



TECHNOPROBE

HALF YEAR FINANCIAL REPORT AS OF 30 JUNE 2022

TECHNOPROBE S.P.A.

Registered office in Cavalieri di Vittorio Veneto n. 2, Cernusco Lombardone

Tax Code No. 02272540135

Share Capital € 6.010.000,00

Lecco R.E.A. (Economic and Administrative Index) No. 283619

**INTERIM CONDENSED
CONSOLIDATED FINANCIAL
STATEMENTS AS OF AND FOR THE
SIX MONTHS ENDED JUNE 30, 2022**

TECHNOPROBE S.P.A.

REGISTERED OFFICE IN CAVALIERI DI VITTORIO VENETO N. 2 - CERNUSCO LOMBARDONE

TAX CODE No. 02272540135

SHARE CAPITAL € 6,010,000.00

LECCO R.E.A. (ECONOMIC AND ADMINISTRATIVE INDEX) No.283619

DIRECTORS' REPORT ON OPERATIONS

1 GOVERNANCE AND INDEPENDENT AUDITORS

BOARD OF DIRECTORS^(*)

Cristiano Alessandro Crippa	Chairman of the Board of Directors ⁽¹⁾
Roberto Alessandro Crippa	Vice President of the Board of Directors ⁽¹⁾
Stefano Felici	Chief Executive Officer ⁽¹⁾
Monica Crippa	Director ⁽²⁾
Giulio Sirtori	Independent Director ⁽³⁾
Anna Chiara Svelto	Independent Director ⁽³⁾

(1) Executive and non-independent Director.

(2) Non-executive and non-independent Director. On March 28, 2022, she submitted her resignation.

(3) Independent Director pursuant to art. 148, paragraph 3 of the Consolidated Law on Finance.

(*) Board of Directors will remain until the Shareholders' Meeting which will be called to approve the financial statements for the financial year ending on December 31, 2023.

BOARD OF STATUTORY AUDITORS^(*)

Carlo Bianco	President of the Statutory Auditors
Giorgio Corti	Effective Auditor
Pierfrancesco Giordano	Effective Auditor
Giovanni Combi	Alternate Auditor
Francesco Carini	Alternate Auditor

(*) Board of Statutory Auditors will remain in office until the Shareholders' Meeting which will be called to approve the financial statements for the financial year ending on December 31, 2023

AUDIT FIRM

PricewaterhouseCoopers S.p.A.⁽⁴⁾

(4) On July 24, 2020, the shareholders' meeting of Technoprobe S.p.A. appointed PricewaterhouseCoopers S.p.A. to perform the statutory audit pursuant to article 13 of Legislative Decree no. 39 of 2010 with reference to the company's separate and consolidated financial statements for the three-year period 2020-2022, and therefore until the date of the shareholders' meeting to approve the financial statements for the year ending December 31, 2022.

2 PREMISE

The interim Directors' Report on Operations of Technoprobe S.p.A. (hereafter the “**Company**” or “**Technoprobe**” and, together with its subsidiaries, the “**Group**” or the “**Technoprobe Group**”), is presented together with the interim condensed consolidated financial statements as of and for the six months ended June 30, 2022 (hereafter the “**Interim Condensed Consolidated Financial Statements**”).

For the six months ended June 30, 2022 revenue amounted to €250,286 thousand, increasing by approximately 42.6% compared to the six months ended June 30, 2021, and a net profit of €66,620 thousand, of which €65,656 thousand attributable to the owners of the parent. The gross profit margin and EBITDA, as described in greater detail below, amounted respectively to €149,129 thousand and €106,730 thousand for the six months ended June 30, 2022. Net financial position amounted to a surplus of €315,908 thousand as of June 30, 2022.

As in the previous period, the growth in revenue was mainly attributable to the increase in market shares compared to competitors, also thanks to the development of new technologies that have strengthened the Group's leading position in its market.

The following table sets forth the Group's main financial indicators for the six months ended June 30, 2022 and 2021:

<i>(In Euro thousands)</i>	Six months period ended June 30,	
	2022	2021
Revenue	250,286	175,483
Gross profit	149,129	109,640
EBITDA ⁽¹⁾	106,730	81,939
Capital expenditures	37,977	36,563
Net profit	66,620	62,535

(1) In the Directors' Report on Operations, in addition to the financial measures provided for by IFRS, certain measures derived from IFRS are also presented, although not provided for by IFRS (Non-GAAP Measures). These measures are presented in order to allow a better assessment of the Group's operating performance and must not be considered as alternatives to those provided for by IFRS.

The following table sets forth the Group's main financial indicators as of June 30, 2022 and December 31, 2021:

<i>(In Euro thousands)</i>	As of June 30,	As of December,
	2022	2021
Total equity	661,509	446,283
Net financial position (surplus) ^{(1) (2)}	315,908	134,847

(1) In the Directors' Report on Operations, in addition to the financial measures provided for by IFRS, certain measures derived from IFRS are also presented, although not provided for by IFRS (Non-GAAP Measures). These measures are presented in order to allow a better assessment of the Group's operating performance and must not be considered as alternatives to those provided for by IFRS.

(2) It should be noted that the adoption of IFRS 16 resulted in a worsening of the net financial position of €7,616 thousand as of June 30, 2022 (€7,529 as of December 31, 2021).

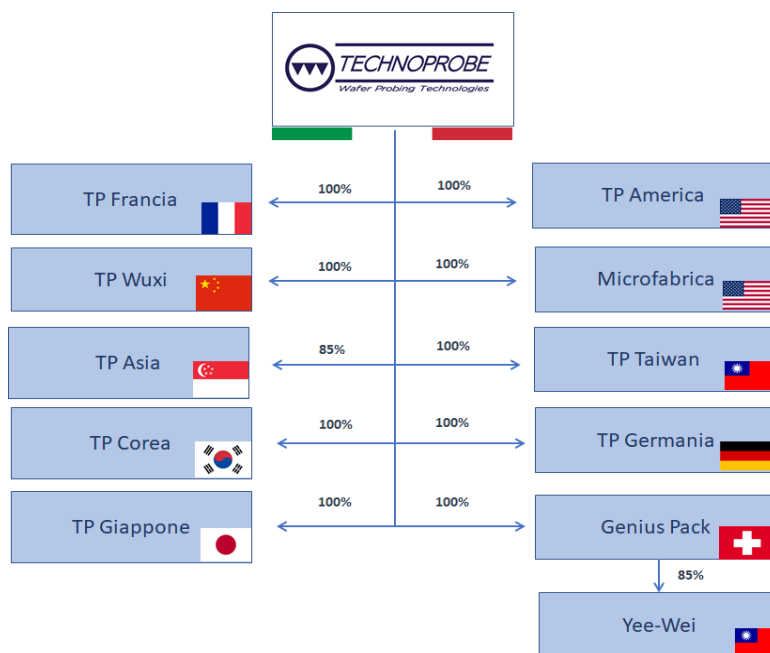
3 GROUP ORGANIZATION

The Group operates in the design and production of probe cards. Probe Cards are high-tech devices tailor-made to the specific semiconductor that allow the operation of chips to be tested during their production (*i.e.*, while they are still on the silicon wafer). These are technological projects and solutions that guarantee the operation and reliability of devices that play a central role in the computer, smartphone, 5G, Internet of Things, home automation and automotive industries, among others. Probe

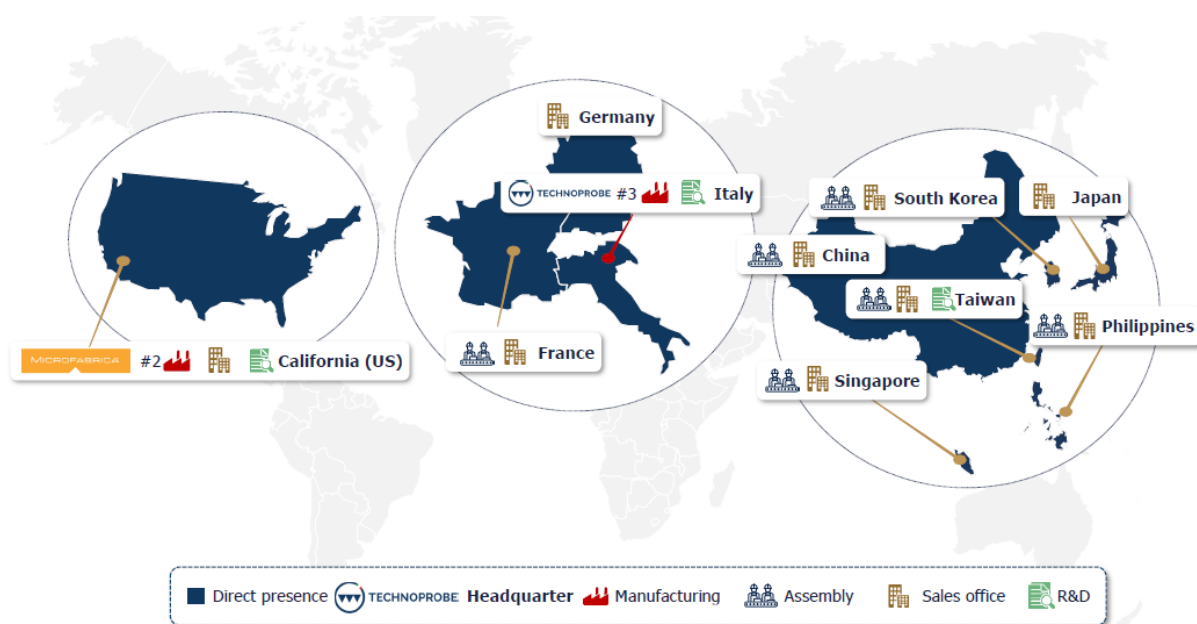
Cards are considered “consumables”, meaning that each Probe Card’s life cycle is linked to a specific chip and no part of the Probe Card can be reused.

The registered office of the Company is in Cernusco Lombardone (Lecco), Italy, where it is located a production plant measuring approximately 18,000 m². The Group has two other production plants in Italy: the first plant, measuring about 3,000 m² in Agrate Brianza (Monza and Brianza), and the second, measuring about 5,000 m² in Osnago (Lecco). Outside of Italy, we have 11 facilities throughout Europe, Asia (*i.e.*, Taiwan, South Korea, China and Singapore) and the United States.

The following chart shows our corporate structure as of June 30, 2022:



The chart below shows our international presence, including our production sites, research and development labs and sales offices, which allow us to remain in close contact with customers in the geographic areas that we serve:



4 MACROECONOMIC SCENARIO¹

International scenario

Global economic activity has shown signs of slowing down since the beginning of the year, owing to the spread of the Omicron variant of the COVID and subsequently to Russia's invasion of Ukraine. Inflation has increased almost everywhere, continuing to reflect the increases in energy prices, supply bottlenecks and, above all in the United States, the recovery in demand. The Federal Reserve and the Bank of England are continuing with the normalization of their monetary policies that began at the end of 2021.

Since the invasion, a large part of the international community has reacted promptly against Russia with sanctions that are unprecedented in their severity and extent. The immediate effects of the conflict on quotations in global financial markets were significant, although they have eased since mid-March; volatility remains high in many market segments. Prices of raw materials, especially energy, for which Russia holds a large share of the world market, rose further. Overall, the war aggravates downside risks for the global business cycle and upside risks for inflation.

After the slowdown at the end of 2021, it was estimated that GDP in the euro area would stagnate in the first months of this year. The tensions related to the war in Ukraine are leading to higher energy prices than in the rest of the world and to new supply difficulties for companies, in addition to the existing ones.

Italy

The macroeconomic situation is strongly affected by the developments in the conflict in Ukraine, which remain highly uncertain and could determine very different trajectories for the Italian economy in the coming years. In a baseline scenario, it is assumed that the tensions associated with the war (under the hypothesis that it will remain confined to the territories presently affected) will last throughout the current year, continuing to drive up commodity prices, to keep uncertainty high and to slow world trade. Conversely, the scenario excludes an intensification of hostilities on a scale that would lead to a suspension in the supply of energy commodities from Russia.

In the baseline scenario, GDP growth in Italy is projected to equal 2.6 per cent this year, 1.6 per cent in 2023 and 1.8 per cent in 2024. Consumer price inflation will likely equal 6.2 per cent on average this year, driven by the effects of the strong rise in energy prices and supply-side bottlenecks; it is projected to fall to 2.7 per cent in 2023 and to 2.0 per cent in 2024. The projected decline in inflation reflects the assumption that, starting from next year, the pressures stemming from rising commodity prices will ease progressively and that, also owing to the relatively long period in which collective bargaining agreements remain in force, the pass-through of these strong price dynamics to labour costs will happen slowly and partially.

5 SIGNIFICANT MANAGEMENT EVENTS

Listing process

In the year ended December 31, 2021, the Company undertook the process of listing its ordinary shares on Euronext Growth Milan, trading system organized and managed by Borsa Italiana S.p.A (the “**Listing**”), the placement of which was successfully completed on February 11, 2022, with trading commencing on February 15, 2022. The Listing took place through an institutional placement of ordinary shares reserved for qualified investors in Italy and foreign institutional investors.

¹ Source: Banca d'Italia, Economic Bulletin Number 2/2022 and Macroeconomic Projections for Italy - June 2022.

On the basis of the requests received during the institutional placement, 125,000,000 shares were allocated, of which (i) 25,000,000 newly issued shares resulting from a capital increase with exclusion of pre-emptive rights (ii) 88,000,000 shares offered for sale by the current shareholders and (iii) 12,000,000 shares underlying the over-allotment option granted by the shareholder T-Plus S.p.A. At the end of the Listing process, the free float of the Company's shares is equal to approximately 20.8% of the share capital.

New production plant opening

During the six months ended June 30, 2022, the Group completed the relocation and expansion of a new production line in the new building in Cernusco Lombardone, which had been used as a vaccine hub during the previous period.

In addition, the process of relocating and upgrading the mechanics department in the new Osnago plant was completed during the semester.

Moreover, the Group has scheduled the opening of a new operational headquarters dedicated to design in Catania, which will become operational in the third quarter of 2022.

6 ALTERNATIVE PERFORMANCE INDICATORS (APIs)

The European Securities and Market Authority (ESMA) has published guidelines on alternative performance indicators (hereafter also referred to as "**APIs**") for listed issuers. APIs refer to measures used by management and investors to analyze the Group's trends and performance, which are not directly derived from the financial statements. These measures are relevant to support management and investors in analyzing the Group's performance. Investors should not consider these APIs as substitutes, but rather as additional information to the data included in the financial statements. It should be noted that APIs as defined by the Group, may not be comparable to similarly named measures used by other companies.

APIs presented in this report are defined as follows:

- EBITDA is a non-IFRS alternative performance indicator monitored by management to evaluate underlying business performance. EBITDA used by the Group is defined as net profit of the period adjusted for: (i) income tax expenses, (ii) foreign exchange gains (losses), (iii) net finance income (expenses), (iv) other income (expenses), net, (v) net impairment of financial assets² and depreciation, amortization and impairment included in the following income statement items: in selling, general and administrative, research and development and cost of revenue.
- Gross profit margin percentage and EBITDA margin are defined as the ratio of gross profit and EBITDA to revenue, respectively.
- Research and development expense ratio is defined as the ratio of research and development expenses to revenue.
- Net invested capital is defined as the sum of non-current and current assets net of financial assets, less non-current and current liabilities net of financial liabilities.
- Net working capital is the difference between current assets and current liabilities, including the fair value of derivative financial instruments and excluding current financial assets, cash and cash equivalents, current financial liabilities and current lease liabilities.
- Net fixed assets result from the difference between non-current assets and non-current liabilities, excluding current financial liabilities and non-current lease liabilities.
- Net financial position is defined as the sum of cash and cash equivalents and current financial assets, net of current and non-current financial and lease liabilities (in any case, with the

² This line-item is not presented in the interim condensed income statement for the six months ended June 30, 2022 and 2021 as it amounts to zero in both the periods under review.

exclusion of derivative financial instruments entered into to hedge exchange rate risk in relation to commercial transactions).

- Capital expenditures are defined as the sum of cash flow used for investments in property, plant and equipment (excluding right-of-use assets) and intangible assets.
- ROE is calculated as the ratio of the result for the period to the total equity (including the result for the period).
- ROI is calculated as the ratio of operating profit to total assets.
- ROS is calculated as the ratio of operating profit to revenue.
- The fixed asset coverage ratio is calculated as the ratio of total equity (including the result for the period) to total non-current assets.
- The shareholders' equity to invested capital ratio is calculated as the ratio of equity (including the result for the period) to total assets.
- The indebtedness ratio between capital raised from third parties (total liabilities) and total assets.
- The liquidity ratio (acid test) is calculated as the ratio of current assets net of inventories to current liabilities.
- The current ratio is calculated as the ratio of current assets to current liabilities.

7 GROUP'S FINANCIAL INFORMATION

7.1 GROUP'S RESULTS OF OPERATIONS

The following table shows the income statement for the six months ended June 30, 2022 and 2021:

<i>(In Euro thousands and as a percentage)</i>	Six months period ended June 30,			
	2022	% of Revenue	2021	% of Revenue
Revenue	250,286	100.0%	175,483	100.0%
Cost of revenue	(101,157)	(40.4%)	(65,843)	(37.5%)
Gross Profit	149,129	59.6%	109,640	62.5%
Operating expenses				
Research and development	(25,645)	(10.2%)	(15,769)	(9.0%)
Selling, general and administrative	(34,504)	(13.8%)	(22,955)	(13.1%)
Total operating expenses	(60,149)	(24.0%)	(38,724)	(22.1%)
Operating profit (EBIT)	88,980	35.6%	70,916	40.4%
Other income, net	(2,205)	(0.9%)	(13)	(0.0%)
Net finance income (expenses)	(96)	(0.0%)	(55)	(0.0%)
Foreign exchange gains	4,611	1.8%	2,998	1.7%
Profit before tax	91,290	36.5%	73,846	42.1%
Income tax expenses	(24,670)	(9.9%)	(11,311)	(6.5%)
Net profit	66,620	26.6%	62,535	35.6%
<i>R&D expense ration on revenue</i>	10.2%		9.0%	

Revenue

Revenue amounted to €250,286 thousand for the six months ended June 30, 2022 and €175,483 thousand for the six months ended June 30, 2021.

The following table provides details of revenue by geographical area, in absolute terms and as a percentage of revenue:

<i>(In Euro thousands and as a percentage)</i>	Six months period ended June 30,			
	2022 (*)	% of Revenue	2021 (*)	% of Revenue

Asia	180,354	72.1%	83,794	47.7%
America	52,361	20.9%	68,353	39.0%
Europe (excluding Italy)	12,296	4.9%	17,725	10.1%
Italy	5,275	2.1%	5,611	3.2%
Revenue	250,286	100.0%	175,483	100.0%

(*) Data processed according to country of invoicing

In both periods under review, revenue originating outside Italy accounted for over 96% of total revenue. As a percentage of revenue, revenue geographical distribution has changed during the two periods under review. In particular, in the six months ended June 30, 2022, the Group originated 72.1% of its revenue in Asia, increasing from 47.7% of revenue originated in Asia in the six months ended June 30, 2021. This increase was mainly attributable to the growth in orders from a major customer in the Asian market, which increased its relevance in the region.

Cost of revenue

Cost of revenue amounted to €101,157 thousand for the six months ended June 30, 2022 and €65,843 thousand for the six months ended June 30, 2021. As a percentage of revenue, cost of revenue is equal to 40.4% for the six months ended June 30, 2022 and to 37.5% for the six months ended June 30, 2021, increasing 2.9 percentage points compared to the previous period. The increase in the cost of sales as a percentage of revenue was mainly attributable to: (i) the increase in the cost of raw materials recorded in the six months ended June 30, 2022 and (ii) the activities of the new production facility in Agrate Brianza (MB), which was rolled out in July 2021 and started producing goods in January 2022.

Research and development

Research and development expenses amounted to €25,645 thousand for the six months ended June 30, 2022 and €15,769 thousand for the six months ended June 30, 2021. As a percentage of revenue, research and development expenses increased from 9.0% for the six months ended June 30, 2021 to 10.2% for the six months ended June 30, 2022. Such increase was mainly attributable to new research projects carried out by the Group in the six months ended June 30, 2022.

Selling, general and administrative

Selling, general and administrative expenses amounted to €34,504 thousand for the six months ended June 30, 2022 and €22,955 thousand for the six months ended June 30, 2021. As a percentage of revenue, selling, general and administrative expenses are equal to 13.1% for the six months ended June 30, 2021 and 13.8% for the six months ended June 30, 2022 substantially unchanged.

In the six months ended June 30, 2022 the Group incurred non-recurring costs amounting to Euro 1.6 million related to the company's Listing process.

In the six months ended June 30, 2021, the Group also incurred non-recurring costs amounting to approximately €0.2 million related to the management of the vaccine hub for the Covid-19 emergency temporarily hosted, since April 2021, in the headquarters of Cernusco Lombardone.

EBITDA ed EBITDA Margin

The following table presents the calculation of EBITDA and the related reconciliation with net profit:

<i>(In Euro thousands and as a percentage)</i>	Six months period ended June 30,	
	2022	2021
Net profit	66,620	62,535
Income tax expense	24,670	11,311
Foreign exchange (gains) losses	(4,611)	(2,998)

Net finance (income) expenses	96	55
Other (income) expenses, net	2,205	13
Depreciation, amortization and impairment ^(*)	17,750	11,023
EBITDA	106,730	81,939
EBITDA margin	42.6%	46.7%

^(*) Depreciation, amortization and impairment do not represent a separate income statement line-item on our consolidated income statement. Depreciation and amortization, as presented in the table above, were determined as the sum of such expenses included in Cost of revenue, Research and development and Selling, general and administrative.

EBITDA amounted to €106,730 thousand and €81,939 thousand, for the six months ended June 30, 2022 and 2021, respectively. As a percentage of revenue (*EBITDA Margin*), EBITDA decreased from 46.7% for the six months ended June 30, 2021 to 42.6% for the six months ended June 30, 2022. Such decrease was mainly attributable to the above described increase of the cost of revenue, following the above-mentioned increase in the costs of raw materials and the operations of the plant of Agrate Brianza (MB), and research and development expenses, primarily related to new research projects carried out by the Group.

Other income (expenses), net

Other income (expenses), net included expenses amounting to €2,205 thousand and amounting to €13 thousand for the six months ended June 30, 2022 and 2021, respectively. As a percentage of revenue, other income (expenses), net increased from 0.0% for the six months ended June, 30, 2021 to 0.9% for the six months ended June 30, 2022. Such increase was mainly attributable to the provisions for risks and charges, primarily of fiscal nature, made by the Group in the six months ended June 30, 2022.

Net finance income (expenses)

Net finance income (expenses) consisted of net expenses amounting to €96 thousand and €55 thousand for the six months ended June 30, 2022 and 2021, respectively.

Foreign exchange gains (losses)

Foreign exchange gains (losses) consisted of gains for €4,611 thousand and for €2,998 thousand for the six months ended June 30, 2022 and 2021, respectively. As a percentage of revenue, foreign exchange gains (losses) were equal to 1.8% and 1.7% for the six months ended June 30, 2022 and 2021, remaining substantially unchanged.

Income tax expense

Income tax expense amounted to €24,670 thousand and €11,311 thousand for the six months ended June 30, 2022 and 2021, respectively.

As a percentage of revenue, income tax expense increased from 6.5% for the six months ended June 30, 2021 to 9.9% for the six months ended June 30, 2022. Such decrease is primarily attributable to: (i) the recognition for the six months ended June 30, 2022 of deferred tax assets, amounting to €7.9 million, in connection with the higher tax values relating to assets in Italy subject to revaluation pursuant to article 110 of Legislative Decree no. 104/2020 and (ii) the increase in the Group's profit before tax for the six months ended June 30, 2022 compared to the previous year.

Net profit

As a result of the above, net profit amounted to €66,620 thousand and €62,535 thousand for the six months ended June 30, 2022 and 2021, respectively.

7.2 GROUP'S FINANCIAL POSITION

The following table provides a reclassification of the statement of financial position for a better understanding of the Group's financial position:

<i>(In Euro thousands)</i>	As of June 30, 2022	As of December 31, 2021 ^(**)
Investments		
Net fixed capital ^(*)	213,354	186,801
Net working capital ^(*)	132,247	124,635
Net invested capital ^(*)	345,601	311,436
Sources of financing		
Shareholders' equity	661,509	446,283
Net financial position (surplus) ^(*)	(315,908)	(134,847)
Total of sources of financing ^(*)	345,601	311,436

^(*) The item is not considered to be accounting measures under EU IFRS and, therefore, should not be considered as an alternative measure to those provided by the Group's Financial Statements for the assessment of the Group's economic performance.

^(**) Restated for comparative purposes.

Net fixed capital

The following table provides a breakdown of net fixed assets:

<i>(In Euro thousands)</i>	As of June 30, 2022	As of December 31, 2021
Property, plant and equipment	190,726	169,198
Intangible assets	7,860	6,673
Goodwill	10,625	9,757
Deferred tax assets	17,548	13,604
Non-current financial assets	959	835
Other non-current assets	1,367	1,383
Deferred tax liabilities	(511)	(335)
Employee benefit obligations	(272)	(2,665)
Provision for risks and charges	(14,925)	(11,625)
Other non-current liabilities	(23)	(24)
Net fixed capital	213,354	186,801

Net fixed capital increased by €26,553 thousand, or 14.2%, from €186,801 thousand as of December 31, 2021 to €213,354 thousand as of June 30, 2022. Such increase was mainly attributable to the:

- (i) increase in property, plant and equipment from €169,198 thousand as of December 31, 2021 to €190,726 thousand as of June 30, 2022, mainly due to the investments described below;
- (ii) increase in deferred tax assets from €13,604 thousand as of December 31, 2021 to €17,548 thousand as of June 30, 2022, mainly attributable to the recognition of deferred tax assets for the six months ended June 30, 2022; and
- (iii) decrease in the personnel provisions from Euro 2,665 thousand as of 31 December 2021 to Euro 272 thousand as of June 30, 2022, mainly due to the reclassification of the termination indemnity among other current liabilities following the termination of the previous Board of Directors at the conclusion of the Listing process; partially offset by the
- (iv) increase in the provision for risks and charges from €11,625 thousand as of December 31, 2021 to €14,925 thousand as of June 30, 2022, primarily due to the adjustment of provisions for risks and charges in connection with risks of a mainly tax-related nature. As part of its core business, the Group carries out numerous transactions with foreign counterparties. The complexity of these transactions entails the risk that the competent tax authorities may provide for a treatment of these transactions that differs from that applied by the Group.

Net working capital

The following tables provides a breakdown of net working capital:

<i>(In Euro thousands)</i>	As of June 30, 2022	As of December 31, 2021^(**)
Inventories	96,422	71,901
Trade receivables	110,296	102,848
Current tax receivables	-	1,898
Other current assets	18,657	12,365
Trade payables	(42,640)	(32,782)
Contract liabilities	-	(8)
Current tax payables	(11,939)	(1,130)
Other current liabilities	(37,346)	(30,321)
Derivative financial instruments ^(*)	(1,203)	(136)
Net working capital	132,247	124,635

^(*) This value includes the net value between the positive and negative fair value of derivative financial instruments, which are recorded under current financial assets and current financial liabilities, respectively.

^(**) Restated for comparative purposes.

Net working capital increased by €7,612 thousand, or 6.1%, from €124,635 thousand as of December 31, 2021 to €132,247 thousand as of June 30, 2022. Such increase was mainly attributable to the increase in inventories, trade receivables and other current assets, partially offset by the increase in trade payables, current tax payables and other current liabilities.

For further information in connection with the change in net working capital, please refer to section '7.3 - Group Cash Flows'.

Shareholders' equity

Shareholders' equity increased from €446,283 thousand as of December 31, 2021 to €661,509 thousand as of June 30, 2022. The increase recorded was mainly due to the Group's result for the six months ended June 30, 2022 and the increase in capital and share premium reserve recognised as a result of the Listing.

Main indicators of financial position

The following indicators are calculated on the basis of the above presented reclassification:

Financial indicators	Twelve months ended June 30, 2022	Twelve months ended December 31, 2021
R.O.E. (Return On Equity) ^(*)	18.7%	26.7%
R.O.I. (Return On Investment) ^(*)	21.6%	27.9%
R.O.S. (Return On Sales) ^(*)	36.0%	38.3%

^(*) The item is not considered to be accounting measures under EU IFRS and, therefore, should not be considered as an alternative measure to those provided by the Group's Financial Statements for the assessment of the Group's economic performance.

In determining the ROE and ROI shown above, the income statement figures for the six months ended June 30, 2022 relate to the twelve-month period ended June 30, 2022.

ROE, calculated as ratio between net profit to total equity (including net profit for the period), summarizes the profitability and remuneration of the Group's equity.

ROI, calculated as ratio between operating profit and total assets, represents the core business profitability of invested capital, excluding the effects of financial management, extraordinary items and the tax charge.

ROS, calculated as ratio between operating profit and revenue, is used to analyze the Group's operations and shows the impact of the various production factors on revenue.

The slight decrease in the above indicators, despite the improvement in the financial results for the 12-month period ended June 30, 2022 compared to the year ended December 31, 2021, is influenced by the aforementioned increases in fixed assets and net working capital, which also resulted from the Listing during the 12-month period ended June 30, 2022.

Financial position indicators	As of June 30, 2022	As of December 31, 2021
Fixed assets coverage ratio ^(*)	2.89	2.22
Shareholders' equity / Invested Capital ^(*)	0.85	0.83
Indebtedness ratio ^(*)	0.15	0.17

^(*) The item is not considered to be accounting measures under EU IFRS and, therefore, should not be considered as an alternative measure to those provided by the Group's Financial Statements for the assessment of the Group's economic performance.

Fixed asset coverage ratio, which represents the ratio between total equity (including net profit for the period) and total fixed assets, shows that fixed assets are fully financed by equity, thus demonstrating the existence of a solid structural balance.

Shareholders' equity to invested capital ratio is the ratio of total equity to total assets and highlights the weight of capital contributed by shareholders in relation to the sources used to fund the statement of financial position assets.

Indebtedness ratio between capital raised from third parties (total liabilities) and total assets expresses the percentage of debt which, for various reasons, the Group has contracted in order to raise the funds necessary to satisfy the items presented in total assets in the statement of financial position.

Liquidity ratios	As of June 30, 2022	As of December 31, 2021
Liquidity ratio (Acid test) ^(*)	4.75	3.72
Current ratio ^(*)	5.77	4.74

^(*) The item is not considered to be accounting measures under EU IFRS and, therefore, should not be considered as an alternative measure to those provided by the Group's Financial Statements for the assessment of the Group's economic performance.

Liquidity ratio is the ratio of current assets net of inventories to current liabilities and expresses the company's ability to carry out its operations under conditions of adequate liquidity.

Current ratio is the ratio between current assets and current liabilities and represents the company's ability to meet future outflows deriving from the settlement of current liabilities with cash and cash equivalents and with future inflows deriving from the collection of current assets.

Net financial position

Group's net financial position prepared in accordance with the ESMA 32-382-1138 Recommendation of March 4, 2021 is presented below:

(In Euro thousands)	As of June 30, 2022	As of December 31, 2021 ^(**)
A. Cash	323,484	146,754
B. Cash equivalents	-	-
C. Other current financial assets	40	42
D. Liquidity (A + B + C)	323,524	146,796
E. Current financial debt	-	(4,420)
F. Current portion of non-current financial debt ^(*)	(2,013)	(2,013)
G. Current financial indebtedness (E + F)	(2,013)	(6,433)
H. Net current financial indebtedness (G + D)	321,511	140,363
I. Non-current financial debt ^(*)	(5,603)	(5,516)
J. Debt instruments	-	-
K. Non-current trade and other payables	-	-
L. Non-current financial indebtedness (I + J + K)	(5,603)	(5,516)
M. Net financial position (H + L)	315,908	134,847

^(*) As of June 30, 2022, €7,616 thousand refers to the current and non-current financial liability recorded following the adoption of IFRS 16 of which €2,013 thousand current and €5,603 thousand non-current (€7,529 thousand as of December 31, 2021, of which €2,013 thousand current and €5,516 thousand non-current).

^(**) Restated for comparative purposes.

Net financial position increased by €181,061 thousand, from €134,847 thousand as of December 31, 2021 to €315,908 thousand as of June 30, 2022. Such increase was mainly attributable to the followings:

- cash provided by operating activities, amounting to €76,282 thousand;
- cash used in investing activities, amounting to €37,770 thousand; and
- capital increase, including share premium, amounting to €139,366 thousand.

7.3 GROUP'S CASH FLOWS

The following table provides a breakdown of the cash flow statement for the six months ended June 30, 2022 and 2021:

<i>(In Euro thousands)</i>	Six months period ended	
	June 30,	
	2022	2021
Cash flow provided by operating activities	76,282	52,554
Cash flow used in investing activities	(37,770)	(36,126)
Cash flow provided by (used in) financing activities	133,862	(30,795)
Foreign exchange differences from translation of cash and cash equivalents	4,356	1,892
Increase (Decrease) in cash and cash equivalents	176,730	(12,475)
Cash and cash equivalents at the beginning of the year	146,754	158,296
Cash and cash equivalents at the end of the year	323,484	145,821

Cash flow provided by operating activities

Net cash flow provided by operating activities amounted to €76,282 thousand for the six months ended June, 30 2022. Such cash flow was generated by the followings:

- cash generated from operating activities before changes in net working capital, amounting to €118,183 thousand, in line with the EBITDA, taking into account impairment of non-current assets and provisions for risks; and
- cash absorbed by net working capital amounting to €41,901 thousand, mainly due to the increase in inventories and trade receivables compared to December 31, 2021 following the growth in Group's revenue, and taxes paid in the six months ended June 30, 2022, partially offset by the increase in trade payables.

The net cash flow generated from operating activities amounted to €52,554 thousand for the six months ended June 30, 2021. This cash flow was generated by the followings:

- cash generated from operating activities before changes in net working capital, amounting to €86,465 thousand, in line with the EBITDA; and
- cash absorbed by net working capital amounting to €33,911 thousand, mainly due to the increase in inventories, decrease in trade payables and taxes paid in the six months ended June 30, 2022.

Cash flow used in investing activities

Net cash flow from investing activities amounted to €37,770 thousand for the six months ended June, 30 2022 and €36,126 thousand for the six months ended June 30, 2021.

Net cash flow used in investing activities amounted to €37,770 thousand for the six months ended June 30, 2022, was mainly attributable to:

- investments in property, plant and equipment, equal to €36,800 thousand, mainly due to the strengthening, reinforcement, modernization and update of the production lines in order to meet the increasing demand of the reference market, both in Italy and abroad, as well as research and development projects still in progress;
- investments in intangible assets equal to €1,177 thousand, mainly attributable to the purchase of software.

Net cash flow used in investing activities amounted to €36,126 thousand for the six months ended June 30, 2021, was mainly attributable to:

- investments in property, plant and equipment, equal to €36,480 thousand, mainly due to the strengthening, reinforcement, modernization and update of the production lines in order to meet the increasing demand of the reference market, mainly through the construction of a new production plant close to our headquarter in Cernusco Lombardone (Lecco); and to (ii) costs incurred for the construction of a new production plant of approximately 3,000 square meters located in Agrate Brianza (Monza and Brianza).
- investments in intangible assets equal to €83 thousand, mainly attributable to purchase of software.

Cash flow from financing activities

The cash flow generated by financing activities in the six months ended June 30, 2022 amounted to €133,862 thousand and was mainly attributable to the net effect of: (i) the repayment of the loan granted by T-PLUS and (ii) the capital increase, including share premium, carried out in connection with the Listing.

Cash flow used in financing activities amounted to €30,795 thousand for the six months ended June 30, 2022 and it was mainly attributable to attributable to the repayment of the loan for advances on invoices granted by Intesa San Paolo in the year ended December 31, 2020.

8 MANAGEMENT OF THE RISKS TO WHICH THE GROUP IS EXPOSED

Operating risks

The trend of recent years towards market consolidation is confirmed, with smaller companies struggling more and more due to their inability to raise the necessary financial resources to keep up with technological development and renewal. The effects on the semiconductor market could be negative if, as a result of duties or import blocks, there is a slowdown in global demand for electronic devices.

However, the partnership established with the leading manufacturers in the market allows the Technoprobe Group to have a privileged perspective of the technological trends, thus allowing it to correctly address the investments in R&D.

Financial risks

The main financial risks identified, monitored and, to the extent specified below, actively managed by the Group, are as follows:

- market risk, deriving from fluctuations in exchange rates between the euro and the other currencies in which the Group operates, especially the US dollar;
- credit risk, deriving from the possibility of counterparty default;
- liquidity risk, deriving from a lack of financial resources to meet financial commitments.

The Group's aim is to maintain balanced management of its financial exposure over time, ensuring that its liabilities are in balance with the composition of its assets and providing the necessary operational flexibility through the use of the liquidity generated by current operations and bank loans.

The ability to generate liquidity from the core business, together with the indebtedness capacity, allows the Group to adequately satisfy its operating needs, financing operating working capital and investments, as well as compliance with its financial obligations.

The Group's financial policy and the management of related financial risks are centrally directed and monitored. Moreover, credit risk is at present considered negligible for the Group, given the size and creditworthiness of its main customers. In the six months ended June 30, 2022, the Group has a limited credit and liquidity risk.

9 OUTLOOK AND SIGNIFICANT EVENTS AFTER JUNE 30, 2022

Foreseeable evolution of operation

The general market context, significantly influenced by the consequences of international geopolitical tensions and to a lesser extent by the effects induced by the Covid-19 pandemic, continues to maintain high certain factors of uncertainty and critical issues concerning the generalized increase in the prices of the main raw materials and their availability, transport logistics and procurement.

Taking into account the factors presented above, the backlogs, assuming an unchanged pandemic situation and considering the performance of the first half of 2022, the Company confirms the growth trend also in the second half of the year.

On August 31, 2022, the Company announced that Mr. Stefano Beretta has been appointed as Chief Financial Officer and will take over starting from October 1, 2022, replacing Mr. Andrea Tornaghi.

The employment relationship with Dr. Tornaghi will end on September 30, 2022.

In September 2022, the design center in Catania was started up. For more information, please refer to the section 'New Production Facilities'.

10 GROUP STRATEGY AND FUTURE ORGANIZATIONAL MODEL

The strategy of concentrating the entire know-how in Italy and the realization of the parts with high technological content in the plants of Cernusco Lombardone is confirmed, strengthened by the opening of the already mentioned plant in Agrate Brianza, and by the acquisition of the site in Osnago, on operation from April 2022. The "engineering support" departments are present in the foreign plants in order to provide assistance to customers during the installation and customization of products manufactured in Italy. Furthermore, during the second half of 2022, the Group opened a new design center in Catania.

11 RELATIONSHIPS WITH SUBSIDIARIES, ASSOCIATES AND PARENT COMPANIES

In the note 10 of the notes to the Interim Condensed Consolidated Financial Statements provides a summary of transactions with related parties.

12 PERSONNEL

During the period there were no deaths at work or serious accidents involving serious or very serious injuries to staff. Also during the period there were no charges relating to occupational illnesses affecting employees or former employees, or cases of mobbing for which the company has been declared definitively liable.

13 ENVIRONMENT

During the period, the Company has not received any definitive sanctions or penalties for environmental crimes or damage, and there are no legal proceedings pending in this regard.

14 MANAGEMENT AND COORDINATION

At the date of this report, the Company is not subject to management and coordination activities by T-Plus, pursuant to art. 2497 et seq. of the Italian Civil Code. The Company believes, in fact, that none of

the activities typically entailing management and coordination pursuant to Article 2497 et seq. of the Italian Civil Code exist.

15 RESEARCH AND DEVELOPMENT

Our research and development is focused on the needs of individual customers in order to (i) understand the specific technological requirements of each project, (ii) develop innovative solutions and (iii) anticipate technological trends in the market.

In particular, we have teams dedicated to: (i) the development of Probe Cards; (ii) the robotic component and machinery for the production of Probe Cards; and (iii) the artificial intelligence aspects (with the aim of developing projects and solutions capable of making the production process more efficient and effective).

With respect to the robotics and the machinery component of our products, the teams dedicated to the software and the design phase work simultaneously for the development of machines and other equipment used in the Probe Card production process (e.g., lasers, automatic assembly machines and probe card analyzers).

Furthermore, during the second half of 2022 we intend to open a new design center in Catania, Italy.

16 OTHER INFORMATION

The Company does not hold shares or quotas of parent companies, either directly or indirectly, nor shares or quotas of parent companies purchased or sold by the Company during the period, either directly or indirectly.

17 PRIVACY

The Privacy Document, "Privacy Document - Data Protection Impact Assessment 2019" updated on 22.02.2019 has been prepared pursuant to GDPR 2016/679, Legislative Decree 196/2003 and Legislative Decree 101/2018 taking into account the provisions of the "Italian Privacy Guarantor".

18 QUALITY MANAGEMENT SYSTEM

The quality certification has been conferred by IMQ S.p.A., based in Milan, via Quintiliano 43, in relation to all our products.

Thanking you for the trust you have placed in us, we remain at your complete disposal to integrate, during the meeting, this information with any further information you may require.

Cernusco Lombardone, September 27, 2022

On behalf of the Board of Directors

The Chairman

Crippa Cristiano Alessandro



Technoprobe S.p.A.

**Interim Condensed Consolidated Financial
Statements
as of June 30, 2022**

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Interim Condensed Consolidated Statement of Financial Position

<i>(In Euro thousands)</i>	Notes	As of June 30, 2022	As of December 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	7.1	190,726	169,198
Intangible assets	7.2	7,860	6,673
Goodwill	7.2	10,625	9,757
Deferred tax assets		17,548	13,604
Non-current financial assets		959	835
Other non-current assets		1,367	1,383
Total non-current assets		229,085	201,450
Current assets			
Inventories	7.3	96,422	71,901
Trade receivables	7.4	110,296	102,848
Current financial assets		63	132
Current tax receivables		-	1,898
Other current assets	7.5	18,657	12,365
Cash and cash equivalents	7.6	323,484	146,754
Total current assets		548,922	335,898
Total Assets		778,007	537,348
EQUITY AND LIABILITIES			
Equity			
Share capital	7.7	6,010	5,760
Reserves		586,972	319,669
Net profit attributable to the owners of the Parent		65,656	118,321
Total shareholders' equity attributable to the owners of the Parent		658,638	443,750
Equity attributable to non-controlling interests		2,871	2,533
Total equity		661,509	446,283
Non-current liabilities			
Non-current lease liabilities		5,603	5,516
Deferred tax liabilities		511	335
Employee benefits obligations		272	2,665
Provision for risks and charges	7.9	14,925	11,625
Other non-current liabilities		23	24
Total non-current liabilities		21,334	20,165
Current liabilities			
Trade payables		42,640	32,782
Contract liabilities		-	8
Current financial liabilities	7.8	1,226	4,646
Current lease liabilities		2,013	2,013
Current tax payables		11,939	1,130
Other current liabilities	7.10	37,346	30,321
Total current liabilities		95,164	70,900
Total liabilities		116,498	91,065
Total equity and liabilities		778,007	537,348

Interim Condensed Consolidated Income Statement

<i>(In Euro thousands)</i>	Notes	Six months ended June 30,	
		2022	2021
Revenue	8.1	250,286	175,483
Cost of revenue	8.2	(101,157)	(65,843)
Gross profit		149,129	109,640
Operating expenses			
Research and development	8.3	(25,645)	(15,769)
Selling, general and administrative	8.4	(34,504)	(22,955)
Total operating expenses		(60,149)	(38,724)
Operating profit		88,980	70,916
Other income, net		(2,205)	(13)
Net finance income (expenses)	8.5	(96)	(55)
Foreign exchange gains (losses)	8.6	4,611	2,998
Profit before tax		91,290	73,846
Income tax expense	8.7	(24,670)	(11,311)
Net profit		66,620	62,535
Of which:			
<i>attributable to the owners of the Parent</i>		65,656	62,226
<i>attributable to non-controlling interests</i>		964	309
<i>Basic and diluted earnings per share (in Euro)</i>	8.8	0.11	0.11

Interim Condensed Consolidated Statement of Comprehensive Income

<i>(In Euro thousands)</i>	Notes	Six months ended June	
		2022	2021
Net profit		66,620	62,535
<i>Other comprehensive income that may be reclassified to profit or loss in subsequent periods:</i>			
Exchange differences from translation of foreign financial statements	7.7	9,291	2,430
Total other comprehensive income net of tax		9,291	2,430
Total comprehensive profit		75,911	64,965
Of which:			
<i>attributable to the owners of the Parent</i>		74,738	64,576
<i>attributable to non-controlling interests</i>		1,173	389

Interim Condensed Consolidated Statement of Changes in Equity

(In Euro thousands)

	Share capital	Reserves				Net profit attributable to the owners of the Parent	Total shareholders' equity attributable to the owners of the Parent	Equity attributable to non-controlling interests	Total equity
		Legal reserve	Other reserves	Translation reserve	Retained earnings				
As of January 1, 2022	5,760	1,152	31,104	3,272	284,141	118,321	443,750	2,533	446,283
Net profit	-	-	-	-	-	65,656	65,656	964	66,620
Total other comprehensive income	-	-	-	9,082	-	-	9,082	209	9,291
Total comprehensive profit	-	-	-	9,082	-	65,656	74,738	1,173	75,911
Allocation of prior year profit	-	-	-	-	118,321	(118,321)	-	-	-
Capital increased	250	-	139,116	-	-	-	139,366	-	139,366
Other movements	-	-	784	-	-	-	784	(835)	(51)
As of June 30, 2022	6,010	1,152	171,004	12,354	402,462	65,656	658,638	2,871	661,509

(In Euro thousands)

	Share capital	Reserves				Net profit attributable to the owners of the Parent	Total shareholders' equity attributable to the owners of the Parent	Equity attributable to non-controlling interests	Total equity
		Legal reserve	Other reserves	Translation reserve	Retained earnings				
As of January 1, 2021	5,760	1,000	30,908	(3,818)	191,582	96,607	322,039	2,185	324,224
Net profit	-	-	-	-	-	62,226	62,226	309	62,535
Total other comprehensive income	-	-	-	2,350	-	-	2,350	80	2,430
Total comprehensive profit	-	-	-	2,350	-	62,226	64,576	389	64,965
Allocation of prior year profit	-	152	196	-	96,259	(96,607)	-	-	-
As of June 30, 2021	5,760	1,152	31,104	(1,468)	287,841	62,226	386,615	2,574	389,189

Interim Condensed Consolidated Statement of Cash Flows

<i>(In Euro thousands)</i>	Notes	Six months ended June 30,	
		2022	2021
Profit before tax		91,290	73,846
- Adjustments for:			
Amortization, depreciation and impairment	8.2 - 8.3 -8.4	17,750	11,023
(Gains) losses on disposals		(46)	(6)
Net Finance (income) expenses	8.5	96	55
Other non-cash adjustments		9,093	1,547
Cash flow generated by operating activities before changes in net working capital		118,183	86,465
Change in inventories	7.3	(27,572)	(21,481)
Change in trade receivables	7.4	(6,866)	1,212
Change in trade payables		10,435	(4,721)
Changes in other assets/ liabilities	7.5 - 7.10	(1,072)	(950)
Uses of provisions for risks and charges and employee benefits obligations		(1,215)	(861)
Income taxes paid	8.7	(15,611)	(7,110)
Net cash flow provided by operating activities		76,282	52,554
Investments in property, plant and equipment (excluding right of use assets)	7.1	(36,800)	(36,480)
Investments in intangible assets	7.2	(1,177)	(83)
Disposal of property, plant and equipment	7.1	175	406
Net investments in financial assets		(55)	11
Finance income received		87	20
Net cash flow used in investing activities		(37,770)	(36,126)
Financial liabilities reimbursement	7.8	(4,420)	(30,005)
Lease liabilities reimbursement		(901)	(715)
Finance expenses paid	8.5	(183)	(75)
Capital increase	7.7	139,366	-
Net cash flow provided by / (used in) financing activities		133,862	(30,795)
Total cash flow provided / (used) during the period		172,374	(14,367)
Cash and cash equivalents at the beginning of the period	7.6	146,754	158,296
Total changes in cash and cash equivalents		172,374	(14,367)
Exchange differences from translation of cash and cash equivalents		4,356	1,892
Cash and cash equivalents at the end of the period	7.6	323,484	145,821

Notes to the Interim Condensed Consolidated Financial Statements as of June 30, 2022

1. Objective

1.1 General Information

Technoprobe S.p.A. (hereafter “**Technoprobe**”, the “**Company**” or the “**Parent**” and, together with its subsidiaries, the “**Technoprobe Group**” or the “**Group**”) is a company incorporated and domiciled in Italy, with its registered offices in Cernusco Lombardone (LC), Via Cavalieri di Vittorio Veneto, 2, organized under Italian law.

The Technoprobe Group operates in the production of electronic circuits, mechanical interfaces for electrical contacting of hybrid circuits and semiconductor devices and it is specialized in the design, development and production of probe cards used for testing the functioning of chips.

2. Summary of accounting policies and criteria used in preparing the Interim Condensed Consolidated Financial Statements

2.1 Statement of compliance with International Financial Reporting Standards

The interim condensed consolidated financial statements as of and for the six months ended June 30, 2022 (hereinafter the “**Interim Condensed Consolidated Financial Statements**”) have been prepared in compliance with the International Financial Reporting Standards as adopted by the European Union and effective on June 30, 2022 (“IFRS”). IFRS means all “International Financial Reporting Standards”, all “International Accounting Standards” (“IAS”) and all interpretation documents of the “International Financial Reporting Interpretations Committee” (“IFRIC”), formerly the “Standing Interpretations Committee” (“SIC”). In particular, the Interim Condensed Consolidated Financial Statements have been prepared in accordance with IAS 34, concerning interim reporting.

IAS 34 permits the preparation of financial statements in 'condensed' form, i.e. on the basis of a significantly lower level of disclosure compared to the information required for annual financial statements under IFRS, where a complete set of financial statements prepared in accordance with IFRS has been previously made available to the public. The Interim Condensed Consolidated Financial Statements therefore do not include all the information required for annual financial statements.

The Interim Condensed Consolidated Financial Statements were approved by the Company’s Board of Directors on September 27, 2022 and have been subject to limited review by PricewaterhouseCoopers S.p.A. (hereinafter “**PwC**”).

It should be noted that the comparative information for the six months ended June 30, 2021 are unaudited and have not been subject to limited review by PwC.

2.2 Principles for the preparation of the Interim Condensed Consolidated Financial Statements

The Interim Condensed Consolidated Financial Statements comprise the statements required by the accounting standard IAS 1, i.e. an interim condensed consolidated statement of financial position, an interim condensed consolidated income statement, an interim condensed consolidated statement of comprehensive income, an interim condensed consolidated statement of changes in equity and an interim condensed consolidated statement of cash flows, and the related explanatory notes.

The Group has elected to present the interim condensed consolidated income statement by classifying costs by destination, while assets and liabilities presented in the interim condensed consolidated statement of financial position are classified separately as either current or non-current. The interim condensed consolidated statement of cash flow is prepared using the indirect method. The statements used are those that best represent the Group's economic and financial situation.

An asset is classified as current when:

- it is expected to be realized, or it is intended for sale or consumption, in the normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realized within twelve months from the end of the reporting period; or
- it is cash or a cash equivalent (unless it is restricted from being exchanged or used to settle a liability for at least twelve months from the end of the reporting period).

All other assets are classified as non-current. Specifically, IAS 1 uses the term “non-current” to include: property plant and equipment, intangible assets and financial assets of a long-term nature.

A liability is classified as current when:

- it is expected to be settled in the normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within twelve months from the end of the reporting period;
- there is no unconditional right to defer the settlement of the liability for at least twelve months from the end of the reporting period. Terms of the liability that could, at the option of the counterparty, result in its settlement by issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

The operating cycle is the time that elapses between the acquisition of goods for the production process and their realization in cash or cash equivalents. When the normal operating cycle is not clearly identifiable, its duration is assumed to be twelve months.

The Interim Condensed Consolidated Financial Statements have been prepared in Euro, the Company’s functional currency. Unless otherwise stated, all financial amounts, explanatory notes and tables are presented in thousands of Euro.

The Interim Condensed Consolidated Financial Statements have been prepared:

- on a going concern basis;
- using the accrual basis of accounting, respecting the principle of materiality and significance, ensuring the prevalence of substance over form and with a view to facilitating consistency with future financial statements. Neither assets and liabilities nor income and expenses are offset, unless required or allowed by IFRS;
- on a historical cost basis, except for financial assets and liabilities required to be measured at fair value.

2.3 Criteria and basis of consolidation

The Interim Condensed Consolidated Financial Statements include the balance sheet, income statement and financial position of the Company and its subsidiaries, prepared on the basis of the relevant financial statements, where applicable, appropriately adjusted to comply with IFRS.

The following table provides the list of companies included in the scope of consolidation as of June 30, 2022 together with details of the country, the functional currency, the share capital, the percentage of ownership held directly or indirectly by the Company and the method of consolidation.

Company name	Country	Functional Currency	Share capital (in units of functional currency)	Percentage of ownership held by the Parent		Method of consolidation
				Direct	Indirect	
PARENT						
Technoprobe S.p.A.	Italy	EUR	6,010,000			
SUBSIDIARIES						
Technoprobe France S.a.s.	France	EUR	500,000	100%	-	Integral
Technoprobe Wuxi	China	RMB	24,515,750	100%	-	Integral
Technoprobe Asia Pte Ltd	Singapore	USD	60	85%	-	Integral
Technoprobe Korea	South Korea	KRW	2,000,010,000	100%	-	Integral
Technoprobe Japan	Japan	JPY	22,500,000	100%	-	Integral
Technoprobe America Inc	USA	USD	1,250,000	100%	-	Integral
Microfabrica	USA	USD	10,000,000	100%	-	Integral
Technoprobe Taiwan	Taiwan	TWD	46,500,000	100%	-	Integral
Technoprobe Germany	Germany	EUR	300,000	100%	-	Integral
GeniusPack Holding SA	Switzerland	USD	247,549	100%	-	Integral
Yee Wei	Taiwan	TWD	79,250,000	-	85%	Integral

All of the companies included within the scope of consolidation are consolidated on a line by line basis. During the six months ended June 30, 2022, no changes in the scope of consolidation occurred in respect with December 31, 2021.

The following table provides the exchange rates used for the translation of the financial statements of Group companies expressed in currencies other than Euro for the periods indicated.

Currency	As of June 30, 2022	Six months ended June 30, 2022	As of December 31, 2021	Six months ended June 30, 2021	As of June 30, 2021
Philippine Peso	57.15	57.00	57.76	58.16	58.06
U.S. Dollar	1.04	1.09	1.13	1.21	1.19
Japanese Yen	141.54	134.30	130.38	129.81	131.43
Korean Won	1,351.60	1,347.83	1,346.38	1,347.36	1,341.41
Chinese Renminbi	6.96	7.08	7.19	7.80	7.67
New Taiwan Dollar	30.88	31.38	31.37	33.78	33.16

For further information in connection with the criteria adopted to define subsidiaries, the consolidation methods and the translation of the financial information expressed in currencies other than Euro, refer to the consolidated financial statements as of December 31, 2021.

2.4 Accounting policies and measurement criteria

The accounting standards adopted in the Interim Condensed Consolidated Financial Statements are the same as those used for the preparation of the consolidated financial statements as of December 31, 2021, to which reference should be made for further details, with the exception of the following:

- accounting standards, or amendments to existing accounting standards, effective from January 1, 2022 (see note 3 for further details), and
- income taxes, recognized on the basis of the best estimate of the expected weighted average tax rate for the full year, in line with IAS 34.

3. Recently issued accounting standards

Accounting standards not yet applicable as not yet endorsed by the European Union (EU)

At the date of approval of the Interim Condensed Consolidated Financial Statements, the following standards and amendments had not yet been endorsed by the EU:

Accounting standard/amendment	Endorsed by the EU	Effective date
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<i>Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current</i>	NO	January 1, 2023
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It should be noted that the adoption of the above-mentioned amendment, based on the information available to date, will not have any impact on the consolidated financial statements of the Group.

Accounting standards, amendments and interpretations endorsed by the EU but not yet adopted by the Group

At the date of approval of this Interim Condensed Consolidated Financial Statement, the following standards and amendments had been endorsed by the EU, but not yet adopted by the Group.

Accounting standard/amendment	Endorsed by the EU	Effective date
<i>Amendments to (IFRS 17 Insurance contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information)</i>	YES	January 1, 2023
<i>Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	YES	January 1, 2023
<i>Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting Policies</i>	YES	January 1, 2023
<i>Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates</i>	YES	January 1, 2023
<i>IFRS 17 (Insurance Contracts), including amendments to IFRS 17</i>	YES	January 1, 2023

It should be noted that the adoption of the above-mentioned amendments and accounting principles, based on the information available to date, will not have any impact on the consolidated financial statements of the Group.

Accounting standards, amendments and interpretations applied for the first time during the six months ended June, 30 2022.

The following new accounting standards, amendments and interpretations became effective during the six months ended June 30, 2022, the application of which did not have a material impact on the Interim Condensed Consolidated Financial Statements.

- Amendments to: IFRS 3 Business Combinations; IAS 16 Property, Plant and Equipment; IAS 37 Provisions, Contingent Liabilities and Contingent Assets; Annual Improvement Cycle 2018-2020. These amendments are effective from January 1, 2022:

- Amendments to IFRS 3 Business Combinations: the purpose of the amendments is to update the reference in IFRS 3 to the Conceptual Framework in the revised version, without resulting in any changes to the provisions of the standard;
- Amendments to IAS 16 Property, Plant and Equipment: the purpose of the amendments is to not allow the deduction from the cost of property, plant and equipment of the amount received from the sale of goods produced in the test phase of the asset. These revenue and related costs will therefore be recognized in the income statement;
- Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets: the amendment clarifies that when estimating whether a contract is onerous, all costs directly attributable to the contract shall be considered. Accordingly, the assessment of whether a contract is onerous includes not only incremental costs (such as the cost of the material used in the processing), but also all costs that the company cannot avoid because it has entered into the contract (such as, for example, the depreciation of machinery used to fulfill the contract);
- Annual Improvements 2018-2020: amendments were made to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IAS 41 Agriculture and the Illustrative Examples of IFRS 16 Leases.

The adoption of these amendments had no impact on the Interim Condensed Consolidated Financial Statements.

4. Seasonality or cyclicity of interim period operations

The Group's activities do not show any significant seasonal or cyclical variations in overall annual sales.

5. Estimates and assumptions

The preparation of financial statements in conformity with relevant accounting standards and methods in certain cases requires management to make estimates and assumptions based on difficult and subjective judgments, in turn based on past experience and hypotheses considered reasonable and realistic, given the information known at the time.

Such estimates have an effect on the amounts reported in the financial statements, including the interim condensed consolidated statement of financial position, the interim condensed consolidated income statement, the interim condensed consolidated statement of comprehensive income, the interim condensed consolidated statement of changes in equity, the interim condensed consolidated statement of cash flows and the related notes. Actual results may then differ, even significantly, from those reported in the Interim Condensed Consolidated Financial Statements due to changes in the factors considered in determining the estimates, given the uncertainties that characterize the assumptions and conditions on which estimates are based.

The accounting estimates that more than others involve a high degree of subjectivity and judgement on the part of management, and where a change in the conditions underlying the assumptions could have a significant effect on the Group's financial results, are detailed below:

- a) Useful life of property, plant and equipment and intangible assets: useful life is determined when the asset is first recognized in the financial statements. Considerations regarding an asset's useful life are based on historical experience, market conditions and expected future events that may affect them, such as technological changes. An asset's actual useful life may, therefore, differ from its estimated useful life.

- b) *Inventories*: final inventories of products that are obsolete or slow-moving are periodically tested for impairment and written down if their recoverable amount is lower than their carrying amount. The write-downs made are based on assumptions and estimates made by the directors based on their experience and historical results.
- c) *Sales under warranty maintenance rights*: accounting for liabilities for sales under warranty maintenance rights is based on the amount of maintenance that is expected to be provided.
- d) *Sales with right of return*: the accounting of assets for sales with right of return and liabilities for sales with right of return is based on assumptions regarding the quantity of products expected to be returned and the estimated realizable value of these returned products.
- e) *Provision for risks and charges*: identification of the existence of a current (legal or constructive) obligation is in certain cases not a simple matter. Management reviews such matters on a case-by-case basis, together with estimates of the outflow of resources required to satisfy the obligation. When managers believe the likelihood of a liability occurring to be only possible, the relevant risks are disclosed in the note on risks and charges, but no provision is made.

6. Management of financial risks

In terms of business-related risks faced, the main risks identified, monitored and actively managed by the Group as described below, are the following:

- market risk, deriving from fluctuations in exchange rates between the Euro and other currencies in which the Group operates, and in particular USD;
- credit risk, relating to the risk of default on the part of a counterpart;
- liquidity risk, relating to a lack of financial resources to meet financial obligations.

The Group's objective is to maintain a balanced approach in managing its financial exposure by matching assets and liabilities and achieving operational flexibility through the use of liquidity generated by current operating activities and bank loans.

The Group's ability to generate liquidity from operations together with its borrowing capacity enable it to satisfy its operational requirements to fund working capital, invest and meet its financial obligations.

The Group's financial policy and the management of related financial risks are centrally managed and monitored.

The Interim Condensed Financial Statements do not include all the financial risk management disclosures required by IFRS. For a detailed description of such a disclosure, please refer to the consolidated financial statements as of December 31, 2021.

6.1 Capital management

The Group's capital management is aimed at guaranteeing solid credit ratings and adequate capital indicators to support its investment plans, while meeting contractual obligations with lenders.

6.2 Financial assets and liabilities by category and information about fair value

Financial assets and liabilities by category

The following table provides the breakdown, in accordance with IFRS 9, of financial assets by category as of June 30, 2022 and December 31, 2021.

<i>(In Euro thousands)</i>	Carrying amount
----------------------------	------------------------

	As of June 30, 2022	As of December 31, 2021
FINANCIAL ASSETS:		
Financial assets at amortized cost		
Non-current financial assets	836	712
Other non-current assets	1,367	1,383
Trade receivables	110,296	102,848
Other current receivables (*)	63	183
Other current financial assets (**)	40	42
Cash and cash equivalents	323,484	146,754
Financial assets at fair value through other comprehensive income		
Non-current financial assets	123	123
Derivative financial instruments (**)	23	90
TOTAL FINANCIAL ASSETS	436,232	252,135

(*) As of June 30, 2022 and December 31, 2021 other current receivables are included in the line-item other current assets.

(**) As of June 30, 2022 and December 31, 2021 other current financial assets and derivative financial instruments are included in the line-time current financial assets.

<i>(In Euro thousands)</i>	Carrying amount	
	As of June 30, 2022	As of December 31, 2021
FINANCIAL LIABILITIES:		
Financial liabilities at amortized cost		
Non-current lease liabilities	5,603	5,516
Current financial liabilities	-	4,420
Current lease liabilities	2,013	2,013
Trade payables	42,640	32,782
Other current liabilities (*)	23,567	20,388
Financial liabilities at fair value through other comprehensive income:		
Derivative financial instrument(**)	1,226	226
TOTAL FINANCIAL LIABILITIES	75,049	65,345

(*) As of June 30, 2022 and December 31, 2021, other current liabilities include payables due to employees, payables due to social security institutions, payables to directors and other minor liabilities recorded in the line item other current liabilities.

(**) As of June 30, 2022 and December 31, 2021 derivative financial instruments are included in the line-item current financial liabilities.

In view of the nature of current financial assets and liabilities, for most of them the carrying amounts are deemed to be reasonable approximations of their fair value.

Non-current financial assets and liabilities are settled or measured at market rates, consequently, their fair values are deemed to be substantially in line with their carrying amounts.

Information on fair value

For assets and liabilities recognized at fair value in the statement of financial position, IFRS 13 requires such values to be classified in accordance with a hierarchy of levels reflecting the significance of the inputs used in the calculation of fair value. The fair value hierarchy classifies the inputs to valuation techniques used to measure fair value as follows:

- **Level 1:** fair value is calculated with reference to (unadjusted) prices quoted in active markets for identical financial instruments. Accordingly, the emphasis within Level 1 is on determining both of the following: (a) the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market for the asset or liability; and (b) whether the entity can enter into a transaction for the asset or liability at the price in that market at the measurement date.
- **Level 2:** fair value is calculated using valuation techniques based on observable inputs in active markets. Level 2 inputs include the following: (a) quoted prices for similar assets or liabilities in active markets; (b) quoted prices for identical or similar assets or liabilities in markets that are not active; (c) inputs other than quoted prices that are observable for the asset or liability,

for example: interest rates and yield curves observable commonly quoted intervals, implied volatilities and credit spreads; and (d) market-corroborated inputs.

- **Level 3:** fair value is calculated using valuation techniques based on unobservable market inputs.

The following tables provide the breakdown of financial assets and liabilities at fair value, split by fair value hierarchy level, as of June 30, 2022 and December 31, 2021.

<i>(In Euro thousands)</i>	As of June 30, 2022		
	Level 1	Level 2	Level 3
Non-current financial assets	123	-	-
Derivative financial instruments ^(*)	-	23	-
Total assets at fair value	123	23	-
Derivative financial instruments ^(**)	-	1,226	-
Total liabilities at fair value	-	1,226	-

<i>(In Euro thousands)</i>	As of December 31, 2021		
	Level 1	Level 2	Level 3
Non-current financial assets	123	-	-
Derivative financial instruments ^(*)	-	90	-
Total assets at fair value	123	90	-
Derivative financial instruments ^(**)	-	226	-
Total liabilities at fair value	-	226	-

^(*)As of June 30, 2022 and December 31, 2021 derivative financial instruments with a positive fair value are included in the line-item current financial assets.

^(**)As of June 30, 2022 and December 31, 2021 derivative financial instruments with a negative fair value are included in the line-item current financial liabilities.

There were no transfers between fair value hierarchy levels during the periods under review.

7. Notes to the interim condensed consolidated statement of financial position

7.1 Property, plant and equipment

The following table provides the breakdown and movements of property, plant and equipment for the six months ended June 30, 2022.

<i>(In Euro thousands)</i>	Land and buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Right of use assets	Leasehold improvement	Property, plant and equipment in progress and advances	Total
Historical cost as of January 1, 2022	39,826	139,144	13,557	14,345	10,476	1,268	23,374	241,990
Additions	1,253	5,725	2,364	1,290	988	521	25,647	37,788
Disposals	-	(27)	(47)	(124)	(31)	-	-	(229)
Reclassifications	-	17,011	226	1,925	-	611	(19,773)	-
Exchange differences	181	452	653	55	360	108	97	1,906
Historical cost as of June 30, 2022	41,260	162,305	16,753	17,491	11,793	2,508	29,345	281,455
Accumulated depreciation as of January 1, 2022	(4,642)	(53,867)	(5,658)	(5,756)	(2,265)	(604)	-	(72,792)
Depreciation	(1,069)	(12,372)	(1,295)	(1,160)	(1,222)	(192)	-	(17,310)
Disposals	-	11	4	85	-	-	-	100
Reclassifications	(207)	207	-	-	-	-	-	-

Exchange differences	(40)	(203)	(274)	(21)	(138)	(51)	-	(727)
Accumulated depreciation as of June 30, 2022	(5,958)	(66,224)	(7,223)	(6,852)	(3,625)	(847)	-	(90,729)
Net book value as of January 1, 2022	35,184	85,277	7,899	8,589	8,211	664	23,374	169,198
Net book value as of June 30, 2022	35,302	96,081	9,530	10,639	8,168	1,661	29,345	190,726

Property, plant and equipment mainly includes land and buildings and plant and machinery used in the production process. Property, plant and equipment in progress and advances as of June 30, 2022 mainly include plant and machinery used in the production process.

Investments in property, plant and equipment for the six months ended June 30, 2022 amounted to €37,788 thousand, of which €988 thousand related to right of use assets. The investments in property, plant and equipment for the six months ended June 30, 2022 mainly related to reinforcement of the production lines both in Italy and abroad.

For further information in connection with the investments of the Group in the period please refer to the “Directors’ report on operations”.

As of June 30, 2022 there were no indicators of possible impairment with respect to property, plant and equipment.

As of June 30, 2022, there were no property, plant and equipment encumbered by any type of guarantee provided in favor of third parties.

7.2 Intangible assets and goodwill

The following table provides the breakdown and movements of intangible assets including goodwill for the six months ended June 30, 2022.

<i>(In Euro thousands)</i>	Patents and intellectual property rights	Software	Goodwill	Know-how	Other intangible assets	Intangible assets in progress and advances	Total
Historical cost as of June 1, 2022	97	3,723	9,757	6,614	477	252	20,920
Additions	33	894	-	-	-	250	1,177
Reclassification	-	(209)	-	-	-	209	-
Exchange differences	-	29	868	598	-	(58)	1,437
Historical cost as of June 30, 2022	130	4,437	10,625	7,212	477	653	23,534
Accumulated amortization as of January 1, 2022	(88)	(2,792)	-	(1,133)	(477)	-	(4,490)
Amortization	(4)	(208)	-	(228)	-	-	(440)
Exchange differences	-	(3)	-	(116)	-	-	(119)
Accumulated amortization as of June 30, 2022	(92)	(3,003)	-	(1,477)	(477)	-	(5,049)
Net book value as of January 1, 2022	9	931	9,757	5,481	-	252	16,430
Net book value as of June 30, 2022	38	1,434	10,625	5,735	-	653	18,485

Intangible assets with a finite useful life

Software mainly includes software used in the production process.

The know-how was originated as part of the Purchase Price Allocation (PPA) related to the acquisition of Microfabrica occurred in 2019.

Investments in intangible assets for the six months ended June 30, 2022, amounting to €1,177 thousand, were primarily attributable to the purchase of software.

Intangible assets with an indefinite useful life

Goodwill

As of June 30, 2022, goodwill amounted to €10,625 thousand (€9,757 thousand as of December 31, 2021) and mainly refers to goodwill recognized as part of the acquisition of Microfabrica occurred in 2019.

As of June 30, 2022, the Group has not identified any indicators of impairment with regard to intangible assets.

7.3 Inventories

The following table provides the breakdown of inventories as of June 30, 2022 and December 31, 2021.

<i>(In Euro thousands)</i>	As of June 30, 2022	As of December 31, 2021
Raw materials, supplies and consumables	71,739	53,570
Work in progress	28,827	22,378
Finished products and goods	7,413	3,672
Inventories (gross)	107,979	79,620
Provisions for inventory write-downs	(11,557)	(7,719)
Inventories	96,422	71,901

Provisions for inventory write-downs amounted to €3,838 thousand for the six months ended June 30, 2022.

7.4 Trade receivables

The following table provides the breakdown of trade receivables as of June 30, 2022 and December 31, 2021.

<i>(In Euro thousands)</i>	As of June 30, 2022	As of December 31, 2021
Trade receivables	111,221	103,768
Allowance for doubtful receivables	(925)	(920)
Trade receivables	110,296	102,848

The following table provides the breakdown and movement of allowance for doubtful receivables for the six months ended June 30, 2022.

<i>(In Euro thousands)</i>	Allowance for doubtful receivables
As of January 1, 2022	920
Net provision	-
Utilization	-
Exchange differences	5
As of June 30, 2022	925

7.5 Other current assets

The following table provides the breakdown of other current assets as of June 30, 2022 and December 31, 2021.

<i>(In Euro thousands)</i>	As of June 30, 2022	As of December 31, 2021
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Tax receivables	13,956	10,396
Prepaid expenses	3,938	1,759
Prepayments and advance	700	120
Other receivables	63	90
Other current assets	18,657	12,365

Tax receivables are mainly attributable to VAT receivables.

7.6 Cash and cash equivalents

The following table provides the breakdown of cash and cash equivalents as of June 30, 2022 and December 31, 2021.

<i>(In Euro thousands)</i>	As of June 30,		As of December 31,	
	2022		2021	
Bank and postal deposits	323,475		146,748	
Cash and cash on hand	9		6	
Cash and cash equivalents	323,484		146,754	

As of June 30, 2022 and December 31, 2021, bank and postal deposits are not subject to restrictions or limitations and are held at banks and financial institutions primarily located in Italy.

Refer to the interim condensed consolidated statement of cash flows for details of changes in cash and cash equivalents for the six months ended June 30, 2022.

7.7 Total equity

Shareholders' equity was €661,509 thousand as of June 30, 2022 (€446,283 thousand as of December 31, 2021).

The movements affecting shareholders' equity for the six months ended June 30, 2022 relate to: (i) the recognition of a total comprehensive profit for the period of €75,911 thousand and (ii) the capital and reserves increase following the listing of the shares of the Company on Euronext Growth Milan managed by Borsa Italiana S.p.A. (hereinafter the "**Listing**") with listing date February 15, 2022. In connection with the Listing the Company issued n. 25,000,000 shares, offered at an offer price of €5.7 per share. Therefore, the Listing resulted in an equity increase of €139,366 thousand, of which €250 thousand as share capital increase and €139,116 thousand as share premium, net of Listing costs.

Following the Listing, the Company's share capital consists of 6,010,000 ordinary shares with a par value of Euro 0.01, of which 476,000,000 shares are held by T-PLUS and the Crippa family and subject to multiple voting rights.

For further information in connection to the change in equity for the period refer to the interim condensed consolidated statement of changes in equity.

7.8 Current financial liabilities

The following table provides the breakdown of current and non-current financial liabilities as of June 30, 2022 and December 31, 2021.

<i>(In Euro thousands)</i>	As of June 30, 2022		As of December 31, 2021	
	Current portion	Non-current portion	Current portion	Non-current portion
Intesa Sanpaolo loan (EUR)	-	-	149	-
Total bank borrowings	-	-	149	-
T-PLUS loan	-	-	4,271	-
Total related party financial liabilities	-	-	4,271	-
Derivative financial instruments	1,226	-	226	-

Total current and non-current financial liabilities	1,226	-	4,646	-
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Derivative financial instruments

As of June 30, 2022 derivative financial instruments amounted to €1,226 thousand (€226 thousand as of December 31, 2021) and refer to contracts signed to mitigate the exchange rate risk on currency transactions.

T-PLUS loan

On November 26, 2020 T-PLUS entered into a loan agreement with its subsidiary GeniusPack Holding SA, for a notional amount of €4,250 thousand. It should be noted that on November 12, 2021, the Company signed a contract with T-PLUS (the "**Receivables Transfer Agreement**") under which T-PLUS, as assignor, assigned without recourse to Technoprobe, as assignee, the receivable due from Genius Pack Holding SA, as assigned debtor, arising from the loan agreement signed on November 26, 2020. Pursuant to the Receivables Transfer Agreement, T-PLUS therefore assigned without recourse, pursuant to and for the purposes of Article 1260 et seq. of the Italian Civil Code, to Technoprobe, receivables of €4,267 thousand, including interest accrued up to that date, it being understood that the receivables are subject to the terms and conditions of the original loan. The Company undertook to pay the amount of the receivable, plus interest accrued up to the date of repayment, within six months from the signing of the Receivables Transfer Agreement.

The original loan had a term of five years, at the end of which the loan had to be repaid in full. The applicable interest rate was fixed and equal to 0.5%.

It should be noted that on June 29, 2022 the Company paid to T-PLUS the value of the outstanding debt towards T-PLUS, amounting to €4,282 thousand, of which €4,250 thousand represented by its notional amount.

The table below shows for the six months ended June 30, 2022, in accordance with IAS 7, the changes in financial liabilities arising from cash flows generated and/or absorbed by financing activities, as well as arising from non-cash items.

<i>(In Euro thousands)</i>	As of December 31, 2021	Reimbursement	Changes in the fair value of derivative financial instruments	As of June 2022, 30
Current financial liabilities	4,646	(4,420)	1,000	1,226
Total financial liabilities	4,646	(4,420)	1,000	1,226

7.9 Provision for risks and charges

As of June 30, 2022 the Group recorded a provision for risks and charges of €14,925 thousand (€11,625 thousand as of December 31, 2021), primarily due to the adjustment of provisions for risks and charges in connection with risks of a mainly tax-related nature. As part of its core business, the Group carries out numerous transactions with foreign counterparties. The complexity of these transactions entails the risk that the competent tax authorities may provide for a treatment of these transactions that differs from that applied by the Group.

7.10 Other current liabilities

The following table provides the breakdown of other current liabilities as of June 30, 2022 and December 31, 2021.

<i>(In Euro thousands)</i>	As of June 30,	As of December 31,
	2022	2021
Payables due to employees	17,187	12,778
Payables due to social security institutions	4,984	5,149
Accrued expenses	6,583	4,536
Tax payables	5,599	3,853
Payables to directors	-	684
Provision for warranties	144	-
Deferred income	1,453	1,544
Other minor liabilities	1,396	1,777
Other current liabilities	37,346	30,321

Payables due to employees primarily refer to payroll, production bonuses, MBOs and deferred expenses, such as vacation, leave and additional monthly payments.

Payables due to social security institutions primarily refer to liabilities to pension and social security institutions for the payment of contributions.

Tax payables primarily include amounts due to non-income taxes, primarily consisting of tax payables related to sales, other indirect taxes and withholding taxes on employees.

Accrued expenses mainly relate to the provision for commission expenses on sales.

8. Notes to the interim condensed consolidated income statement

8.1 Revenue

The following table provides the breakdown of revenue for the six months ended June 30, 2022 and 2021.

<i>(In Euro thousands)</i>	Six months ended June 30,	
	2022	2021
Revenue from sales	250,286	175,483
Revenue	250,286	175,483

The following table provides the breakdown of revenue by geographical area for the six months ended June 30, 2022 and 2021.

<i>(In Euro thousands)</i>	Six months ended June 30,	
	2022	2021
Asia	180,354	83,794
Europe (excluding Italy)	12,296	17,725
America	52,361	68,353
Italy	5,275	5,611
Revenue	250,286	175,483

(*) Data determined considering the location to which revenue is billed.

Almost all the contracts with customers entered into by the Group do not include variable consideration.

The Group considers that there is no contract containing a significant financial component, i.e. for which the period between the transfer to the customer of the promised good and the related payment exceeds twelve months. Therefore, the Group has not made any adjustment to the consideration received to take into account the time value of money.

For further information in connection with the revenue of the Group for the six months ended June 30, 2022 and 2021, please refer to the “Directors’ report on operations”.

8.2 Cost of revenue

The following table provides the breakdown of cost of revenue for the six months ended June 30, 2022 and 2021.

<i>(In Euro thousands)</i>	Six months ended June 30,	
	2022	2021
Raw materials, supplies, consumables and goods	47,037	27,262
Personnel expenses	33,459	25,098
Depreciation, amortization and impairment	12,918	8,462
External processing and industrial services	1,830	790
Maintenance and repairs	1,911	2,161
Utilities	2,245	1,016
Lease and rental costs	606	525
Other minor costs	1,151	529
Cost of revenue	101,157	65,843

For further information in connection with the costs of the Group for the six months ended June 30, 2022 and 2021, please refer to the “Directors’ report on operations”.

8.3 Research and development

The following table provides the breakdown of research and development for the six months ended June 30, 2022 and 2021.

<i>(In Euro thousands)</i>	Six months ended June 30,	
	2022	2021
Personnel expenses	15,049	9,292
Consultancy and professional services	3,681	3,279
Depreciation, amortization and impairment	3,140	1,058
Raw materials, supplies, consumables and goods	1,950	839
Lease and rental costs	1,086	1,050
Maintenance and repairs	461	181
Other minor costs	278	70
Research and development	25,645	15,769

The Group's research and development activities are aimed at both introducing new products and implementing new production processes. Raw materials, supplies, consumables and goods and lease and rental costs for the six months ended June 30, 2022 and 2021 were related to research and development sites entered into operation during such periods.

For further information in connection with the costs of the Group for the six months ended June 30, 2022 and 2021, please refer to the “Directors’ report on operations”.

8.4 Selling, general and administrative

The following table provides the breakdown of selling, general and administrative for the six months ended June 30, 2022 and 2021.

<i>(In Euro thousands)</i>	Six months ended June 30,	
	2022	2021
Personnel expenses	14,313	9,739
Sales commissions and fees	6,513	2,789
Consultancy and professional services	6,393	4,253
Office costs	448	649
Depreciation, amortization and impairment	1,692	1,503
Transportation costs	837	896
Lease and rental costs	216	359
Maintenance and repairs	352	519
Travel costs	266	80
Utilities	866	658
Other minor costs	2,608	1,510
Selling, general and administrative	34,504	22,955

For further information in connection with the costs of the Group for the six months ended June 30, 2022 and 2021, please refer to the “Directors’ report on operations”.

8.5 Net finance income (expenses)

The following table provides the breakdown of net finance income (expenses) for the six months ended June 30, 2022 and 2021.

<i>(In Euro thousands)</i>	Six months ended June 30,	
	2022	2021
Interest income and other minor income	87	18
Finance income	87	18
Interest costs on discounted employee benefits	-	6
Interests on lease and other minor liabilities	183	67
Finance expenses	183	73
Net finance income (expenses)	(96)	(55)

Interest income mainly relates to cash held in bank accounts and, to a lesser extent, to interest income on other financial assets.

8.6 Foreign exchange gains (losses)

The following table provides the breakdown of foreign exchange gains (losses) for the six months ended June 30, 2022 and 2021.

<i>(In Euro thousands)</i>	Six months ended June 30,	
	2022	2021
Foreign exchange gains	13,287	7,746
Foreign exchange losses	(8,676)	(4,748)
Foreign exchange gains (losses)	4,611	2,998

8.7 Income tax expenses

The following table provides the breakdown of income tax expense for the six months ended June 30, 2022 and 2021.

<i>(In Euro thousands)</i>	Six months ended June 30,	
	2022	2021
Current taxes	28,067	18,226
Prior periods taxes	251	-
Deferred taxes	(3,648)	(6,915)
Income tax expense	24,670	11,311

8.8 Earnings per share

On December 14, 2021, the Shareholders' Meeting approved the split of the existing shares. As a result of such split, the Company's share capital of €5,760,000 is divided into 576,000,000 shares with no par value. Net profit per share was calculated by dividing: (i) the net profit attributable to the owner of the Parent by (ii) the number of ordinary shares, as changed retrospectively following the abovementioned Shareholders' Meeting resolution.

On February 15, 2022, following the Listing, the Company issued n. 25,000,000 shares. For further information in connection with the Company's shares refer to note “7.7 Total Equity”.

The following table sets forth the calculation of net profit per share for the six months ended June 30, 2022 and 2021.

	Six months ended June 30,	
	2022	2021
Net profit attributable to the owners of the Parent (in Euro thousands)	65,656	62,226
Weighted average number of ordinary shares	594,784,530	576,000,000
Basic and diluted net profit per share (in Euro)	0.11	0.11

The shares composing the share capital are ordinary shares and there are no obligations relating to the distribution of privileged dividends or other privileged forms of allocation of results among the shares. Furthermore, there are no existing instruments with a potential diluting effect on the result attributable to the shareholders of the owners of the Parent.

9. Segment information

Segment information has been prepared in accordance with IFRS 8 – “Operating segments” (hereafter “**IFRS 8**”), which requires the presentation of disclosures consistent with how directors take operating decisions.

At the management level, the Group identifies a single strategic vision for its operating activities. In particular, top management reviews the economic results at Group level as a whole, and therefore no operating segments can be identified. Consequently, the Group's business has been represented as a single reportable segment in accordance with IFRS 8.

Revenue by geographical area is presented in Note 8.1 - Revenue.

In accordance with the provisions of IFRS 8, paragraph 34, it should be noted that for the six months ended June 30, 2022, there were three individual customers (two individual customers for the six months ended June 30, 2021) that individually generated more than 10% of the Group's total revenue.

The following table provides the detail of the revenue relating to customers that individually generated more than 10% of the Group's total revenue for the six months ended June 30, 2022.

<i>(In Euro thousands and percentage)</i>	Revenue	% of Revenue
First client	69,953	27.9%
Second client	64,514	25.8%
Third client	25,855	10.3%

The following table provides the detail of the revenue relating to customers that individually generated more than 10% of the Group's total revenue for the six months ended June 30, 2021.

<i>(In Euro thousands and percentage)</i>	Revenue	% of Revenue
First client	45,222	25.8%
Second client	33,323	19.0%

The table below provides non-current assets, other than financial assets and deferred tax assets, by geographical area as of June 30, 2022, presented according to where the assets are located.

<i>(In Euro thousands)</i>	Italy	Asia	Europe	America	Non-allocated	Total
Property, plant and equipment	153,459	23,050	1,881	12,336	-	190,726
Goodwill	-	-	-	-	10,625	10,625
Intangible assets	777	1,031	9	308	5,735	7,860
Other non-current assets	1,323	44	-	-	-	1,367
Total as of June 30, 2022	155,559	24,125	1,890	12,644	16,360	210,578

Non-allocated assets are entirely attributable to goodwill and know-how.

10. Related party transactions

Related party transactions, identified on the basis of the IAS 24 criteria, are mainly of a financial nature and are carried out at normal market conditions.

The following table provides details of the Group's balance sheet transactions with related parties as of June 30, 2022 and December 31, 2021.

<i>(In Euro thousands)</i>	Parent of Technoprobe	Total	Total balance sheet item	Percentage of balance sheet item
Current financial liabilities				
As of June 30, 2022	-	-	1,226	0.0%
As of December 31, 2021	4,271	4,271	4,646	91.9%

The following table provides details of the Group's income statement transactions with related party for the six months ended June 30, 2022 and 2021.

<i>(In Euro thousands)</i>	Parent Company	Total	Total income statement item	Percentage of income statement item
Six months ended June 30, 2022	(11)	(11)	(96)	11.5%
Six months ended June 30, 2021	(22)	(22)	(55)	40.0%

Current financial liabilities as of December 31, 2021 refer entirely to the loan granted on November 26, 2020 by T-PLUS to GeniusPack Holding SA for a notional amounting to €4,250 thousand, transferred on November 12, 2021 to the Company in accordance with the Receivables Transfer Agreement.

It should be noted that on June 29, 2022 the Company reimbursed to T-PLUS the amount of the receivable. For details of the item, see note 7.8 - Current and non-current financial liabilities.

Financial expenses were entirely attributable to the loan described above.

Key Management

In addition to the balance sheet and income statement effects of transactions with related parties presented in the tables above, it is further noted that:

- other current liabilities as of June 30, 2022 and December 31, 2021 included amounts due to key management for fees not yet paid in the amounts of €50 thousand and €95 thousand, respectively; and
- selling, general and administrative for the six months ended June 30, 2022 and 2021 included key management fees and compensation amounting to €835 thousand and €751 thousand, respectively.

No loans or advances were granted to key management or shareholders during the period.

11. Commitments, guarantees and contingent liabilities

Securities and guarantees granted in favor of third parties and contingent liabilities

Pursuant to and for the purposes of Article 2427, paragraph 9 of the Civil Code, there are no commitments, guarantees and contingent liabilities that have not been recognized in the Interim Condensed Consolidated Financial Statements.

In addition, there are no agreements not resulting from the statement of financial position, which could significantly influence the financial situation and the economic result.

12. Significant events occurring after the end of the period

On August 31, 2022, the Company announced that Mr. Stefano Beretta has been appointed as Chief Financial Officer and will take over starting from October 1, 2022, replacing Mr. Andrea Tornaghi.

The employment relationship with Mr. Andrea Tornaghi will end as of September 30, 2022.

In September 2022, the design center in Catania was rolled out. For more information, please refer to the “Directors’ report on operations”.



REVIEW REPORT ON CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

To the board of directors of Technoprobe SpA

Foreword

We have reviewed the accompanying consolidated condensed interim financial statements of Technoprobe SpA and its subsidiaries (the “Technoprobe Group”), which comprise the statement of financial position, income statement, statement of comprehensive income, statement of changes in equity, cashflow statement and related explanatory notes as of 30 June 2022. The directors are responsible for the preparation of the consolidated condensed interim financial statements in accordance with the international accounting standard applicable to interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on these consolidated condensed interim financial statements based on our review.

Scope of Review

We conducted our work in accordance with International Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of consolidated condensed interim financial statements consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than a full-scope audit conducted in accordance with International Standards on Auditing 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 on the consolidated condensed interim financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the consolidated condensed interim financial statements of Technoprobe Group as of 30 June 2022 are not prepared, in all material respects, in accordance with the international accounting standard applicable to interim financial reporting (IAS 34) as adopted by the European Union.

PricewaterhouseCoopers SpA

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Other Matters

The consolidated condensed interim financial statements of Technoprobe Group for the period ended 30 June 2021 were neither audited nor reviewed.

Milan, 27 September 2022

PricewaterhouseCoopers SpA

Signed by

Francesco Ferrara
(Revisore legale)

This report has been translated into English from the Italian original solely for the convenience of international readers