

## Neodecortech S.p.A.

Review report on interim  
condensed consolidated financial  
statements as at March 31, 2025

*This report has been translated into English from the original, which was prepared in Italian and represents the only authentic copy, solely for the convenience of international readers.*

## Review report on interim condensed consolidated financial statements as at March 31, 2025

To the shareholders of  
**Neodecortech S.p.A.**

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### Introduction

We have reviewed the accompanying interim condensed consolidated financial statements as of March 31, 2025, and the related consolidated income statement, consolidated income statement of comprehensive income, consolidated statement of financial position, consolidated statement of change in equity and consolidated cash flows for the three-month period then ended, and related notes, of Neodecortech S.p.A. and its subsidiaries (Neodecortech Group).

Management is responsible for the preparation of this interim condensed consolidated financial statements in accordance with the International Accounting Standards applicable to interim financial reporting (IAS 34) issued by the International Accounting Standards Board and adopted by the European Union. Our responsibility is to express a conclusion on this interim condensed consolidated financial reporting based on our review.

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### Scope of review

We conducted our review in accordance with review standard recommended by Consob (the Italian Stock Exchange Regulatory Agency) in its Resolution no. 10867 of July 31, 1997. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and, consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the interim condensed consolidated financial statements.

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### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements of Neodecortech Group as of March 31, 2025, are not prepared, in all material respects, in accordance with the International Accounting Standards applicable to interim financial reporting (IAS 34) issued by the International Accounting Standards Board and adopted by the European Union.

Milan, June 5, 2025

BDO Italia S.p.A.  
*Signed by*

Lelio Bigogno  
Partner

# **Interim Management Statement at 31 March 2025**

Financial Statements prepared in accordance with IAS/IFRS

Amounts in Euro





Neodecortech S.p.A.  
Via Provinciale 2  
24040 Filago, Bergamo

Tel +39 035996111  
Fax +39 035995225  
[info@neodecortech.it](mailto:info@neodecortech.it)

Tax Code and Company Register 00725270151  
VAT CODE IT 02833670165  
R.E.A. BG - 193331

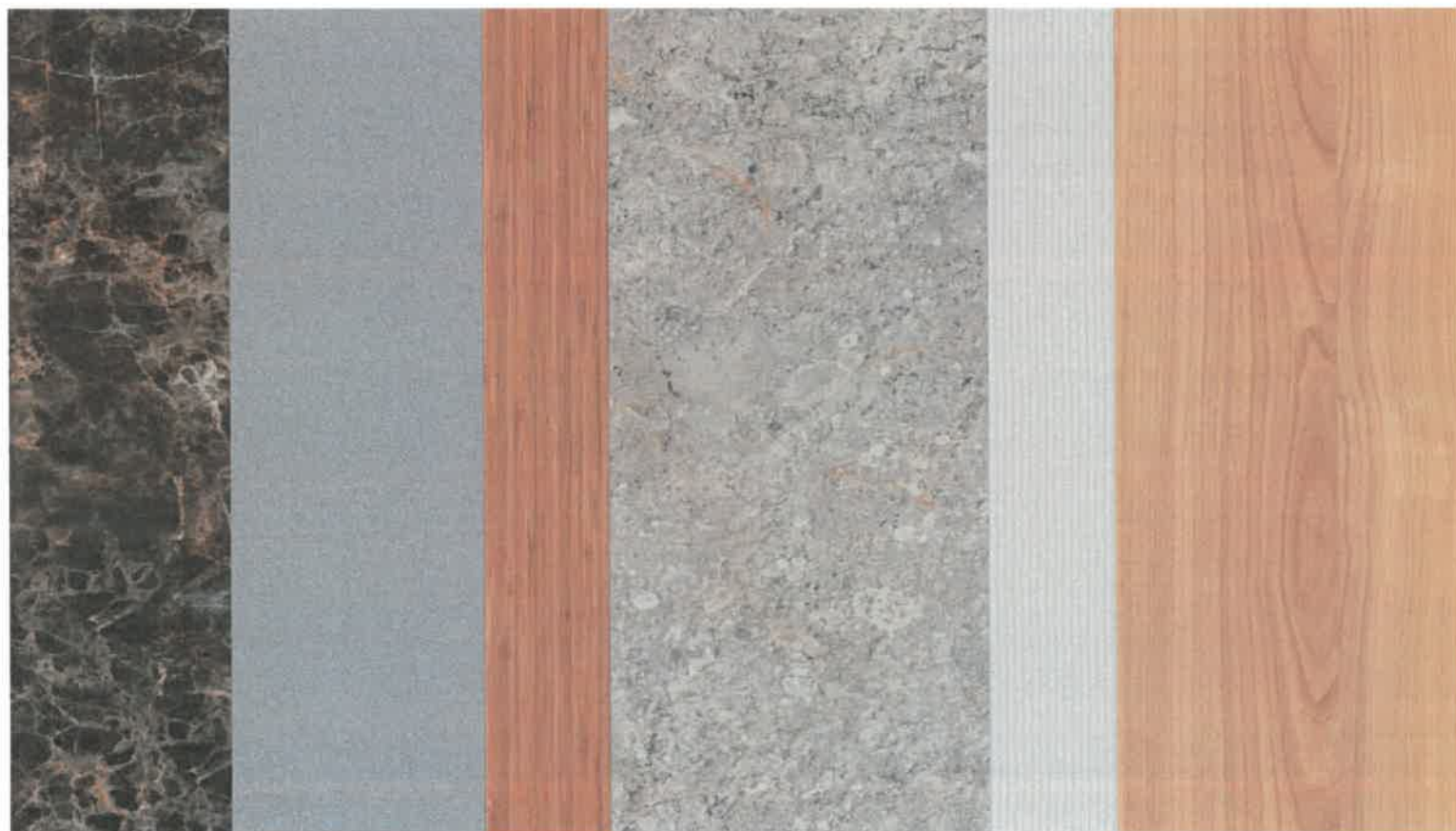
Share Capital  
€ 18,804,209.37 fully paid up  
[www.neodecortech.it](http://www.neodecortech.it)

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**NEO  
DECOR  
TECH**

## **The Neodecortech Group**



## Corporate bodies

### Board of Directors <sup>(1)</sup>

Chairman	Gianluca Valentini
Director, Chief Executive Officer	Luigi Cologni
Executive Director	Massimo Giorgilli
Non-Executive Director	Vittoria Giustiniani
Independent Non-Executive Director	Cinzia Morelli*
Independent Non-Executive Director	Francesco Megali*
Independent Non-Executive Director	Monica Girardi*

*(\*) Independent Director pursuant to Article 148 of the TUF and Article 2 of the Corporate Governance Code adopted by the Corporate Governance Committee of Borsa Italiana S.p.A. to which the Company adheres.*

### Board of Statutory Auditors <sup>(2)</sup>

Chair	Edda Delon
Standing Auditor	Stefano Santucci
Standing Auditor	Federica Menichetti
Alternate Auditor	Pier Paolo Gori
Alternate Auditor	Riccardo Losi

### Financial Reporting Manager <sup>(3)</sup>

Marina Fumagalli

### Committees <sup>(4)</sup>

Remuneration and Appointments Committee	Monica Girardi (Chair) Vittoria Giustiniani Cinzia Morelli
Control, Risk and Sustainability Committee	Francesco Megali (Chairman) Cinzia Morelli Vittoria Giustiniani

**Related Party Committee**

**Cinzia Morelli (Chair)**  
**Monica Girardi**  
**Francesco Megali**

**Lead Independent Director <sup>(5)</sup>**

**Francesco Megali**

**Supervisory Board <sup>(6)</sup>**

**Ettore Raspadori (Chairman)**  
**Federica Menichetti <sup>(7)</sup>**  
**Laura Bellezza**

**Independent Auditors <sup>(8)</sup>**

**BDO Italia S.p.A.**

<sup>(1)</sup> The Board of Directors of Neodecortech S.p.A. in office was appointed on 29 April 2025 and will remain in office for three financial years until the Shareholders' Meeting called to approve the financial statements for the year ending 31 December 2027.

<sup>(2)</sup> The Company's Board of Statutory Auditors was appointed on 27 April 2023 and will remain in office until the date of the Shareholders' Meeting called to approve the financial statements for the year ending 31 December 2025.

<sup>(3)</sup> Marina Fumagalli was appointed by the Board of Directors on 29 April 2025 as the Financial Reporting Manager pursuant to Article 154-bis of the TUF.

<sup>(4)</sup> The Board of Directors of Neodecortech S.p.A. resolved on 29 April 2025 to establish (i) a Remuneration and Appointments Committee; (ii) a Control, Risk and Sustainability Committee; (iii) a Related Party Committee.

<sup>(5)</sup> Francesco Megali was appointed lead independent director by the Board of Directors on 29 April 2025 pursuant to recommendation 13 of the Corporate Governance Code.

<sup>(6)</sup> The Board of Directors of Neodecortech S.p.A. passed a resolution on 5 May 2023 appointing Mr. Raspadori and Ms. Menichetti as members of the Supervisory Board of the Company for three financial years, therefore, until the Shareholders' Meeting called to approve the financial statements for the year ending 31 December 2025.

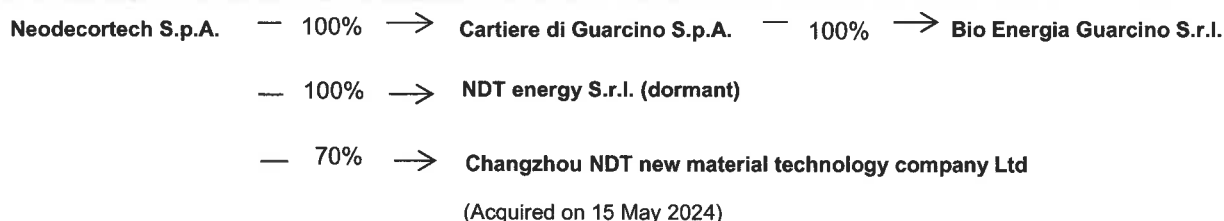
<sup>(7)</sup> Ms. Menichetti also holds the position of standing auditor of Neodecortech S.p.A.

<sup>(8)</sup> The nine-year statutory audit assignment pursuant to Article 17 of Legislative Decree 39/2010 for financial years 2020-2028 was granted by the Ordinary Shareholders' Meeting on 9 December 2019.



## Group structure

The Group structure at 31 March 2025 and at 31 December 2024 is shown below.



At 31 December 2024, the **companies forming the Group** are:

## NDT

### Neodecortech S.p.A. ("NDT" or "Parent Company")

registered and operating offices in Filago (BG) and other operating offices in Casoli d'Atri (TE), heads up the core business of the Group and is active in the printing and impregnation of paper, in the printing and finishing of thermoplastic film, and in "laminates" produced mainly at the Casoli headquarters. Neodecortech's goal is to act as a highly proactive decoration partner for its customers in the interior design and flooring industry, through constant monitoring and interpretation of new stylistic trends.

The Parent Company performs the following functions for its subsidiaries:

- (i) legal and corporate affairs,
- (ii) administration and investments,
- (iii) strategic planning and business development,
- (iv) Internal Audit, Compliance & Risk Management.

## CDG

### Cartiere di Guarcino S.p.A. (CDG)

registered office in Guarcino (FR), specializes in the production of decorative papers that subsequently undergo other stages of processing: printing or directly impregnation with thermosetting resins and hot pressing. The company operates on the national and international markets through a network of agents.

## BEG

### Bio Energia Guarcino S.r.l. (BEG)

registered office in Guarcino (FR), owns the cogeneration plant in operation since May 2010 for the self-production of electrical and thermal energy powered by renewable sources that satisfies a large part of the energy needs of CDG.

## NDTe

### NDT energy S.r.l. (NDTe)

established on 19 October 2022, registered office in Filago (BG) and operating offices in Casoli di Atri (TE), currently dormant and awaiting authorization to operate a WtE plant, capable of reusing process waste and meeting a large part of the energy needs of the adjacent NDT "laminates" division.



## **NDTchina**

**Changzhou NDT new material technology company Ltd (NDT china)**

established in 2023, registered office in Changzhou - China and acquired 70% on 15 May 2024. It markets printed decorative paper sold on the local and Far-East markets.

## Financial highlights of the Neodecortech Group

### Income statement

The table below shows the main **consolidated income statement figures**:

(Euro thousands)	31 MARCH 2025	%	31 MARCH 2024	%	Chg.	% chg.
Revenue from sales and services	43,629	100.0%	43,079	100.0%	550	1.3%
Other revenue	263	0.6%	460	1.1%	297	-42.6%
<b>Total revenue</b>	<b>43,892</b>	<b>101.8%</b>	<b>43,539</b>	<b>101.1%</b>	<b>353</b>	<b>0.8%</b>
<b>EBITDA</b>	<b>4,016</b>	<b>9.2%</b>	<b>3,339</b>	<b>7.8%</b>	<b>677</b>	<b>20.3%</b>
Amortization and depreciation	2,491	5.7%	2,170	5.0%	321	14.8%
Allocations	-	0.0%	18	0.0%	-18	-100.0%
<b>EBIT</b>	<b>1,525</b>	<b>3.5%</b>	<b>1,151</b>	<b>2.7%</b>	<b>374</b>	<b>32.5%</b>
<b>Profit for the year</b>	<b>765</b>	<b>1.8%</b>	<b>612</b>	<b>1.4%</b>	<b>153</b>	<b>25.0%</b>

*Revenue from Sales and Services* at 31 March 2025 amounted to € 43,629 thousand, an increase of € +550 thousand (+1.3%) versus € 43,079 thousand at 31 March 2024.

Regarding the furniture and flooring sector, in which Neodecortech and Cartiera di Guarcino operate, despite some very modest signs of recovery, the order backlog remained basically steady in the first 3 months of 2025 versus last quarter 2024. This suggests that demand has yet to recover following the decline that has impacted the Group's market since spring 2022. *Revenue* of these two companies was impacted by a further reduction in unit prices as well as a decline in volumes. In fact, in first quarter 2025, the markets with the largest declines were Italy (-10.3%) and the rest of Europe (-8.5%). Residual markets showed growth in Asia/Middle East (+105.9%), and declining in Africa (-67.9%) and America (-7.1%). The reduction in turnover was however anticipated and is in line with the 2025 Budget forecasts. On the other hand, the Energy Division, specifically Bio Energia Guarcino, recorded an increase in revenue of approximately € 3 million.

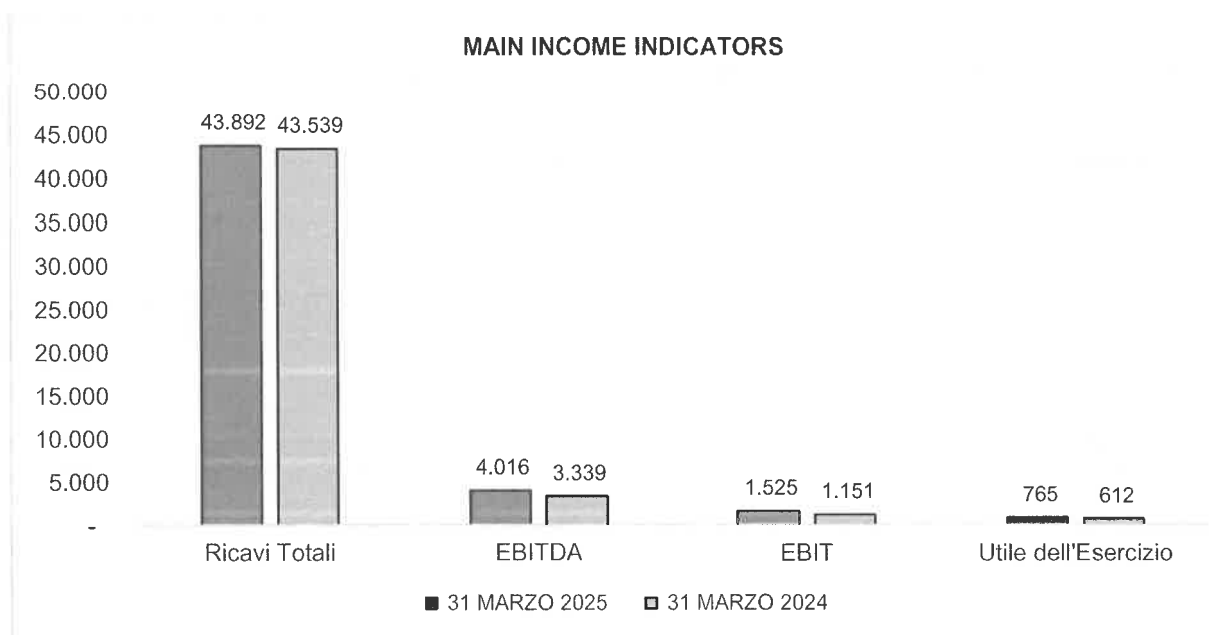
*Other revenue* at 31 March 2025 amounted to € 263 thousand (€ 460 thousand at 31 March 2024) and included: tax receivables for the period, refunds, rebates, discounts, and other residual items.

*Raw material costs* remain steady and in line with the prior year, except for animal fat and pulp, which have seen rising prices since the second half of 2024, and titanium dioxide, which has started to show an upward trend.

The *EBITDA margin* at 31 March 2025 is 9.2% (€ 4,016 thousand) of net sales, up from 7.8% (€ 3,339 thousand) at 31 March 2024, which is higher than expected.

*Net profit* amounted to € 765 thousand, with a percentage on revenue of 1.8%, increasing by € 153 thousand versus 31 March 2024.

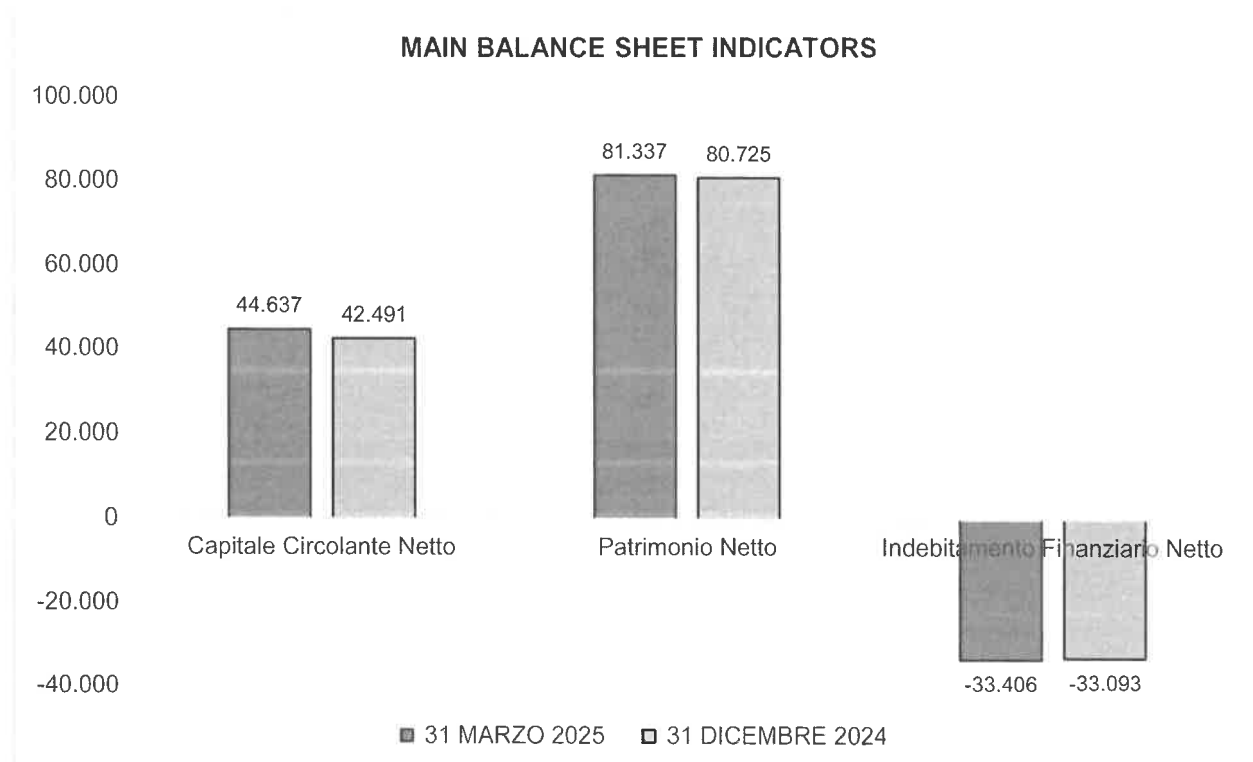
For further details on the changes shown, reference should be made to "Notes to the main changes in the consolidated financial statements".



## Financial results

The table below shows the main **consolidated financial indicators**:

(Euro thousands)	31 MARCH 2025	31 DECEMBER 2024	Chg.	% chg.
Net Working Capital	44,637	42,491	2,146	5%
Equity	81,337	80,725	612	1%
Net Financial Debt	(33,406)	(33,093)	(313)	1%



The balance sheet figures at 31 March 2025 are also shown for comparative purposes versus those at 31 March 2024.

(Euro thousands)	31 MARCH 2025	31 MARCH 2024	Chg.	% chg.
Net Working Capital	44,637	45,108	(471)	-1%
Equity	81,337	77,880	3,457	4%
Net Financial Debt	(33,406)	(37,482)	4,076	-11%

## **Directors' Comments**



## Significant events during the period

With regard to the CONSOB notices of 7 March 2022 and of 19 May 2022, aimed at compliance with the restrictive measures adopted by the EU in response to the Russian military aggression in Ukraine that started in February 2022 and its potential effects on the company's business, it should be noted that the Company is complying with all the measures introduced by the European Union. The Group has implemented and reinforced specific business continuity plans from an IT standpoint. Over three years after the onset of the Russian-Ukrainian conflict, there are still lasting effects on the prices of energy sources and titanium dioxide, another critical raw material, which can now be deemed structural for the Group.

All active Group Companies are fully operational.

With regard in particular to Cartiere di Guarcino, the Group's most energy-intensive company, it continued to operate according to the scheduled production plan that calls for maintenance-related stoppages during the year and was always fully operational. This was also thanks to the supply of electricity by the subsidiary Bio Energia Guarcino, which operates in a closed distribution system with respect to Cartiere and was able to mitigate the effects of the energy crisis and ensure full uninterrupted production.

During first quarter 2025, the prices of some of the Group's strategic materials, including animal fat, titanium dioxide, and pulp, showed upward trends versus second half 2024. The purchase prices of plastic films and resins, the Group's other strategic raw materials, remained largely steady.

Energy carrier costs increased by 11% in January and February (versus December 2024); however, this growth has since receded in March 2025.

As for Bio Energia Guarcino (BEG), it operated in first quarter 2025 under the temporary Guaranteed Minimum Prices (GMP) scheme. This scheme was introduced on 10 December 2023, the day after the publication of Decree Law 181/2023 "Energy Security" in the State Gazette. The decree was passed by the Italian Council of Ministers on 27 November 2023 and converted into Law No. 11/2024 on 2 February 2024. Mention should be made that ARERA issued Resolution 306/2024/R/eel, which was later updated by Resolution 518/2024/R/eel following subsequent consultation. This resolution regulates the Guaranteed Minimum Prices (GMP), as outlined in Article 5, paragraph 2, of Law Decree 181/23. The GMP is applicable to plants fueled by sustainable bioliquids, such as BEG's, from 10 December 2023 until 31 December 2025, even after the incentive period ends. The GSE disburses the remuneration due, which is equal to the difference, if positive, between the minimum guaranteed revenue and the conventional revenue. This disbursement occurs on an adjustment basis at the end of each calendar year, subject to a monthly advance payment of up to 90% of the grant due. Specifically, Bio Energia Guarcino falls into the power cluster:  $1 \leq P \leq 8 \text{ MW}$ .

As known, the BEG bioliquid plant is included in the framework of supporting energy production from renewable sources under the ordinary incentive policy that will end in May 2025.

Pursuant to LD 181/2023, from 2026, a scheme based on the trading of electrical capacity from bioliquid plants is envisaged, with a focus on plants connected to production sites.

Under this framework, in first quarter 2025 the Power Plant operated at full capacity alongside Cartiere di Guarcino, benefiting from the Guaranteed Minimum Prices (GMP) scheme and supporting Cartiere on both the power and steam supply side.

Regarding the letter of patronage issued by Neodecortech on 07/11/2022 in favour of Golden Agri-Resources Europe B.V., for the procurement of palm oil for the subsidiary Bio Energia Guarcino S.r.l. up to USD 16,000 thousand, it should be noted that at 31 March 2025, the letter was settled.

Capital expenditure in the first three months of 2025 amounted to € 1,339 thousand, in line with budget forecasts. With regard to subsidiaries, capital expenditure in tangible fixed assets at Cartiere di Guarcino and at BEG regarded measures to increase the efficiency of paper machines and to optimize plants.

All of the Group's plants, where applicable, are continuing their 4.0 and 5.0 process management actions.

With regard to Cartiere di Guarcino S.p.A., on 23/01/2025 a Decree was issued by the Ministry of Enterprises and Made in Italy to grant the application for facilitation of 10/12/2020 ("Circular Economy" call pursuant to Ministerial Decree 05/08/2020 and DD 11/06/2020 20/06/2013) "Study and development of an innovative paper for food use", for an allowable amount of up to € 2,000 thousand, a subsidized loan of € 1,000 thousand and a non-repayable grant of € 200 thousand.

With regard to Bio Energia Guarcino, the first months of 2025 saw the full regularization of the payment flow for the GMP advances accrued up to 31 December 2024. These advances were in fact collected for a total of € 14,253 thousand (in addition to the € 12,004 thousand from December 2024) through assignment without recourse of the advance payment invoices issued to the GSE.

The 2025 billing cycle has also been fully initiated, with the GSE being billed each month for the net electricity generated in the previous month. The price is set by the quarterly GSE fixing bulletin. At the same time, the assignment without recourse to Banca Sistema of 100% of the assigned amount is finalized, while the GSE payment to the Factor is made in the following month.

For the first quarter, the GMP has been set at € 310 MWh; billings have been adjusted with an additional advance payment of € 70 MWh, and the publication of the bulletin is pending. It should be noted that the incentive received and the PUN must be deducted from the GMP.

This resulted in a significant reduction of € -4,041 thousand in the Net Financial Position of the subsidiary Bio Energia Guarcino versus 31 December 2024, which stood at € 5,475 thousand versus € 9,516 thousand at year end. This reduction aligns with the repayment capacity on intercompany current accounts, with the expectation that these accounts will be cleared in 2025. At 31 March 2025, the remaining intercompany debt to Cartiere di Guarcino amounted to € 4,149 thousand.

On 4 February 2025, the subsidiary NDT Energy S.r.l. obtained, by Determination No. DPC026/25, a permit for the construction and operation of a co-incineration waste-to-energy plant for non-hazardous special waste in the Municipality of Atri (TE) Stracca - Industrial Zone (plant code AU-TE-043). On 03 April 2025, the Municipality of Atri appealed to the Regional Administrative Court against the decision made by the Abruzzo Region. The Company is awaiting the decision from the TAR, which will meet in Council Chamber on 14 May.

No new medium/long-term loans were taken out in first quarter 2025.

On 1 January 2025, the new ERP system was implemented across all Group Companies. The Companies continued their operational activities without interruption.

The implementation of SAP is still underway, in line with the Group's upgrade and digitization program, which aligns with the Plan set out in 2022. This includes upgrading the entire infrastructure, enhancing equipment in accordance with an adequate cybersecurity policy, and renewing the ERP and MES information systems for individual departments and plants.

## **Business and market outlook**

The current geopolitical situation remains complex due to the ongoing Russian-Ukrainian war and the Israeli-Palestinian conflict. Unfortunately, it seems we must now add the likely Indian-Pakistani conflict. Additionally, the growing tension between global powers, such as the US-China rivalry, adds a significant layer of uncertainty.

In the first months of 2025, Neodecortech and Cartiere di Guarcino experienced a stabilization in their order backlog, halting the decline seen at end 2024. Incoming orders have remained steady, aligning with the forecasts established during budget planning, with some initial signs of improvement. Making accurate predictions about the sales trend in



the coming months continues to be difficult due to the uncertainties related to the application of tariffs between economic areas and the consequent effects within each of them. The geopolitical context we are experiencing is clearly having a strong impact on both consumer expectations regarding the propensity to purchase durable goods such as furniture, and on the markets for strategic raw materials used by the Group, with potential cost implications. In this regard, increased volatility has been reported in the markets for animal by-products, pulp, and titanium dioxide. Energy carrier costs, which rose in last quarter 2024 and first quarter 2025, appear to be leveling off based on forwards for the coming quarters. Both Neodecortech and Cartiere di Guarcino continue to devote the necessary attention to the potential risks of rationing and partial availability of electricity and gas.

From a financial standpoint, although interest rates have generally declined, the Group has not yet seen a significant reduction in absolute terms due to higher financial expense linked to the factoring of Bio Energia Guarcino's receivables and the trend in exchange rates. However, the Group continues to pursue a policy of optimizing financial costs, managing the use of debt lines between short and medium to long term with the aim of containing its net financial position.

Lastly, the Group continues to pursue its sustainability policy through the implementation of various projects under the 2024 - 2026 ESG Plan, with a particular focus on reducing emissions, promoting circular use of materials, and advancing social initiatives.

Taking account of all the above considerations, in light of current events and as far as we can assess to date, the Group currently believes that it will be able to achieve the operating targets set in the 2025 Budget.

Each Division is analyzed more specifically below.

#### Decorative Paper Division - Neodecortech

As noted earlier, demand has remained largely stagnant since mid-2022, amid a decline in household purchasing power and a slump in domestic and external demand. For this reason, since second half 2024, in response to partial reductions in the prices of some raw materials and energy, there was immediate pressure to lower the sales prices charged to customers. As a result, except for a small extent, the expected margin recovery has not materialized.

According to macroeconomic forecasts, this market situation is expected to remain largely unchanged for the rest of the year. To cope with this situation, the Company is focusing its resources on the development of higher-margin products, particularly laminates and plastic film products, which are expected to experience growing volumes. For "historical" products, forecasts point to a sideways trend.

The prices of the most relevant raw materials, including paper, plastic films, resins, and inks, remained basically steady.

#### Paper Division - Cartiere di Guarcino

At 31 March 2025, Cartiere's order backlog is consistent with the figure at 31 December 2024, reflecting the general market trend mentioned earlier. This was considered in the preparation of the 2025 Budget. However, in light of the above comments on the domestic and international economic environment, the future scenario should be taken with caution.

Regarding Cartiere di Guarcino's strategic raw materials, pulp prices increased in first quarter 2025, along with a growing tension in titanium dioxide prices.

In 2025, Cartiere di Guarcino S.p.A. is continuing the European PUSH2HEAT project launched in 2022 and backed by the Horizon program, which involves the formation of consortia of companies to promote new technologies within Member Countries. The primary objective of PUSH2HEAT is to develop, install, and monitor systems that can utilize waste heat (in the form of hot flue gas or hot water) generated by industrial processes and convert it into steam, i.e., higher enthalpy heat, by utilizing heat pumps.

Cartiere di Guarcino S.p.A. also continues the project on an innovative paper for food use, submitting on 10/12/2020 an aid application under the "Circular Economy" call pursuant to Ministerial Decree 05/08/2020 and DD 11/06/2020 20/06/2013, regarding the project on the "Study and development of an innovative paper for food use". On 23/01/2025, the Ministry of Enterprises and Made in Italy issued the Granting Decree, which provides for an allowable cost of up to € 2,000 thousand, a subsidized loan of € 1,000 thousand and a non-repayable grant of € 200 thousand.

The 2025 investment plan focuses on interventions aimed mainly at improving plant operations to increase productivity, efficiency, and yield. It also aims to reduce material and resource use while promoting reuse, increasing operational safety, and extending automation for more efficient operational management.

#### Energy Division - Bio Energia Guarcino

The BEG bioliquid power plant is included in the support framework for renewable energy production that will end in May 2025. This incentive system remains in operation in 2025, as it was in 2024, since the average energy price in 2024 was lower than the € 180 MWh cap used to determine the unit incentive paid to renewable energy production facilities.

The Guaranteed Minimum Prices (GMP) scheme is in force, pursuant to Law No. 11/2024, of 2 February 2024, which converted the "Energy Security" Law Decree. This introduced new features for bioliquid power plants even after the end of the incentive period, including: (i) the introduction of the Guaranteed Minimum Prices scheme from December 2023 until 31 December 2025 (ARERA application resolution awaited); and (ii) from 2026, a scheme based on the negotiation of the electrical capacity of bioliquid plants, with particular regard to plants connected to production sites.

The quarterly fixing bulletin from the GSE is expected for second quarter 2025.

Regarding Bio Energia Guarcino's strategic raw materials, in first quarter of 2025, the market for animal fats grew by approximately 8%, mainly during the first two months of the year. As of 1 January 2025, Bio Energia Guarcino no longer uses palm hydro oil due to the implementation of low-ILUC certification. Instead, European supply chain rapeseed oil and RUCO (Refined Used Cooking Oil) by-products have been adopted.

As a result of the above, the Company has not identified the presence of impairment indicators regarding the recoverability of the carrying amount of tangible fixed assets and has therefore not conducted an impairment test in accordance with IAS36.



## **Condensed Consolidated Financial Statements at 31 March 2025**



## Consolidated income statement at 31 March 2025

(Euro thousands)	31 MARCH 2025	%	31 MARCH 2024	%	Chg.	% chg.
<b>Revenue from sales and services</b>	<b>43,629</b>	<b>100.0%</b>	<b>43,079</b>	<b>100.0%</b>	<b>550</b>	<b>1.3%</b>
Changes in work in progress, semi-finished and finished products	6,425	14.7%	(107)	(0.2%)	6,532	(>100%)
Other revenue	263	0.6%	460	1.1%	(197)	(42.8%)
<b>Value of Production</b>	<b>50,317</b>	<b>115.3%</b>	<b>43,432</b>	<b>100.8%</b>	<b>6,885</b>	<b>15.9%</b>
Raw and ancillary materials and consum.	(33,776)	(77.4%)	(27,857)	(64.7%)	(5,919)	21.2%
Other operating expense	(6,743)	(15.5%)	(6,841)	(15.9%)	98	(1.4%)
<b>Value Added</b>	<b>9,798</b>	<b>22.5%</b>	<b>8,734</b>	<b>20.3%</b>	<b>1,064</b>	<b>12.2%</b>
Personnel expense	(5,782)	(13.3%)	(5,395)	(12.5%)	(387)	7.2%
<b>EBITDA</b>	<b>4,016</b>	<b>9.2%</b>	<b>3,339</b>	<b>7.8%</b>	<b>677</b>	<b>20.3%</b>
Amortization and depreciation	(2,491)	(5.7%)	(2,170)	(5.0%)	(321)	14.8%
Allocations	0	0.0%	(18)	(0.0%)	18	(100.0%)
<b>EBIT</b>	<b>1,525</b>	<b>3.5%</b>	<b>1,151</b>	<b>2.7%</b>	<b>374</b>	<b>32.5%</b>
Financial expense	(763)	(1.7%)	(635)	(1.5%)	821	20.2%
Financial income	186	0.4%	84	0.2%	(847)	>100.0%
<b>Profit/(loss) before tax</b>	<b>948</b>	<b>2.2%</b>	<b>600</b>	<b>1.4%</b>	<b>348</b>	<b>58.0%</b>
Income tax	(183)	(0.4%)	12	0.0%	(195)	(>100.0%)
<b>Profit/(loss) for the year</b>	<b>765</b>	<b>1.8%</b>	<b>612</b>	<b>1.4%</b>	<b>153</b>	<b>25.0%</b>
of which Group profit/(loss) for the year	782					
of which Profit/(loss) for the year of non-controlling interests	(17)					

## Consolidated statement of comprehensive income at 31 March 2025

(Euro thousands)	31 MARCH 2025	31 MARCH 2024
<b>Profit/(loss) for the year</b>	<b>782</b>	<b>612</b>
<b>Other items of the comprehensive income statement</b>		
Actuarial gains (losses) net of tax effect	15	25
<b>Total items that will not be reclassified in the income statement for the year</b>	<b>15</b>	<b>25</b>
Gains/(losses) on cash flow hedging instruments	(10)	4
<b>Total items that will or may be reclassified in the income statement for the year</b>	<b>(10)</b>	<b>4</b>
<b>Total other items of the comprehensive income statement</b>	<b>5</b>	<b>29</b>
<b>Comprehensive income (loss) for the year</b>	<b>787</b>	<b>641</b>
Comprehensive income for the period attributed to:		
Shareholders of the Parent	787	641
Non-controlling interests		
<b>Earnings per share (in Euro):</b>		
Basic	0.06	0.04
Diluted	0.06	0.04

## Consolidated Statement of Financial Position at 31 March 2025

Assets	31 MARCH 2025	%	31 DECEMBER 2024	%	Chg.	% chg.
<i>(Euro thousands)</i>						
Intangible assets	3,379	2.0%	3,317	1.9%	62	1.9%
Tangible assets	73,265	43.3%	74,480	42.9%	(1,215)	(1.6%)
Other non-current assets	375	0.2%	358	0.2%	17	4.7%
Non-current financial receivables	499	0.3%	512	0.3%	(13)	(2.5%)
Deferred tax assets	960	0.6%	1,055	0.6%	(95)	(9.0%)
<b>Non-current assets</b>	<b>78,478</b>	<b>46.4%</b>	<b>79,722</b>	<b>46.0%</b>	<b>(1,244)</b>	<b>(1.6%)</b>
Inventory	44,943	26.6%	40,049	23.1%	4,894	12.2%
Trade receivables	25,890	15.3%	35,713	20.6%	(9,823)	(27.5%)
Receivables from tax consolidation	348	0.2%	348	0.2%	0	0.0%
Tax receivables	2,837	1.7%	1,989	1.1%	848	42.6%
Current financial receivables	0	0.0%	81	0.0%	(81)	0.0%
Other current receivables	12,037	7.1%	3,081	1.8%	8,956	290.7%
Cash funds	4,594	2.7%	12,483	7.2%	(7,889)	(63.2%)
<b>Current assets</b>	<b>90,649</b>	<b>53.6%</b>	<b>93,744</b>	<b>54.0%</b>	<b>(3,095)</b>	<b>(3.3%)</b>
<b>Total assets</b>	<b>169,127</b>	<b>100.0%</b>	<b>173,466</b>	<b>100.0%</b>	<b>(4,339)</b>	<b>(2.5%)</b>
<b>Equity and liabilities</b>						
	31 MARCH 2025	%	31 DECEMBER 2024	%	Chg.	% chg.
<i>(Euro thousands)</i>						
Share capital	18,804	11.1%	18,804	10.8%	0	0.0%
Share premium reserve	18,864	11.2%	18,864	10.9%	0	0.0%
Other reserves	30,122	17.8%	30,276	17.5%	(154)	(0.5%)
Prior years' profit (loss)	12,818	7.6%	8,761	5.1%	4,057	46.3%
Profit (loss) for the year	782	0.5%	4,057	2.3%	(3,275)	(80.7%)
<b>Group equity</b>	<b>81,390</b>	<b>48.1%</b>	<b>80,762</b>	<b>47.8%</b>	<b>628</b>	<b>0.8%</b>
Equity attributable to non-controlling interests	(36)	0.0%	43	0.0%	(79)	(183.7%)
Profit (loss) for the year attributable to non-controlling interests	(17)	0.0%	(80)	0.0%	63	(78.8%)
<b>Total equity attributable to non-controlling interests</b>	<b>(53)</b>	<b>0.0%</b>	<b>(37)</b>	<b>0.0%</b>	<b>(16)</b>	<b>43.2%</b>
<b>Total equity</b>	<b>81,337</b>	<b>48.1%</b>	<b>80,725</b>	<b>46.5%</b>	<b>612</b>	<b>0.8%</b>
Provisions for risks and charges	853	0.5%	771	0.4%	82	10.6%
Deferred tax	5,458	3.2%	5,534	3.2%	(76)	(1.4%)
Post-employment benefits	2,061	1.2%	2,091	1.2%	(30)	(1.4%)
Non-current financial liabilities	17,974	10.6%	19,968	11.5%	(1,994)	(10.0%)
<b>Non-current liabilities</b>	<b>26,346</b>	<b>15.6%</b>	<b>28,364</b>	<b>16.4%</b>	<b>(2,018)</b>	<b>(7.1%)</b>
Trade payables	32,319	19.1%	29,951	17.3%	2,368	7.9%
Payables from tax consolidation	85	0.1%	31	0.0%	54	174.2%
Tax payables	659	0.4%	1,244	0.7%	(585)	(47.0%)
Current financial liabilities	20,026	11.8%	25,689	14.8%	(5,663)	(22.0%)
Other current payables	8,355	4.9%	7,462	4.3%	893	12.0%
<b>Current liabilities</b>	<b>61,444</b>	<b>36.3%</b>	<b>64,377</b>	<b>37.1%</b>	<b>(2,933)</b>	<b>(4.6%)</b>
<b>Total equity and liabilities</b>	<b>169,127</b>	<b>100.0%</b>	<b>173,466</b>	<b>100.0%</b>	<b>(4,339)</b>	<b>(2.5%)</b>

## Consolidated statement of changes in equity at 31 March 2025

(Euro thousands)

	Attributable to the shareholders of the Parent								
	Share Capital	Hedging and translation reserves	Equity reserves	Other reserves	Treasury shares	Profit (loss) for the year	Equity	Non-controlling interests	Total equity
<b>Balance at 01/01/2024</b>	<b>18,804</b>	<b>131</b>	<b>18,864</b>	<b>37,801</b>	<b>(986)</b>	<b>2,848</b>	<b>77,462</b>	<b>-</b>	<b>77,462</b>
Other items of the comprehensive income statement	-	(80)	-	27	-	-	(53)	-	(53)
Profit for the year	-	-	-	-	-	4,057	4,057	(80)	3,977
<b>Total comprehensive income/loss for the year</b>	<b>-</b>	<b>(80)</b>	<b>-</b>	<b>27</b>	<b>-</b>	<b>4,057</b>	<b>4,004</b>	<b>(80)</b>	<b>3,924</b>
Dividend distribution	-	-	-	-	-	-	-	-	-
Allocation of prior year's profit (loss)	-	-	-	2,848	-	(2,848)	-	-	-
Other changes	-	(1)	-	(1)	(702)	-	(704)	43	(661)
<b>Balance at 31/12/2024</b>	<b>18,804</b>	<b>50</b>	<b>18,864</b>	<b>40,675</b>	<b>(1,688)</b>	<b>4,057</b>	<b>80,762</b>	<b>(37)</b>	<b>80,725</b>
<b>Balance at 01/01/2025</b>	<b>18,804</b>	<b>50</b>	<b>18,864</b>	<b>40,675</b>	<b>(1,688)</b>	<b>4,057</b>	<b>80,762</b>	<b>(37)</b>	<b>80,725</b>
Other items of the comprehensive income statement	0	(10)	0	15	0	0	5	0	5
Profit for the year	0	0	0	0	0	782	782	0	782
<b>Total comprehensive income/loss for the year</b>	<b>0</b>	<b>(10)</b>	<b>0</b>	<b>15</b>	<b>0</b>	<b>782</b>	<b>787</b>	<b>0</b>	<b>787</b>
Dividend distribution	0	0	0	0	0	0	0	0	0
Allocation of prior year's profit (loss)	0	0	0	4,057	0	(4,057)	0	0	0
Other changes	0	1	0	2	(161)	0	(158)	0	(174)
<b>Balance at 31/03/2025</b>	<b>18,804</b>	<b>41</b>	<b>18,864</b>	<b>44,749</b>	<b>(1,849)</b>	<b>782</b>	<b>81,391</b>	<b>0</b>	<b>81,338</b>

## Consolidated statement of cash flows at 31 March 2025

(Euro thousands)	31 MARCH 2025	31 MARCH 2024
Profit (loss) for the year	764	612
Income tax	205	136
Deferred/(prepaid) tax	(23)	(147)
Interest expense/(interest income)	569	695
(Dividends received)	0	0
(Gains)/losses from disposal of assets	0	0
<b>1 Profit (loss) for the year before income tax, interest, dividends and gains/losses from disposals</b>	<b>1,515</b>	<b>1,296</b>
Adjustments for non-monetary items that had no balancing entry in net working capital:		
Allocation to post-employment benefits	13	10
Allocations to other provisions	76	76
Amortization and depreciation of fixed assets	2,495	2,170
Write-downs for impairment losses	0	0
Other adjustments for non-monetary items	169	32
<b>2 Cash flow before changes in NWC</b>	<b>4,192</b>	<b>3,584</b>
Changes in net working capital:		
Decrease/(increase) in receivables from customers	9,808	(7,609)
Decrease/(increase) in inventory	(4,939)	572
Increase/(decrease) in payables to suppliers	2,292	(851)
Decrease/(increase) in other receivables	(10,101)	(5,088)
Increase/(decrease) in other payables	736	367
Other changes in net working capital	0	0
<b>3 Cash flow after changes in NWC</b>	<b>1,988</b>	<b>(9,025)</b>
Other adjustments:		
Interest received/(paid)	-612	(708)
(Income tax paid)	0	0
(Gains)/losses from disposal of assets	0	0
Dividends received	0	0
(Utilization of provisions)	0	0
(Utilization of provisions for post-employment benefits)	(28)	(31)
<b>4 Cash flow after other adjustments</b>	<b>(1,188)</b>	<b>(9,764)</b>
<b>A Cash flow from operations</b>	<b>(1,188)</b>	<b>(9,764)</b>
<i>Tangible fixed assets</i>		
(Purchase)	(1,076)	(1,033)
Disposal	0	20
<i>Intangible fixed assets</i>		
(Purchase)	(263)	(751)
Disposal	0	0
<i>Financial fixed assets</i>		
(Purchase)	0	0
Disposal	0	0
<i>Current financial assets</i>		
(Purchase)	0	0
Disposal	0	0
<i>Proceeds from disposal of assets</i>	0	0

<b>B Cash flow from investing activities</b>	<b>(1,339)</b>	<b>(1,784)</b>
<b>Liabilities</b>	<b>(7,738)</b>	<b>5,120</b>
Increase (decrease) in short-term bank payables	(5,610)	4,240
New loans	0	2,000
Repayment of loan	(2,128)	(1,120)
Financial liabilities to other lenders	0	0
Change in financial receivables from other lenders	0	0
<b>Equity</b>	<b>(161)</b>	<b>(221)</b>
Share capital increase	0	0
Sale (purchase) of treasury shares	(161)	(221)
Other changes in equity	0	0
<b>C Cash flow from financing activities</b>	<b>(7,738)</b>	<b>4,899</b>
<b>Increase (decrease) in cash funds (A ± B ± C)</b>	<b>(7,889)</b>	<b>(6,649)</b>
Cash funds at 1 January	12,483	12,157
Cash funds at 31 March	4,594	5,508

The following table shows **consolidated net financial debt** at 31 March 2025 versus the situation at 31 December 2024 and 31 March 2024:

(Euro thousands)	31 MARCH 2025	31 DECEMBER 2024	Chg.	31 MARCH 2024	Chg.
A. Cash funds	4,594	12,483	(7,889)	5,508	(914)
B. Cash and cash equivalents	0	0	0	0	0
C. Other current financial assets	0	82	(82)	0	0
<b>D. Cash (A) + (B) + (C)</b>	<b>4,594</b>	<b>12,565</b>	<b>(7,971)</b>	<b>5,508</b>	<b>(914)</b>
E. Current financial debt	(10,617)	(16,226)	5,609	(13,694)	3,077
F. Current portion of non-current debt	(9,409)	(9,464)	55	(7,527)	(1,882)
<b>G. Current financial debt (E)+(F)</b>	<b>(20,026)</b>	<b>(25,690)</b>	<b>5,664</b>	<b>(21,221)</b>	<b>1,195</b>
<b>H. Net current financial debt (G)-(D)</b>	<b>(15,432)</b>	<b>(13,125)</b>	<b>-2,307</b>	<b>(15,713)</b>	<b>281</b>
I. Non-current financial debt	(17,974)	(19,968)	1,994	(21,769)	3,795
J. Debt instruments	0	0	0	0	0
K. Trade payables and other non-current payables	0	0	0	0	0
<b>L. Non-current financial debt (I)+(J)+(K)</b>	<b>(17,974)</b>	<b>(19,968)</b>	<b>1,994</b>	<b>(21,769)</b>	<b>3,795</b>
<b>M. Total financial debt (H)+(L)</b>	<b>(33,406)</b>	<b>(33,093)</b>	<b>(313)</b>	<b>(37,482)</b>	<b>4,076</b>



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## Notes



## Accounting standards and preparation criteria

The Interim Management Statement for first three months 2025 includes the Statement of Financial Position, Income Statement, Statement of Comprehensive Income, Statement of Cash Flows, Statement of Changes in Equity and brief notes; it has been prepared on the basis of the recognition and measurement criteria provided for by the IAS-IFRS standards adopted by the European Union. It has been made available to the public on a voluntary basis and has been prepared in accordance with the regulations of Borsa Italiana, which establish, among the requirements for maintaining the listing on the STAR segment of the MTA market, the publication of interim reports, which are available on the Company website ([www.neodecortech.it](http://www.neodecortech.it)).

With regard to the relevant international accounting standards and the criteria chosen by the Group in preparing the financial statements, reference is made to the 2024 Annual Report.

The preparation of the Interim Statement has required Management to make estimates and assumptions affecting the value of revenue, costs, assets and liabilities and the information relating to contingent assets and liabilities at the date of the interim statement. These estimates and assumptions have been based on Management's best evaluation. Should they, in the future, differ from the circumstances in effect at that time, they will be modified appropriately in the period in which the change in circumstances is recorded. It should also be noted that these evaluation processes, specifically the more complex ones, such as those relating to the calculation of potential impairment of non-current assets, are generally carried out in their entirety during the preparation of the year-end financial statements when all necessary information is available, unless impairment indicators exist which require an immediate evaluation of the potential impairment.

Lastly, the Interim Management Statement has been prepared in accordance with the "criterion of the separation of periods" based on which the period under review is considered as an independent financial period. From this point of view, the quarterly income statement reflects the income components of the period under review using the accruals basis of accounting.

## Consolidation scope

The list of companies over which Neodecortech S.p.A. exercises control, and are therefore included in these consolidated financial statements, is shown in the table below:

Company name	Registered office	Share Capital	Consolidation method	% held
Cartiere di Guarcino S.p.A.	Guarcino (IT)	10,000,000 €	Full	100%
Bio Energia Guarcino S.r.l.*	Guarcino (IT)	1,100,000 €	Full	100%
NDT energy S.r.l.	Casoli di Atri (TE)	100,000 €	Full	100%
Changzhou NDT new material technology company Ltd	Changzhou (China)	1,000,000 CNY	Full	70%

\* Controlled indirectly through Cartiere di Guarcino S.p.A.

On 15 May 2024, Neodecortech SpA acquired 70% of the share capital of Changzhou NDT new material technology company Ltd, a company under Chinese law with the purpose of developing the Chinese and Far-East markets. The acquisition of the shares, for a total consideration of approximately € 53 thousand, was accounted for under IFRS 3 against which no goodwill was recorded.

It should be noted that the subsidiary NDT energy S.r.l., as previously mentioned, is currently dormant.

## Main Alternative Performance Measures (APMs)

The European Securities and Market Authority (ESMA) has published guidelines on Alternative Performance Measures ("APMs") for listed issuers.

The APMs constitute information used by Management and investors to analyze the trends and performance of the Group, which are directly derived from the financial statements, even though not required by IAS/IFRS. These measures, used by the Group continuously and consistently for several years now, are relevant to assist Management and investors in analyzing the Group's performance. Investors should not consider these APMs as substitutes, but rather as additional information to the figures included in the financial statements. It should be noted that the APMs as defined may not be comparable to APMs of a similar name used by other listed groups.

The definition of the main APMs used in this Interim Management Statement is given below:

- **EBITDA and EBIT:** alternative performance measures not defined by IAS/IFRS but used by Group Management to monitor and measure its performance, as they are not affected by volatility, due to the effects of the range of criteria for determining taxable income, the amount and characteristics of the capital employed and - for EBITDA - the amortization/depreciation policies. These measures are also commonly used by analysts and investors to assess company performance;
- **ADJUSTED EBITDA and EBIT:** a measure used by Management to strip EBITDA and EBIT of the effect of non-recurring cost and revenue components;
- **ADJUSTED NET PROFIT:** a measure used by Management to strip net profit of the effect of non-recurring cost and revenue components;
- **OPERATING WORKING CAPITAL, NET WORKING CAPITAL, FIXED ASSETS and NET INVESTED CAPITAL:** They allow a better assessment of both the ability to meet short-term trade commitments through current trade assets and the consistency of the structure of loans and sources of financing in terms of time;
- **NET FINANCIAL DEBT:** The figure shown is in line with the value of net financial debt determined in accordance with the recommendations of the CESR (Committee of European Securities Regulators) of 10 February 2005 and referred to by CONSOB. It also takes account of the ESMA recommendations of March 2021. This measure allows a better assessment of the overall level of debt, capital strength and debt repayability.

## Notes on the main changes in the consolidated financial statements

*Revenue from Sales and Services* at 31 March 2025 amounted to € 43,269 thousand, an increase of € +550 thousand or +1.3% versus € 43,079 thousand at 31 March 2024. This increase is attributable mainly to the Energy Division, which recorded an increase in revenue of approximately € 3 million. In contrast, the decorative papers segment experienced a decline, related to the general market trend and a reduction in average unit selling prices compared to first quarter 2024. The main markets showing the largest declines were Italy (-10.3%) and the rest of Europe (-8.5%). Residual markets showed growth in Asia/Middle East (+105.9%), while declining in Africa (-67.9%) and America (-7.1%). The reduction in turnover was however anticipated and is in line with the 2025 Budget forecasts.

The sharp increase in *Change in Finished Goods* of +€ 6,425 thousand is related, for both NDT and CDG, to the postponement of certain sales to second quarter 2025.

*Other revenue* at 31 March 2025 amounted to € 263 thousand (€ 460 thousand at 31 March 2024), down by € 197 thousand.

*Consumption of raw and ancillary materials* increased versus 31 March 2024 (+21.2% or € 5,919 thousand). This increase was more than proportional to sales growth (+1.3%) but consistent with the rise in inventory of finished and

semi-finished products. In fact, the percentage of *consumption* on revenue, considering the change in inventory, remains constant at 65%.

*Other operating expense* decreased by -1.4% (or € -98 thousand) versus 31 March 2024, benefiting in 2025 from reductions in energy, gas, and other utility costs, offset by increases in other industrial services.

*Personnel expense* of € 5,782 thousand with the figure of € 5,395 thousand at 31 March 2024, with employees in service at 31 March 2025 increasing to 404 versus 398 at 31 December 2024.

*EBITDA* at 31 March 2025 stands at 9.2% (€ 4,016 thousand) as a percentage of net sales, an increase from 31 March 2024 (€ 3,339 thousand, or 7.8%), in line with expectations.

The change in *amortization and depreciation* is in line with forecasts and increased versus first quarter 2024. The increase is related mainly to the amortization rates of the new ERP system that went into operation on 1 January 2025, as well as new expenditure made by the Group, amounting to € 1,339 thousand.

As a result of the above effects, *EBIT* increased by € +374 thousand versus 31 March 2024, showing a rise versus the same period last year: 3.5% versus 2.7% at 31 March 2024.

With regard to *financial items*, € +26 thousand versus 31 March 2024, they account for 1.3% of revenue, in line with the prior year. However, financial expense was negatively impacted by foreign exchange losses of € 193 thousand, versus € 26 thousand in the prior period, as well as higher interest payments to factors for the sales of BEG's receivables. These impacts neutralized the positive decreasing effect of interest rates that began in 2024 and continued in first quarter 2025.

Group tax shows tax for the period of € 183 thousand, with a theoretical Group tax rate of approximately 20%. This situation is determined mainly by income from tax consolidation with Finanziaria Valentini. In this regard, the prior year had benefited from the non-taxability of tax receivables accrued from grants to energy- and gas-intensive companies.

*Net Profit* amounted to € 765 thousand with a 1.8% percentage of revenue. *Net profit* increased by € 153 thousand versus 31 March 2024 and includes losses attributable to non-controlling interests of € 17 thousand.

Consolidated *net financial debt* at 31 March 2025 amounted to € 33,406 thousand (€ 33,093 thousand at 31 December 2024). The main changes are due mainly to the net effect of the reduction in cash funds by € 7,889 thousand, used to close current debt, which decreased by € 5,609 thousand, in addition to the current portion of medium/long-term loans. No new M/L term loans were taken out during the quarter. Versus 31 March 2024, net financial debt decreased by € 4,076 thousand.

*Consolidated net working capital* at 31 March 2025 amounted to € 44,637 thousand versus € 42,912 thousand at 31 December 2024. The main effects contributing to the change of € 2,145 thousand are: (i) the increase in inventory by € 4,894 thousand, due to the postponement of certain sales to second quarter 2025; (ii) the reduction in trade receivables by € 9,823 thousand, offset by the increase in other receivables by € 8,959 thousand, related to the collection of receivables from the GMP scheme, amounting to € 13.3 million at 31 December 2024, reduced by settlements received during the quarter and increased by the 2025 accruals, which are settled on average within 60 days; (iii) the increase in trade payables by € 2,368 thousand, in line with the increase in purchases.

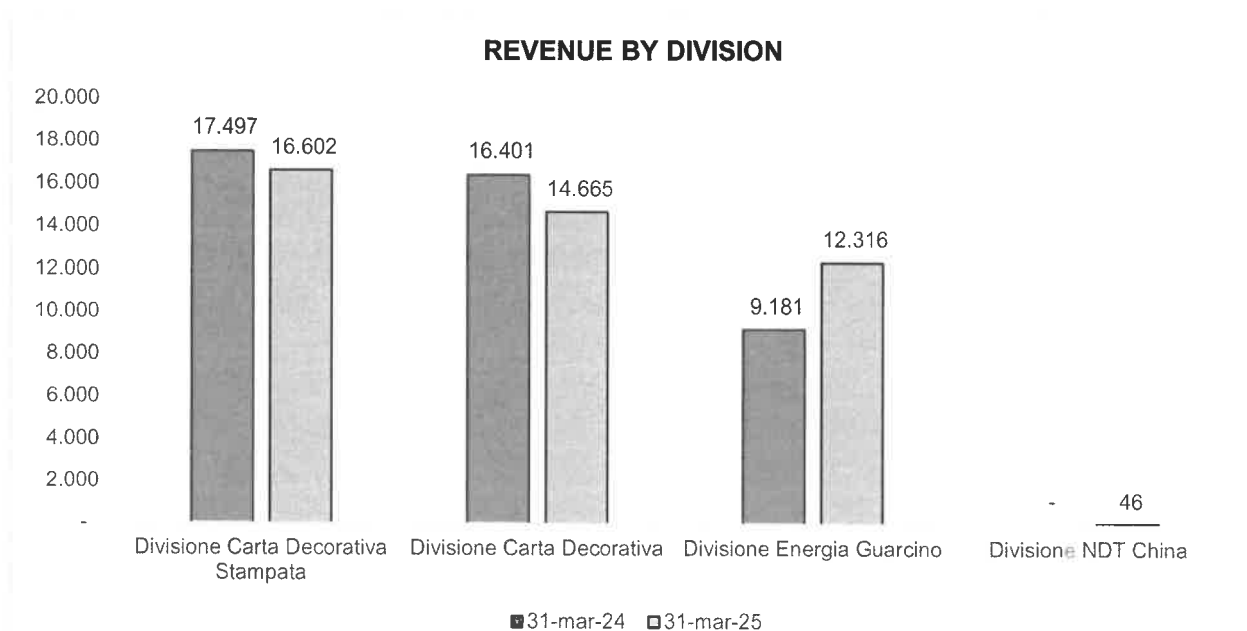
The change in *tangible and intangible fixed assets* is explained by the new capital expenditure made, net of amortization/depreciation. Capital expenditure in tangible fixed assets refers mostly to (i) new machinery and the upgrading of existing machinery in the parent company Neodecortech; (ii) actions to increase the efficiency of paper machines and to optimize plants in Cartiere di Guarcino. At 31 March 2025, capital expenditure in tangible and intangible fixed assets amounted to € 1,339 thousand. In the same period of 2024, capital expenditure amounted to € 1,805 thousand.

*Consolidated equity* at 31 March 2025 increased due mainly to the allocation of profit for the period.

## Revenue by division, type of business and geographical area

The table below shows **consolidated revenue by operating segment**.

(Euro thousands)	31 MARCH 2025	%	31 MARCH 2024	%	Chg.	% chg.
Printed Decorative Paper Division	16,602	38%	17,497	41%	(895)	(5.1%)
Decorative Paper Division	14,665	34%	16,401	38%	(1,736)	(10.6%)
Guarcino Energy Division	12,316	28%	9,181	21%	3,135	34.15%
NDT China Division	46	0%	-	-	46	-
<b>Total</b>	<b>43,629</b>	<b>100%</b>	<b>43,079</b>	<b>100%</b>	<b>550</b>	<b>1.3%</b>



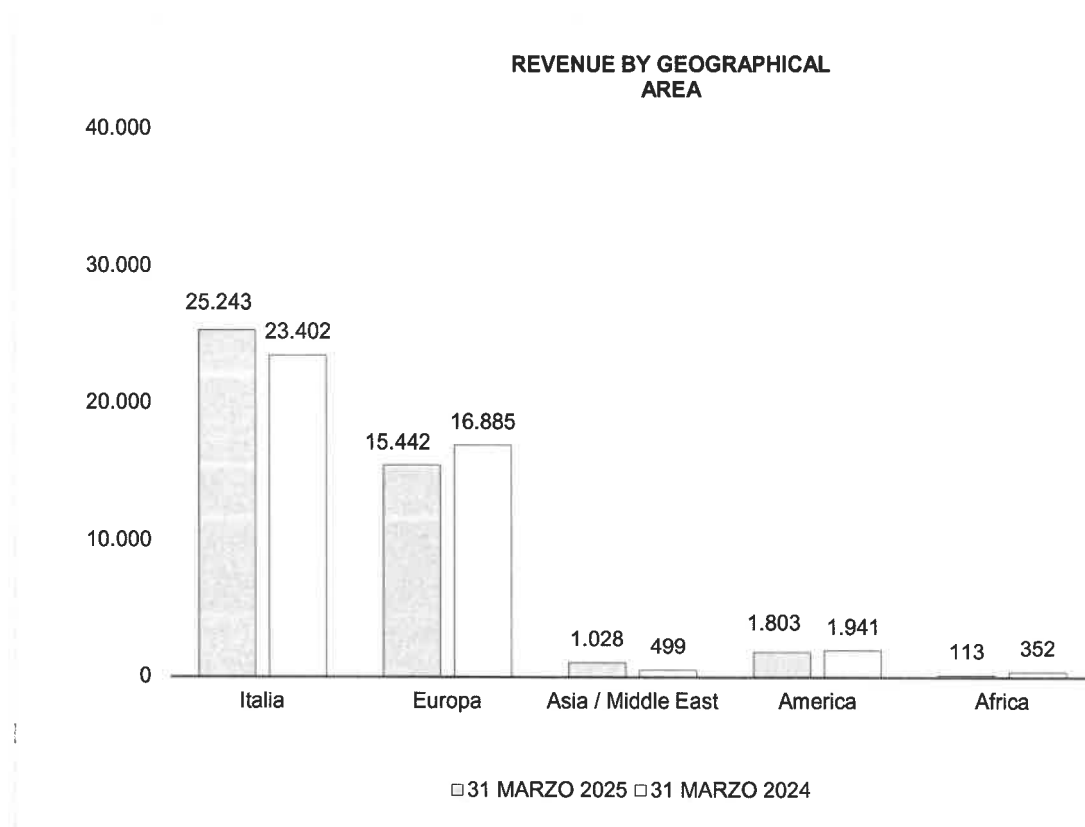
At 31 March 2025, the table below shows **consolidated revenue broken down by type of business**

(Euro thousands)	Printed Decorative Paper Division	Decorative Paper Division	Guarcino Energy Division	Consolidate d
Revenue from the sale of goods	14,825	14,112	0	30,761
Revenue from services	1,824	382	0	382

Revenue from the sale of electricity and steam	0	0	3,556	3,556
Revenue from incentives	0	0	8,930	8,930
<b>Total by segment</b>	<b>16,649</b>	<b>14,495</b>	<b>12,485</b>	<b>43,629</b>

The table below shows consolidated revenue by geographical area:

(Euro thousands)	31 MARCH 2025	%	31 MARCH 2024	%	Chg.	% chg.
Italy	12,758	29.2%	14,221	33.0%	(1,463)	(10.3%)
Europe	15,442	35.4%	16,885	39.2%	(1,443)	(8.5%)
Asia / Middle East	1,028	2.4%	499	1.2%	529	105.9%
America	1,803	4.1%	1,941	4.5%	(138)	(7.1%)
Africa	113	0.3%	352	0.8%	(239)	(67.9%)
Energy Division	12,485	28.6%	9,181	21.3%	3,305	36.0%
<b>Total</b>	<b>43,629</b>	<b>100.0%</b>	<b>43,079</b>	<b>100.0%</b>	<b>550</b>	<b>1.3%</b>



## Related party transactions

Transactions carried out by Neodecortech S.p.A. and other Group companies with related parties, as identified by IAS 24, including transactions with subsidiaries, are neither atypical nor unusual and fall within the ordinary course of business of the Company. These transactions were carried out on market terms.

With regard to the provisions of point 2) of the third paragraph of Article 2428 of the Italian Civil Code, it should be noted that the Company is controlled, through a 58.60% stake, by Finanziaria Valentini S.p.A.. Accordingly, the Company is part of a group of entities whose parent is "Finanziaria Valentini S.p.A." and whose sister company is "Valinvest S.r.l.". Related parties also include "Valfina S.r.l." as it is directly or indirectly controlled by the Valentini Family.

The Company is not subject to the direction and coordination of the parent Finanziaria Valentini S.p.A..

It should be noted that transactions with subsidiaries are not shown as they are derecognized at the consolidation level, while transactions with related parties at 31 March 2025 are shown, the details of which are given below.

(Euro thousands)

	Trade receivables 31 March 2025	Financial receivables 31 March 2025	Trade payables 31 March 2025	Financial payables 31 March 2025
Finanziaria Valentini	0	335	0	81
ISRFE Srl in liquid.	0	445	0	0
Loma Srl	259	0	0	0
BonelliErede	0	0	35	0
<b>Total</b>	<b>259</b>	<b>780</b>	<b>35</b>	<b>81</b>

(Euro thousands)

	Revenue and income 31 March 2025	Costs and expense 31 March 2025
Finanziaria Valentini	39	0
Loma Srl	0	(88)
BonelliErede		(35)
<b>Total</b>	<b>39</b>	<b>(123)</b>

Regarding "Financial receivables" from Finanziaria Valentini S.p.A., amounting to € 335 thousand, these refer to the tax consolidation receivable from the subsidiary Bio Energia Guarcino S.r.l. for € 335 thousand. In addition to € 444 thousand for a receivable regarding the subsidiary Cartiere di Guarcino S.p.A. from the related party ISFRE in liquidation, which remained unchanged and for which a provision for risks of an equal amount was set up owing to collection difficulties.

"Financial payables" to Finanziaria Valentini S.p.A. amounted to € 81 thousand. These relate to the tax consolidation payable of the Parent Company of € 8 thousand, € 52 thousand from the subsidiary Cartiere di Guarcino S.p.A., and the remaining balance from Bio Energia Guarcino S.r.l. related to the year 2025.

Loma S.r.l. is a related party following appointment of one of the Parent Company's executives as "key management personnel". Following the acquisition of the business unit in December 2024, Neodecortech operates directly with the acquired customers. The receivable of € 259 thousand refers to the remaining portion of sales made to Loma S.r.l. before the acquisition of the business unit.

Trade payables include € 35 thousand owed for corporate consulting services provided by BonelliErede.

Revenue and income, costs and expense relate to the agreements with Loma S.r.l. and BonelliErede as mentioned above, and income from tax consolidation with Finanziaria Valentini.

The following table shows the fees to the Group's directors and key management personnel at 31 March 2025:



(Euro thousands)

Subjects	Payable for fees 31 March 2025
Luigi Cologni	284
Massimo Giorgilli	251
Luca Peli	26
Gianluca Valentini	5
Adriano Carlo Bianchi	0
Sara Bertolini	0
Ida Altimare	0
Cinzia Morelli	0
Vittoria Giustiniani	0
Pietro Zanini	6
Stefano Santucci	8
Federica Menichetti	7
Edda Delon	7
Turchi Marco	3
Pannone Francesco	1
Fallacara Francesco	1
Bellucci Giancarlo	0
Key management personnel	227
<b>Total</b>	<b>825</b>

(Euro thousands)

Subjects	Fees 31 March 2025
Luigi Cologni	155
Massimo Giorgilli	119
Luca Peli	26
Gianluca Valentini	11
Adriano Carlo Bianchi	8
Sara Bertolini	7
Ida Altimare	8
Cinzia Morelli	9
Vittoria Giustiniani	7
Pietro Zanini	6
Stefano Santucci	8
Federica Menichetti	7
Edda Delon	6
Turchi Marco	3
Pannone Francesco	1
Fallacara Francesco	1
Bellucci Giancarlo	1

Key management personnel	206
<b>Total</b>	<b>593</b>

## Other supplementary information

### Atypical and/or unusual transactions during the period

During the period up to 31 March 2025, the Group did not carry out any significant transactions qualifying as non-recurring, atypical and/or unusual.

### Compliance with the simplified system under Articles 70 and 71 of the Issuer Regulation

It should be noted that the Company, pursuant to Articles 70, paragraph 8 and 71, paragraph 1-bis, of the Regulation adopted by CONSOB through resolution no. 11971/1999, as supplemented and amended (the "Issuer Regulation"), complies with the opt-out system provided for by the above articles, availing itself of the right to depart from the obligations to publish the information documents envisaged in Annex 3B of the Issuer Regulation on the occasion of significant transactions relating to mergers, spin-offs and capital increases through contribution of assets in kind, acquisitions and transfers.

### Significant events after 31 March 2025

The Shareholders' Meeting held on 29 April 2025 of the Parent Company Neodecortech S.p.A. approved the Financial Statements at 31 December 2024, allocating profit for the year of € 4,111,012.61 as follows:

- € 205,550.63 to the legal reserve;
- € 3,886,617.46 to the non-distributable revaluation reserve for investments recorded pursuant to Legislative Decree no. 38/05 Article 6, paragraph 1;
- € 18,844.52 to the extraordinary reserve;

The same Shareholders' Meeting resolved to distribute to shareholders an ordinary gross dividend of € 0.15 for each outstanding ordinary share, excluding treasury shares, with payment on 21 May 2025. The ex-dividend date is set for 19 May 2025 (No. 7, ISIN code IT0005275778), and the record date, which is the accounting day at the end of which the evidence of the accounts is authentic for the purposes of entitlement to payment of the dividend, is 20 May 2025.

The Shareholders' Meeting, pursuant to Article 123-ter, paragraph 3-ter, of Legislative Decree no. 58/1998, also approved Section One of the Report on the Remuneration Policy and on Compensation Paid and, pursuant to Article 123-ter, paragraph 6, of the TUF, then approved Section Two of the Report on the Remuneration Policy and on Compensation Paid.

The Shareholders' Meeting additionally authorized a new share buyback plan.

The Shareholders' Meeting of 28 April 2025 of the subsidiary Cartiere di Guarcino S.p.A. passed the following resolutions:

- to allocate profit for the year, totaling € 3,864,913.99, as follows: (i) € 192,245.70 to the legal reserve; (ii) €

3,378,307.53 to the non-distributable revaluation reserve; (iii) € 166.28 to the reserve for unrealized foreign exchange gains; and (iv) the remaining portion of profit, amounting to € 293,194.48, to the extraordinary reserve;

- to distribute dividends totaling € 2,130,000.00, drawn from the available profit reserves of the extraordinary reserve, with payment scheduled by 21 May 2025.

On 28 April 2025, the subsidiary Cartiere di Guarcino signed a notarial deed for a Conditional Loan agreement under the Sustainable Growth Fund - Circular Economy. The agreement covers € 999,999.97 at a subsidized rate and € 400,000.00 at an ordinary rate.

## **Treasury shares and shares of the Parent Company**

Pursuant to Articles 2435-bis and 2428 of the Italian Civil Code, it should be noted that Neodecortech held no. 583,500 treasury shares at 31 March 2025 for a value of € 1,848,599.55.

The Shareholders' Meeting held on 29 April 2025 approved the additional purchase of ordinary shares of the Company, up to a maximum of 10% of the Company's share capital, equal to a maximum of no. 1,421,802 ordinary shares. The purchase of treasury shares may be made, in one or more tranches, within eighteen months.

From April to May 2025, Neodecortech continued with the purchase of additional treasury shares based on and within the limits of the above resolution.

At 31 March and during three months 2025, the Company did not hold and did not purchase shares in the parent company Finanziaria Valentini S.p.A..

Filago (BG), 14 May 2025

For the Board of Directors

The Chairman

(Gianluca Valentini)



## **Certification by the Financial Reporting Manager**

Pursuant to the provisions of Article 154-bis, paragraphs 3 and 4, of Italian Legislative Decree no. 58 of 24 February 1998

**SUBJECT: Interim Management Statement at 31 March 2025 approved on 14 May 2025**

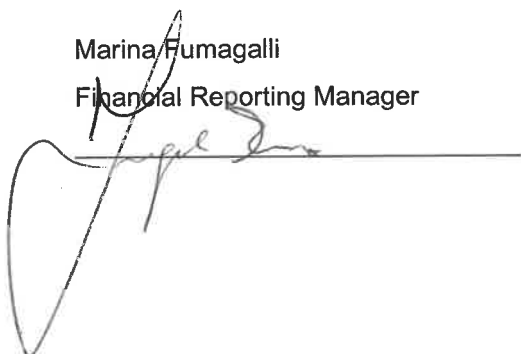
The undersigned Marina Fumagalli, Financial Reporting Manager of Neodecortech S.p.A.

CERTIFIES

Pursuant to Article 154 bis, paragraph two, Part IV, Title III, Chapter II, Section V-bis, of Legislative Decree no. 58 of 24 February 1998, that, to the best of my knowledge, the Interim Management Statement at 31 March 2025 corresponds to the underlying records, books and accounting entries.

Date: 14 May 2025

Marina Fumagalli  
Financial Reporting Manager

A handwritten signature in black ink, appearing to read 'Marina Fumagalli', is written over a horizontal line. The signature is stylized with a large loop at the beginning.