



**Quarterly Financial Report**  
**at March 31, 2026**

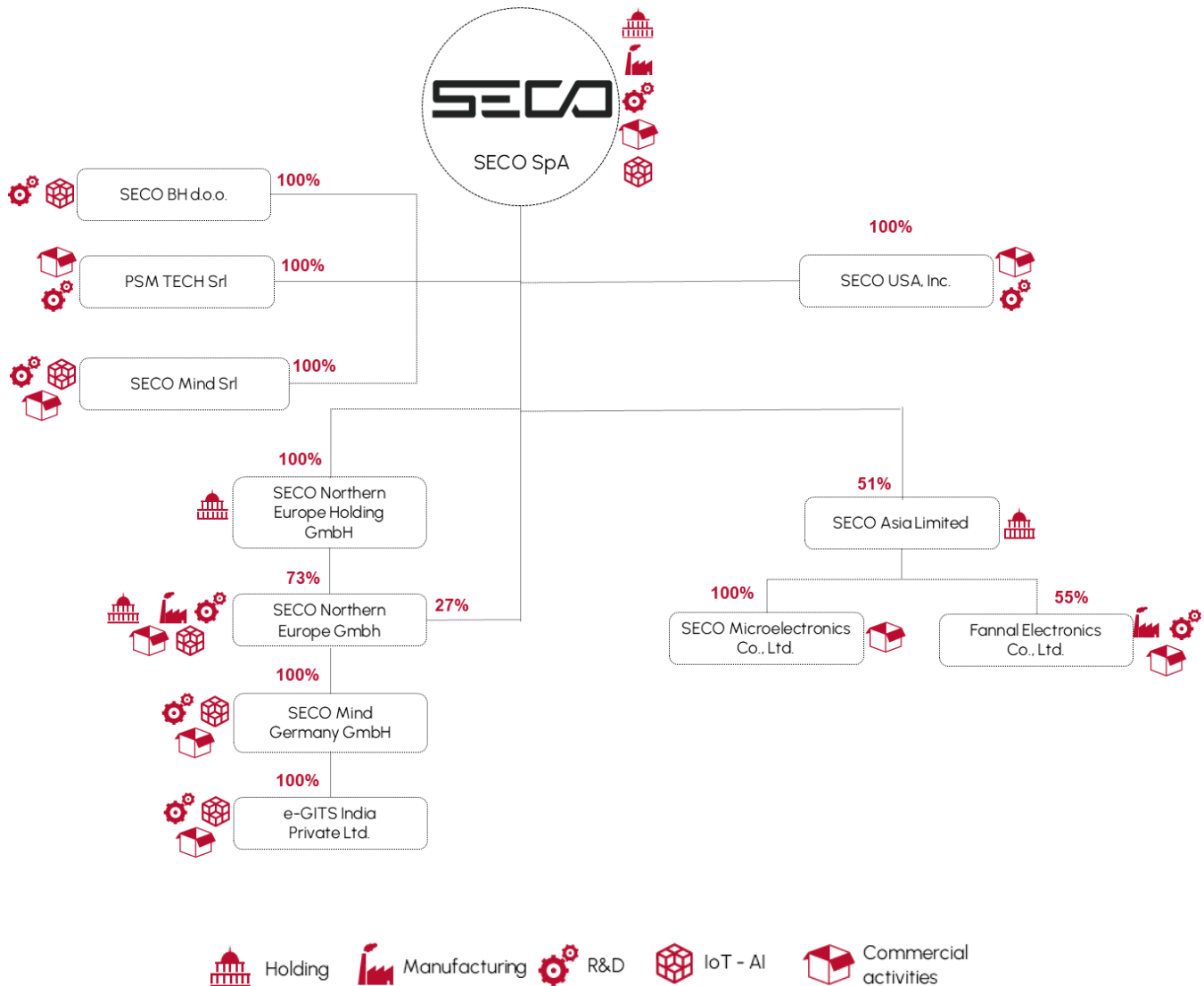
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## 2. THE GROUP AND ITS OPERATIONS

The SECO Group (hereinafter also referred to as the "Group" or "SECO") consists of the parent company SECO S.p.A., hereinafter also referred to as the "Company" or "Parent Company", and its subsidiaries, as presented below:



The Company's registered office is located in Arezzo (AR), via Achille Grandi 20.

SECO is a high-tech Group that develops and delivers cutting-edge solutions for the digitization of industrial products and processes. SECO's hardware and software offerings enable B2B enterprises to introduce edge computing, Internet of Things, data analytics and artificial intelligence into their businesses. Within a quickly and broadly evolving marketplace, SECO's technologies encompass many fields of application, with innovative and customized solutions provided to its more than 450 customers, in sectors such as the Medical, Industrial Automation, Fitness, Vending and Transportation areas, in addition to many others.

## **Economic overview**

Global monetary policy in the period was generally stable compared to the second half of 2025. In the initial months of the year, inflation in Europe remained essentially stable, although began to be impacted - particularly from March - by the general rise in fossil fuels prices as a result of the conflict between the U.S., Israel and Iran. Against this backdrop, the major central banks adopted a mostly cautious outlook, with interest rates not changing substantially.

The trade and geopolitical environment did not alter significantly during the period, while in 2025 had been affected by the international tensions - although with limited impact on the demand for the Group's edge computing solutions.

On the currency market, subsequent to its weakening in the second quarter of 2025 the U.S. Dollar has begun to stabilize. This did not translate into reduced demand for edge computing solutions on the U.S. market. The weakening of the Dollar however negatively impacted the revenues recognized, reducing the value of income and revenues reported in the financial statements of the companies exposed to the U.S. currency.

Geopolitical tensions and fluctuations in commodity prices affect the supply of certain component categories. In the electronic components market, the prices and lead times of memories used in B2C and B2B applications have significantly and generally risen: this mainly owes to the sustained increase in global demand for memories for the building of data centers for artificial intelligence applications. On the same basis, the prices and lead times of all major product categories, including CPUs and integrated circuits, have generally risen (although to a contained degree).

Within this environment, the Edge Computing segment continues to constitute a key element for technological innovation: the digitalization of devices and processes in fact may significantly contribute to boosting productivity and industrial efficiency, which are essential elements not only for companies' competitiveness, but also their very survival.

Business process digital transformation is enabled by adopting smart solutions that integrate hardware and software components, facilitating the establishment of new business models and the creation of further development opportunities. The increasingly widespread adoption of digital technologies is extending also to traditionally more analogue segments: many companies are investing to improve the user experience and functionality of their products, adapting them to an increasingly interconnected and cutting-edge environment.

Against this backdrop, the main sector growth trends center on factors such as: the development of increasingly innovative technologies for Edge computing and embedded AI, linked to the integration of energy-efficient microcontrollers capable of supporting AI features, the growing interest in hardware and firmware security, against increasing cyber threats, through the development guidelines for embedded cybersecurity technologies, the expansion of IoT technologies, through the spread of real-time operative open source systems and the direct connection of intelligent devices in the industrial area. The integration of IoT-data analytics and artificial intelligence solutions within edge computing devices is also likely to accelerate the launch of new high value-added services and an evolution in the way that businesses deal with the creation, delivery and use of ICT products and services.

In addition, digitization can play a key role within a landscape in which climate change and raw material and energy supply issues make it increasingly necessary to adopt solutions that can accelerate the energy transition. In particular, by enabling the local execution of increasingly complex

computational models, tools can be developed through Edge AI that can increasingly monitor and optimize the power consumption of industrial and home-use devices.

## **Group market overview**

In terms of market dynamics, edge computing and IoT solutions demand among operators within the Group's various verticals saw the gradual recovery, started in Q4 2024, continue in the period.

The high demand for electronic components, particularly memories, to build data centers for artificial intelligence applications has also prompted a significant increase in lead times and market prices for these product categories. These dynamics are reflected in SECO's availability of components and have resulted in the need to renegotiate delivery times and prices with Group customers.

New Edge computing product development continues, particularly on modular Human Machine Interface (HMI) and System on Module (SOM) systems, alongside the new features in the Clea software suite. Clea represents a further development of SECO's strategy to leverage over 40 years of Edge computing know-how, with the goal of increasing value for customers, through the offer of end-to-end, integrated, customizable solutions based on micro-computing, human-machine interfaces and software platforms.

Also through long-term partnerships with the major silicon vendors, SECO has always committed to innovating its hardware proposal (e.g. with the launch of new dedicated Edge AI and Computer vision products), while continuing to work closely with its customers, supporting them through the digital evolution of their devices.

Globally, as a result of growing demand from OEMs (Original Equipment Manufacturers) and developers, the adoption of smart and connected edge computing solutions has accelerated in high-potential sectors such as medicine, e-mobility, smart retail and energy infrastructure, with the integration of distributed computing capabilities, secure connectivity and artificial intelligence at the edge level supporting significant boosts in operational efficiency and real-time analytics capabilities.

Against this backdrop, Group sales grew during the period compared to the previous quarter, driven particularly by EMEA, Italy and APAC.

## **Research and Development and Technological Innovation**

SECO again in the period under review remained strongly committed to ensuring high levels of innovation, integration and added value in the solutions built according to the needs of customers operating in multiple verticals.

SECO's main objective is to anticipate the needs of its customers, utilizing frontier technologies and supporting them in the digital transition of their business, while adding value to their solutions.

The constant push for innovation by all the players in a given sector can quickly render a competitive advantage obsolete. As such, every year SECO dedicates significant resources to Research and Development, which concerned the development of new products and of off-the-shelf solutions to be sold on the market, in addition to the co-development and co-engineering of customized products, working hand-in-hand with the customer.

The SECO Group R&D departments are responsible for developing and designing technological solutions based on integrated systems, standard and custom solution modules and IoT and AI software

solutions for SECO's customers and target markets. Research and development is a key aspect of SECO's business model and is carried out both in-house and through partnerships with world-class technology enterprises and research institutes and university hubs worldwide.

The technological development in which SECO has invested in recent years has positioned the Group as a leading player in combined hardware-software provision. The technological challenge that the Group is taking on is that of developing high-performance hardware, with a particular emphasis on strengthening edge computing capacity by creating new products able to run inference models locally, taking advantage of edge processing capacity directly and creating an optimal integration of hardware and the CLEA software platform.

Our strong partnerships with the primary technology leaders in the electronics industry enable the Group to implement our technology strategy by gaining early access to some of the most cutting-edge technologies being developed. The product research and development activities, central and strategic to the group's business model, are focused on making the adoption of the most advanced hardware and software technologies more accessible and secure for users and the actors of SECO's industrial ecosystem.

The main hardware developments during the period concerned the expansion of the catalog of off-the-shelf products by integrating AI accelerators developed by leading silicon vendors to develop high-calculation capacity industrial applications. The development of modular HMI (Human Machine Interface) solutions also continued in the period, with new products released in both ARM and x86 segments and scalable proposals from 7" to 15" for rapid adoption in multiple segments of industrial automation and process control.

On the software development side, the release of new features of the CLEA platform has a similar focus, with the goal of optimizing the use of the acceleration potential and computational capabilities of hardware devices, while also making available to platform users a no-code infrastructure for the creation of data analytics models and applications developed and trained using proprietary data.

### **SECO on the stock exchange**

SECO S.p.A. shares are traded on the Milan Euronext Star market organized and managed by Borsa Italiana S.p.A. At March 31, 2026, the SECO S.p.A. (IOT:MI) stock price was Euro 2.44, with a capitalization therefore of Euro 324.6 million.

### 3. CONSOLIDATED BALANCE SHEET AND CONSOLIDATED INCOME STATEMENT AT MARCH 31, 2026

#### CONSOLIDATED BALANCE SHEET

(Euro thousands)	Note	31/03/2026	31/12/2025
Property, plants and equipment		23,175	22,593
Intangible assets		102,276	101,297
Right-of-Use		8,419	8,952
Goodwill		157,108	157,108
Non-current financial assets		6,893	6,842
Deferred tax assets		2,446	2,506
Other non-current assets		2,874	1,669
<b>Total non-current assets</b>	<b>1</b>	<b>303,191</b>	<b>300,967</b>
Inventories		74,396	64,618
Trade receivables		47,297	40,399
Tax receivables		6,199	6,020
Current financial assets		1,412	2,030
Other receivables		5,839	5,393
Cash and cash equivalents		63,358	66,657
<b>Total current assets</b>	<b>2</b>	<b>198,499</b>	<b>185,116</b>
<b>TOTAL ASSETS</b>		<b>501,690</b>	<b>486,083</b>
Share capital		1,296	1,296
Share premium reserve		232,036	232,036
Reserves		40,737	42,084
Group Net Profit		(57)	(2,694)
<b>Total Group Equity</b>		<b>274,012</b>	<b>272,722</b>
Minority Equity and Reserves		22,404	18,553
Minorities profit for the period		509	3,190
<b>Minorities Equity</b>		<b>22,913</b>	<b>21,743</b>
<b>Total Equity</b>	<b>3</b>	<b>296,925</b>	<b>294,465</b>
Employee benefits		3,578	3,470
Provisions for risks		1,214	1,209
Deferred tax liabilities		23,458	23,772
Non-current financial payables		92,850	92,507
Non-current lease liabilities		5,632	6,035
Other non-current payables		8	8
<b>Total non-current liabilities</b>	<b>4</b>	<b>126,739</b>	<b>127,002</b>
Current financial liabilities		5,505	4,695
Current part of N-C financial liabilities		12,435	10,305
Current lease liabilities		2,218	2,393
Trade payables		44,143	34,883
Other current liabilities		10,619	10,105
Tax payables		3,106	2,234
<b>Total current liabilities</b>	<b>5</b>	<b>78,026</b>	<b>64,616</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>501,690</b>	<b>486,083</b>

## CONSOLIDATED INCOME STATEMENT

(In Euro thousands)	Note	Q1 2026	Q1 2025
Net sales		48,530	47,156
Other revenue and income		443	1,021
<b>Total revenues and operating income</b>	<b>6</b>	<b>48,973</b>	<b>48,177</b>
Costs for services, goods and other operating costs		(30,052)	(29,929)
Personnel costs		(10,872)	(10,632)
<b>Total costs and other operating charges</b>	<b>7</b>	<b>(40,923)</b>	<b>(40,561)</b>
Amortization and depreciation	8	(5,947)	(6,081)
Provisions and write-downs		(5)	(5)
<b>Operating Profit</b>		<b>2,098</b>	<b>1,529</b>
Financial income and charges		(1,036)	(1,990)
Exchange gains/(losses)		(322)	(376)
<b>Profit/(loss) before tax</b>		<b>740</b>	<b>(837)</b>
Income taxes		(288)	(415)
<b>Profit/(loss) for the period</b>		<b>452</b>	<b>(1,252)</b>
Non-controlling interests profit		509	771
<b>Group profit/(loss)</b>		<b>(57)</b>	<b>(2,022)</b>
Basic earnings per share		-	-
Diluted earnings per share		-	-

## CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

(In Euro thousands)	Q1 2026	Q1 2025
<b>Profit/(loss) for the period</b>	<b>452</b>	<b>(1,252)</b>
<b>Other comprehensive income/(expense) which may be subsequently reclassified to the income statement:</b>	<b>994</b>	<b>(782)</b>
Translation differences	994	(782)
Gain/(loss) on Cash Flow Hedge	0	0
Tax effect profit / (loss) on cash flow hedge	0	0
<b>Other comprehensive income/(expense) which may not be subsequently reclassified to the income statement:</b>	<b>0</b>	<b>0</b>
Discounting employee benefits	0	0
Tax effect discounting employee benefits	0	0
<b>Total comprehensive income/(expense)</b>	<b>994</b>	<b>(782)</b>
Non-controlling interests	1,170	231
Parent company shareholders	276	(2,264)
<b>Total comprehensive income/(expense)</b>	<b>1,446</b>	<b>(2,033)</b>

## CONSOLIDATED CASH FLOW STATEMENT

(In Euro thousands)	31/03/2026	31/03/2025
<b>Profit/(loss) for the period</b>	<b>452</b>	<b>(1,252)</b>
Income taxes	288	415
Amortization and depreciation	5,947	6,081
Change in employee benefits	107	139
Financial income/(charges)	1,036	1,990
Exchange gains/(losses)	322	375
Costs for share-based payments	1,021	1,821
Other non-monetary revenues and income	(7)	124
<b>Cash flow before working capital changes</b>	<b>9,166</b>	<b>9,693</b>
Change in trade receivables	(6,713)	(10,210)
Change in inventories	(9,778)	272
Change in trade payables	8,453	1,494
Other changes in tax receivables and payables	404	264
Other changes in current receivables and payables	33	(785)
Other changes in non-current receivables and payables	(1,459)	(571)
Use of provisions for risks, receivables and inventories	5	5
Interest received	146	135
Interest paid	(186)	(620)
Exchange gains/(losses) realized	301	(433)
Income taxes paid	0	(916)
<b>Cash flow from operating activities (A)</b>	<b>373</b>	<b>(1,673)</b>
(Investments) /Disposals of property, plant and equipment	(1,609)	(1,979)
(Investments) /Disposals of intangible assets	(5,264)	(3,022)
(Investments) /Disposals of financial assets	(50)	8
Acquisition of business units net of cash and cash equivalents	0	0
Acquisition of subsidiaries net of cash and cash equivalents	0	0
<b>Cash flow from investing activities (B)</b>	<b>(6,923)</b>	<b>(4,993)</b>
New loan drawdowns	3,400	0
(Repayment) of bank loans	(928)	(927)
Change in current financial liabilities	(152)	(2,729)
Repayment lease liabilities	(682)	157
Change in current financial assets	618	0
Dividends paid	0	0
Paid-in capital increase	0	0
Acquisition of treasury shares	0	0
Acquisition of shares from minorities	0	0
<b>Cash flows from financing activities (C)</b>	<b>2,256</b>	<b>(3,498)</b>
<b>Increase (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(4,293)</b>	<b>(10,164)</b>
<b>Cash &amp; cash equivalents at beginning of the period</b>	<b>66,657</b>	<b>72,586</b>
Conversion differences	994	(757)
<b>Cash &amp; cash equivalents at end of the period</b>	<b>63,358</b>	<b>61,665</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(In Euro thousands)	01/01/2026	Share capital increase	Allocation result	Dividends paid	Other movements	Comprehensive Profit/(Loss)	31/03/2026
Share capital	1,297	0	0	0	0	0	1,297
Legal reserve	289	0	0	0	0	0	289
Share premium reserve	232,035	0	0	0	0	0	232,035
Other reserves	42,059	0	(2,694)	0	1,014	0	40,379
Translation reserve	(191)	0	0	0	0	333	142
FTA Reserve	(371)	0	0	0	0	0	(371)
Discounting employee benefits	298	0	0	0	0	0	298
Group Net Profit	(2,694)	0	2,694	0	0	(57)	(57)
<b>Group Equity</b>	<b>272,722</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,014</b>	<b>276</b>	<b>274,012</b>
Minority Equity and Reserves	18,552	0	3,190	0	0	661	22,403
Discounting of employee benefits (non-cont. interests)	0	0	0	0	0	0	0
Non-controlling interests profit	3,191	0	(3,190)	0	0	509	510
<b>Minorities Equity</b>	<b>21,743</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,170</b>	<b>22,913</b>
<b>Total Equity</b>	<b>294,465</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,014</b>	<b>1,446</b>	<b>296,925</b>

## 4. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### (1) Total non-current assets

Non-current assets increased from Euro 300,967 thousand at December 31, 2025 to Euro 303,191 thousand at period-end, increasing Euro 2,223 thousand. The movement reflects the following significant transactions: i) the increase in Other non-current assets for Euro 1,039 thousand following the recognition of tax credits for Capex; ii) the increase in Property, plants and equipment of Euro 583 thousand, mainly for the purchase and installation by Seco S.p.A. of a new industrial plant located in Monte San Savino (AR) and the new production lines to be installed at the facility, along with continued investment in equipment by the R&D function to support the development of new projects and the updating to the industry's latest technological standards; iii) increase in Intangible assets of Euro 979 thousand as a result of the recognition to development costs and to assets in progress of the costs for projects for "standard" products (catalog products) with multi-year utility incurred during the period.

### (2) Total current assets

Total Current Assets increased from Euro 185,116 thousand at December 31, 2025 to Euro 198,499 thousand at March 31, 2026, an increase of Euro 13,383 thousand. This movement mainly followed:

- Increase in Inventories of Euro 9,778 thousand, mainly due to higher purchase volumes of electronic components, particularly memories, so as to mitigate any impacts from price increases and/or product scarcity;
- Increase in Trade Receivables of Euro 6,897 thousand;
- Decrease in Cash and Cash Equivalents of Euro 3,299 thousand.

### (3) Total Group Equity

Group Equity of Euro 274,012 thousand at March 31, 2026 increased by Euro 1,290 thousand as a combined effect of: the decrease in Reserves for Euro 1,347 thousand, mainly due to the allocation to the prior year loss reserve of Euro 2,694 thousand and of the effect of Group net result, which was a loss of Euro 57 thousand in Q1 2026.

### (4) Total non-current liabilities

Total non-current liabilities decreased from Euro 127,002 thousand at December 31, 2025 to Euro 126,739 thousand at March 31, 2026, a reduction of Euro 263 thousand. This movement is mainly due to i) the decrease in Deferred tax liabilities, which primarily refers to the recognition of deferred taxes related to the Mark to Market value of the derivative contracts, in addition to the tax liabilities arising as a result of the recognition of higher carrying amounts than the corresponding tax values as a result of the purchase price allocation process on the business unit transfer from Camozzi Digital S.r.l.; ii) the decrease in Non-current financial payables arising from leases for a total of Euro 718 thousand. This concerns the present value of the medium-long term portions of the financial liabilities assumed as a result of the accounting of lease and rental contracts in accordance with IFRS 16; iii) the increase in Non-current financial payables for Euro 342 thousand based on the repayment and draw down by the parent company of new loans for the construction of the new production plant located in Monte San Savino (AR) and to expand Group production capacity.

## **(5) Total current liabilities**

Total Current liabilities increased from Euro 64,616 thousand at December 31, 2025 to Euro 78,026 thousand at March 31, 2026, an increase of Euro 13,410 thousand - mainly due to:

- Increase in Trade Payables of Euro 9,260 thousand, due to the greater procurement volumes of electronic components;
- Increase in the Current portion of non-current financial payables of Euro 2,130 thousand.

## **(6) Revenues and operating income**

Net sales rose from Euro 47,156 thousand in 2025 to Euro 48,530 thousand in 2026, increasing 2.91% on the same period of the previous year. Reference should be made to the "Sales revenues by region" paragraph for further details.

Other revenues and income totaled Euro 443 thousand in Q1 2026, mainly concerning the recognition of income for:

- Operating grant tax credit for research and development amounting to Euro 166 thousand of the Italian companies Seco S.p.A., PSM Tech S.r.l. and Seco Mind S.r.l.;
- The operating grant tax credit for the purchase by SECO S.p.A. of capital goods under "Industry 4.0" amounting to Euro 138 thousand;
- Pro-rata contribution relating to the participation of the Group companies in the PNRR (National Recovery and Resilience Plan) tender for Euro 113 thousand.

## **(7) Costs and other operating charges**

Costs for services, goods and other operating costs totaled Euro 30,052 thousand, compared to Euro 29,929 thousand in the same period of the previous year, a decrease of Euro 122 thousand. This decrease is the result of the combined effect of:

- the increase in the cost of raw materials, ancillaries, consumable and goods, net of the change in inventories, of Euro 1,080 thousand, on the basis of the increase in revenues and the increase in prices and volumes of electronic components, with particular regard to memories;
- the decrease in Service costs of Euro 605 thousand on the same period of the previous year, mainly due to the reduction of outsourcing costs due to the production process streamlining actions, of consulting costs and of administrative costs;
- decrease in other operating costs of Euro 354 thousand compared to the same period of the previous year;

Personnel costs rose Euro 240 thousand on the same period of the previous year. The movement in the period mainly concerns the expansion of the Group workforce in view of the hires necessary to execute the Group strategic development plans, in addition to the recognition of the cost of the stock option plans allocated to the management team and to the employees of the Group companies.

## **(8) Amortization and depreciation**

Amortization and depreciation in the period of Euro 5,947 thousand decreased Euro 135 thousand on the same period of the previous year.

## 5. Q1 2026 OPERATING PERFORMANCE

The Q1 2026 results reflect the gradual recovery in demand for edge computing and IoT solutions among the players operating in the Group's various verticals, which began in Q4 2024 and continued in 2025. The Group continued to benefit from revenue growth, thanks mainly to the maintenance of close relationships with customers and its consolidated technology leadership strategy, with varying impacts among the regions in which they operate. The marketplace is significantly impacted by the previously outlined increase in the prices of several categories of electronic components. These developments have in fact impacted demand planning by the Group's customers, while also necessitating the renegotiation of procurement methods, delivery times and pricing conditions by SECO. Against this backdrop, sales revenues are up 2.91% on the same period of the previous year, driven mainly by EMEA, Italy and APAC.

The result for the period reflects the revenue growth, combined with a focus on operating cost efficiency. Raw material, ancillary, consumables and goods costs increased on the previous year, due to both the growth in volumes and the increase in component prices - particularly for memories, CPUs and integrated circuits. Service costs meanwhile reduced, mainly in view of the decrease in consulting costs, administrative costs and outsourcing costs as a result of the industrial production process streamlining measures introduced by the Group companies.

The Group retains its strategic positioning, so as to maintain its sector leadership in terms of both technology and the marketplace, mainly through strengthening the workforce and investing in technological development.

### NET SALES BY REGION

As required by IFRS 8, information on the geographical distribution of revenues is provided below. Specifically, four regions have been identified: EMEA, USA, APAC and ROW. The breakdown of revenues by region is provided below:

	31/03/2026	31/03/2025	Changes	%
EMEA	38,503	34,910	3,593	10.29%
- of which Italy	21,375	18,737	2,638	14.08%
- of which Germany	10,954	11,196	(241)	-2.16%
USA	6,141	6,619	(478)	-7.22%
APAC	3,884	3,462	422	12.18%
Rest of the world	2	2,164	(2,162)	-99.91%
<b>Sales by region</b>	<b>48,530</b>	<b>47,156</b>	<b>1,374</b>	<b>2.91%</b>

Net sales increased from Euro 47,156 thousand in Q1 2025 to Euro 48,530 thousand in Q1 2026, up 2.91% on the same period of the previous year. The movement on the previous year is due to a differing growth mix in the various regions in which the Group operates. In particular: in the USA revenues decreased from Euro 6,619 thousand in Q1 2025 to Euro 6,141 thousand in Q1 2026, with the decrease stemming from reduced sales volumes to existing Group customers operating in the Medical and Defense and aerospace sectors. In the APAC area, revenues rose from Euro 3,462 thousand in Q1 2025 to Euro 3,884 thousand in Q1 2026 as a result of better performances, particularly related to Industrial Automation and Transport sector customers. In the Rest of the World, Q1 2026 revenues amount to Euro 2 thousand, decreasing on the previous year as a result in particular of the orders from Latin-American customers. Revenues in EMEA in Q1 2026 totaled Euro 38,503 thousand, compared to Euro 34,910

thousand in the previous year, despite the contraction due to the decrease in volumes to customers, particularly within the Vending Segment. Growth was reported in Italy as a result of increased sales volumes to existing customers within the Medical and Industrial Automation sectors.

## ALTERNATIVE OPERATING PERFORMANCE MEASURES

**EBITDA** - This measure is used by the Group as a financial target and is useful for assessing operating performance. EBITDA is calculated as profit or loss for the year before income taxes, financial income and charges, and amortization and depreciation.

(in Euro thousands)	31/03/2026	31/03/2025	Change	Change %
Total revenues and operating income	48,973	48,177	796	1.65%
Costs for services, goods, other operating costs & exchange gains or losses	(30,378)	(30,310)	(68)	0.22%
Personnel costs	(10,872)	(10,632)	(240)	2.26%
<b>EBITDA</b>	<b>7,723</b>	<b>7,235</b>	<b>488</b>	<b>6.74%</b>

(\*) Costs for services, goods and other operating costs include the following income statement items: costs of raw, ancillary, consumable materials and goods; changes to inventory; service costs; the doubtful debt provision and provisions for risks; other operating costs; exchange gains and losses.

The increase between the two periods (Euro 488 thousand, +6.74%) is due to an increase in operating revenues and income (Euro 796 thousand), the increased Costs for services, goods, other operating costs and exchange gains or losses (Euro -68 thousand) and higher personnel costs (Euro -240 thousand).

**Adjusted EBITDA** - Adjusted EBITDA is a measure to assess the Group's operating performance. It is calculated as the profit before income taxes, financial charges and income, amortization and depreciation, exchange gains or losses, extraordinary and/or non-recurring revenue items.

The Group considers that the extraordinary and/or non-recurring items subject to adjustment have been identified in a manner that presents the Group's true operating performance.

(in Euro thousands)	31/03/2026	31/03/2025	Change	Change %
<b>EBITDA</b>	<b>7,723</b>	<b>7,235</b>	<b>488</b>	<b>6.74%</b>
Exchange gains/(losses)	322	376	(54)	-14.37%
Income/charges from non-core business activities	1,033	1,835	(803)	-43.74%
Non-recurring income/charges from core business activities	-	-	-	0.00%
<b>Adjusted EBITDA</b>	<b>9,077</b>	<b>9,446</b>	<b>(369)</b>	<b>-3.90%</b>

The Group reports Q1 2026 Adjusted EBITDA of Euro 9,077 thousand, decreasing 3.90% on the same period of the previous year.

Income/charges from non-core business activities of Euro 1,033 thousand mainly refer to the allocation of stock options to managers and Directors of Euro 1,020 thousand (Euro 1,823 thousand in Q1 2025).

## ALTERNATIVE FINANCIAL PERFORMANCE MEASURES

**Net financial debt** - This measure indicates the Group's financial debt, net of cash and cash equivalents.

The breakdown of the net financial debt at March 31, 2026 compared with December 31, 2025 is presented below, determined in accordance with "Reminder No. 5/21" dated April 29, 2021 issued by Consob, which refers to ESMA Guideline 32038201138 dated March 4, 2021.

At March 31, 2026, the Group net financial debt was Euro 53,870 thousand, compared to Euro 47,250 thousand at December 31, 2025.

(in Euro thousands)	31/03/2026	31/12/2025	Change	Change %
A. Cash	13	14	(1)	-7.53%
B. Cash equivalents	63,345	66,643	(3,298)	-4.95%
C. Other current financial assets	1,412	2,030	(618)	-30.47%
<b>D. Cash and cash equivalents (A) + (B) + (C)</b>	<b>64,769</b>	<b>68,687</b>	<b>(3,918)</b>	<b>-5.70%</b>
E. Current financial debt	(7,723)	(7,089)	(634)	8.94%
F. Current portion of the non-current debt	(12,435)	(10,305)	(2,130)	20.67%
<b>G. Current financial debt (E)+(F)</b>	<b>(20,158)</b>	<b>(17,394)</b>	<b>(2,764)</b>	<b>15.89%</b>
<b>H. Net current financial debt (G) + (D)</b>	<b>44,612</b>	<b>51,293</b>	<b>(6,681)</b>	<b>-13.03%</b>
I. Non-current financial debt	(98,482)	(98,543)	61	-0.06%
J. Debt instruments	-	-	-	0.00%
K. Trade payables and other non-current payables	-	-	-	0.00%
<b>L. Non-current financial debt (I) + (J) + (K)</b>	<b>(98,482)</b>	<b>(98,543)</b>	<b>61</b>	<b>-0.06%</b>
<b>M. Total financial debt (H) + (L)</b>	<b>(53,870)</b>	<b>(47,250)</b>	<b>(6,620)</b>	<b>14%</b>

The overall net financial debt increased Euro 6,620 thousand, mainly due to the reduction in cash equivalents.

**Adjusted Net financial debt** – The Adjusted net financial debt indicates the Group's capacity to meet its financial obligations.

The Adjusted net financial debt is obtained by adjusting the Net financial debt calculated according to the "Reminder No. 5/21" dated April 29, 2021 issued by Consob, which refers to ESMA Guideline 32038201138 dated March 4, 2021, with the VAT receivable, the current and non-current financial receivables deriving from leases and recognized under IFRS 16 and the effect of the recognition of the MTM of the derivatives where liabilities.

The Adjusted net financial debt was Euro 44,119 thousand at March 31, 2026, compared to Euro 37,599 thousand at December 31, 2025. The increase is mainly due to the effects already analyzed in the previous section. The Adjustments include: i) the increased VAT credit at March 31, 2026 compared to the previous year; ii) the lower current and non-current lease liabilities at March 31, 2026 compared to the previous year.

(in Euro thousands)	31/03/2026	31/12/2025	Change	Change %
<b>Net financial debt</b>	<b>(53,870)</b>	<b>(47,250)</b>	<b>(6,620)</b>	<b>14.01%</b>
(+) VAT receivables	1,902	1,222	177	14.45%
(-) Current lease liabilities	(2,218)	(2,393)	176	-7.35%
(-) Non-current lease liabilities	(5,632)	(6,035)	403	-6.69%
(-) Derivative financial instruments	-	-	-	0.00%
<b>Adjusted net financial debt</b>	<b>(44,119)</b>	<b>(37,599)</b>	<b>(7,023)</b>	<b>18.68%</b>

## 6. SUBSEQUENT EVENTS

No significant events occurred after the end of the reporting period.

## 7. OUTLOOK

In light of the sector dynamics outlined previously, the demand for the Group's technology solutions is driven by the increasing digitization of physical devices and processes through edge computing, hardware and software solutions. Against this backdrop, SECO is continuing to acquire new design wins and customers, strengthening the foundation for our future development.

As of early 2026, there are tensions on memory prices and supply, mainly due to the sustained increase in global demand for memory to build data centers for artificial intelligence applications. The impacts of such tensions represent an additional challenge and uncertainty for the Group, as the effects are currently unquantifiable in terms of both scope and duration.

A digital revolution is underway in the market, where digitization and the use of Artificial Intelligence algorithms "at the Edge" assume a key role for the future technological development of enterprises. The growing demand for smart solutions increasingly concerns the introduction of Artificial Intelligence, directly on the device locally, to enable the launch of new high value-added services, leveraging field data and introducing new business models. SECO's comprehensive and integrated technology proposition focused on Edge computing and IoT-data analytics is designed to meet these needs and enable customers to tap into the digitization opportunities emerging across all sectors. In this context, SECO has evolved its offerings over time, building the value proposition to meet the evolving needs of customers within the increasingly broad range of verticals served. AI, the competitive positioning of the Company has also gradually shifted, as it positions itself today as a solution company focused on generating value for the customer through integrated hardware, HMI and software-AI solutions.

In this volatile general economic environment, SECO will continue to work as always in meeting commitments and targets, maintaining a consistent focus on the efficient management of its financial structure to respond in an agile and prompt manner to the challenges and market uncertainties.

***The Executive Officer for Financial Reporting, Lorenzo Mazzini, declares in accordance with Article 154 bis, paragraph 2, of the Consolidated Finance Act, that the accounting information contained in this document corresponds to the underlying accounting documents, records and accounting entries.***

Arezzo, May 11, 2026

For the Board of Directors  
The Chief Executive Officer  
Massimo Mauri

**SECO**

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