 million, 11.4% of revenues, an increase compared to the first half of the previous year (equal to Euro 16.9 million, 11.0% of revenues) incorporating the normalization of operations with the elimination of the restructuring initiatives implemented during the previous year.

With regard to the main cost items, the purchase cost of raw materials and consumables, including changes in inventories, amounted to Euro 75.4 million, accounting for 50% of revenues, recording a slight increase compared to 48.2% in the first half of 2025.
Service costs amounted to Euro 22.2 million compared to Euro 23.7 million in the same period of 2025 (respectively equal to 14.7% and 15.4% of revenues).
Personnel costs are equal to Euro 35.2 million compared to Euro 37.1 million (-5.2%), with an incidence on revenues of 23.3% compared to 24.2% in the same period of the previous year. It should be noted that net of one-off costs for reorganization initiatives, personnel costs amounted to Euro 34.8 million, 23.1% of revenues substantially in line with the first half of 2025 where the incidence was 22.4%.
Depreciation, amortization and impairment losses, amounting to Euro 11.8 million, decreased compared to Euro 13.2 million in the first half of 2025, accounting for 7.8% and 8.6% of revenues, respectively.
The operating result (EBIT) was positive and amounted to Euro 5.4 million, 3.6% of revenues, compared to an operating result for the first half of 2025 of Euro 3.8 million, 2.5%.
Net financial expenses for the first half of 2026 amounted to Euro 3.0 million compared to Euro 2.8 million in the same period of 2025, respectively 2.0% and 1.8% of revenues.
Income taxes for the period amounted to Euro 1.8 million, mainly representing taxes accrued in the subsidiaries and excluding the allocation of deferred tax assets. In the same period of the previous year, taxes amounted to Euro 2.0 million.
The net result for the first half of 2026 amounted to a profit of Euro 0.8 million compared to a loss of Euro 0.7 million in the same period of the previous year.

Financial performance

As of June 30, 2026, the net financial position amounted to Euro 125.8 million, a significant reduction compared to the year-end 2025 value of Euro 139.3 million and compared to Euro 150.8 million as of June 30, 2025. The evolution of the net financial position is shown in the following table:

(Euro.000)	H1 2026	H1 2025
Cash flow from current activities (A)	**17.792**	**17,289**
Change in inventories	(5.793)	(7,748)
Change in trade receivables	2.859	(7,687)
Change in trade payables	8.832	5,107
Change in other current assets and liabilities	(2.119)	(2,107)
Cash flow from changes in Working Capital (B)	**3.779**	**(12,435)**
CASH FLOW FROM OPERATING ACTIVITIES (A + B)	**21.571**	**4,854**
Cash flow from investing activities (C)	(5.633)	(3,575)
CASH FLOW FROM OPERATING & INVESTING ACTIVITIES (A + B + C)	**15.938**	**1,279**
Changes for interest	(3.305)	(3,357)
Changes MTM derivatives and amortised cost	326	(31)
Changes in translation reserve and other equity items	412	(824)
Changes to financial assets	(127)	(1,480)
IFRS 16	241	(562)
Change in net debt	**13.485**	**(4,975)**
Net financial position - initial	**139.320**	**145,850**
Net financial position - final	**125.836**	**150,825**

Cash flows for the first half of 2026 show strong cash generation from operations capable of producing Euro 21.6 million, an improvement compared to Euro 4.9 million in the same period of 2025, a performance due to operating performance but above all to working capital management.
In the first half of 2026, in a period in which seasonality absorbed Euro 5.8 million in inventory, the management of receivables from customers and payables to suppliers produced Euro 2.9 million and Euro 8.8 million respectively, resulting in a cash flow of Euro 3.8 million after changes in other working capital items, compared to an absorption of Euro 12.4 million in the first half of 2025.
Investment flows amounted to Euro 5.6 million, slightly up compared to Euro 3.6 million in the same period of 2025.
Cash flows from operations after investments are therefore positive for Euro 15.9 million compared to Euro 1.3 million in the first half of 2025.
Financial management includes interest of Euro 3.3 million in the period, in line with the same period of the previous year.
Net debt, therefore, decreased during the first half of 2026 by Euro 13.5 million, from Euro 139.3 million to Euro 125.8 million.
It should be noted that the net financial debt/adjusted EBITDA indicator improved compared to the same period in 2025, standing at 3.2x vs 4.1x.

Significant events occurring after the end of the period

On 4 August 2026, a financing transaction was closed for a total amount of Euro 100 million, with a duration of 5 years, with the aim of reshaping the repayment profile of some existing loans and financing the Group's investment plan.

The transaction was carried out with a pool of Italian financial institutions and provides for a partial SACE guarantee on the facility dedicated to investments. The interest rate is variable, 80% hedged, with a spread that depends on the consolidated leverage ratio. Annual ESG objectives – being a sustainability-linked loan - are also envisaged in line with the Group's sustainability strategy.

Outlook

In the context of persistent geopolitical uncertainty, market volatility and growing inflationary pressures in the main reference markets, SIT continues to closely monitor the possible impacts on demand trends, input costs and the Group's operating dynamics.
Based on the currently available management evidence, the resilience of the business model and the solidity of the commercial pipeline, management confirms expectations for the full year 2026. The Group's economic and financial fundamentals remain solid and consistent with the defined objectives, supported by the operational efficiency initiatives launched.
For the 2026 financial year, SIT therefore confirms consolidated revenue growth at a *low single-digit rate*, supported by a positive trend in the second half of the year. In the Heating & Ventilation business, expectations are supported by the visibility already acquired for the third quarter and the favorable seasonality of the business, while in Metering the trend recorded in the second quarter is expected to continue.
The discipline in cost management highlighted in the first half of the year represents a solid basis for a further improvement in margins in the second half of the year. The Group therefore confirms its expectations of growth in operating profitability and a significant improvement in net profit compared to the previous year.

The positive cash generation expected in the year will also allow a reduction in net financial debt, expected at the end of 2026 to be in the range of Euro 130 million.

It should be noted that this outlook does not incorporate the potential impacts of protracted international tensions arising from the conflict between the United States and Iran, including potential effects on supply chains and energy prices.

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Declaration of the manager responsible for the preparation of the Company's accounts

The manager responsible for the preparation of the Company's accounts, Paul Fogolin, hereby declares, as per article 154-bis, paragraph 2, of the "Testo Unico della Finanza", that all information related to the Company's accounts contained in this press release are fairly representing the accounts and the books of the Company. This press release and the results presentation for the period are available on the website www.sitcorporate.it in the Investor Relations section.

Today at 15:00 CEST, SIT management will hold a conference call to present to the financial community and press the results for the period. You may participate through the following link: https://shorturl.at/IkFno.

The documentation shall be published in the "Investor Relations" section on the company website (www.sitcorporate.it) before the conference call.

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SIT, through its Business Units Heating & Ventilation, Smart Gas Metering, and Water Metering, creates intelligent solutions for environmental condition control and consumption measurement for a more sustainable world. A multinational leader in its reference markets and listed on the Euronext Milan segment, SIT aims to be the leading sustainable partner for energy and climate control solutions serving client companies, paying great attention to experimentation and the use of alternative gasses with low environmental impact. The group has production sites in Italy, Mexico, Romania, China, Tunisia, and Portugal, and has a commercial structure covering all global reference markets. SIT adheres to the United Nations Global Compact and its related principles that promote a responsible way of doing business and has obtained the Gold sustainability rating by EcoVadis. SIT is also a member of the European Heating Industry and the European Clean Hydrogen Alliance, as well as the Water Value Community for Italy - www.sitcorporate.it/en

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Annex 1

BALANCE SHEET

Annex 1

BALANCE SHEET

(Euro.000)	30/06/2026	31/12/2025
Goodwill	63.278	63.278
Other intangible assets	38.435	40.868
Property, plants and equipment	79.496	84.406
Investments	1.357	1.527
Non-current financial assets	5.805	4.340
Deferred tax assets	11.539	11.693
Non-current assets	**199.909**	**206.112**
Inventories	82.679	76.149
Trade receivables	59.827	62.251
Other current assets	11.322	8.670
Tax receivables	1.083	2.676
Other current assets	1.873	3.055
Cash and Cash Equivalents	12.342	11.627
Current assets	**169.127**	**164.428**
Total assets	**369.037**	**370.540**
Share capital	96.162	96.162
Total Reserves	6.000	3.497
Net Profit	836	1.345
Minority interests net equity	1.461	1.171
Shareholders' Equity	**104.460**	**102.175**
Medium/long-term loans and borrowings	43.966	57.344
Other non-current financial liabilities and derivative financial instruments	43.252	52.460
Provisions for risks and charges	9.393	9.264
Post-employment benefit provision	3.981	3.964
Other non-current liabilities	5.127	4.951
Deferred tax liabilities	7.578	8.391
Non-current liabilities	**113.298**	**136.374**
Short-term bank loans	33.675	29.209
Other current financial liabilities and derivative financial instruments	19.159	14.991
Trade payables	75.285	65.898
Other current liabilities	20.836	19.711
Tax payables	2.324	2.182
Current liabilities	**151.279**	**131.991**
Total Liabilities	**264.577**	**268.365**
Total Shareholders' Equity and Liabilities	**369.037**	**370.540**

Annex 2

PROFIT & LOSS

(Euro.000)	6M 2026	6M 2025
Revenues from sales and services	**150.763**	**153.692**
Raw materials, ancillaries, consumables and goods	81.248	82.628
Change in inventories	(5.825)	(8.560)
Services	22.193	23.687
Personnel expense	35.189	37.138
Depreciation, amortisation and write-downs	11.792	13.164
Provisions	155	437
Other charges (income)	637	1.421
EBIT	**5.375**	**3.778**
Investment income/(charges)	-	-
Gains/(Losses) from valuations of minority option liabilities	-	-
Financial income	114	295
Financial charges	(3.109)	(3.067)
Net exchange gains (losses)	587	341
Impairments on financial assets	(312)	-
Profit before taxes	**2.657**	**1.347**
Income taxes	(1.820)	(2.044)
Net profit for the year	**836**	**(697)**
Minority interest result	290	143
Group net profit	**546**	**(840)**

Annex 3
LIQUIDITY STATEMENT

(Euro.000)	**2026/06**	**2025/06**
Net profit	836	(697)
Amortisation & depreciation	11.754	13.077
Non-cash adjustments	386	94
Income taxes	1.821	2.042
Net financial charges/(income)	2.995	2.773
CASH FLOW FROM CURRENT ACTIVITIES (A)	**17.792**	**17.289**
Changes in assets and liabilities:		
Inventories	(5.793)	(7.748)
Trade receivables	2.859	(7.687)
Trade payables	8.832	5.107
Other assets and liabilities	(1.304)	(839)
Income taxes paid	(815)	(1.268)
CASH FLOW GENERATED (ABSORBED) FROM CHANGES IN WORKING CAPITAL (B)	**3.779**	**(12.435)**
CASH FLOW FROM OPERATING ACTIVITIES (A + B)	**21.571**	**4.854**
CASH FLOW FROM INVESTING ACTIVITIES (C)	**(5.633)**	**(3.575)**
CASH FLOW FROM OPERATING & INVESTING ACTIVITIES (A + B + C)	**15.938**	**1.279**
Financing activities:		
Interest paid	(3.182)	(3.665)
Repayment of non-current financial payables	(9.464)	(3.564)
Increase (decrease) current financial payables	(1.620)	2.418
Increase (decrease) other financial payables	(1.369)	(1.744)
New loans	-	914
CASH FLOW FROM FINANCING ACTIVITIES (D)	**(15.635)**	**(5.641)**
Change in translation reserve	412	(824)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C + D)	**715**	**(5.186)**
Cash & cash equivalents at beginning of the year	**11.627**	**14.038**
Increase (decrease) in cash and cash equivalents	715	(5.186)
Cash & cash equivalents at end of the year	**12.342**	**8.852**