

## Neodecortech S.p.A.

Independent auditor's report pursuant to article 14 of Legislative Decree no. 39 of 27 January 2010 and article 10 of Regulation (EU) no. 537/2014

Consolidated financial statements as at December 31, 2025

*As disclosed by the Directors on page 3, the accompanying consolidated financial statements of Neodecortech Group constitute a non-official version which is not compliant with the provisions of the Commission Delegated Regulation (EU) 2019/815. This independent auditor's report has been translated into English solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.*

## Independent auditor's Report

pursuant to article 14 of Legislative Decree no. 39 of 27 January 2010 and article 10 of Regulation (EU) no. 537/2014

To the Shareholders of  
Neodecortech S.p.A.

### Report on the audit of the consolidated financial statements

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#### Opinion

We have audited the consolidated financial statements of Neodecortech Group (the "Group"), which comprise the consolidated statement of financial position as at December 31, 2025, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements, including material information on the accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Neodecortech Group as at December 31, 2025 and of its financial performance and cash flows for the year then ended in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board and endorsed by the European Union, as well as the Italian regulations implementing article 9 of Legislative Decree no. 38/05.

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#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the consolidated financial statements* section of our report. We are independent of Neodecortech S.p.A. (the "Parent") in accordance with the ethical and independence requirements applicable in Italy to the audit of financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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#### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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**Key audit matter****Audit procedures addressing the key audit matter**

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**ESTIMATE OF REVENUES FROM “GMP”**

With specific reference to plants powered by bioliquids, the legislation has provided for some significant new features that can also be applied after the expiry of the incentive period ending in May 2025 - and in particular:

- the introduction of the Minimum Guaranteed Prices (GMP) mechanism, applicable from December 2023 until 31 December 2025. The regulation relating to Minimum Guaranteed Prices for electricity generation plants powered by sustainable bioliquids, referred to in ARERA Resolutions No. 306/2024 and No. 518/2024, has been fully operational until December 31, 2025;
- the provision, starting in 2026, of a new regime based on the negotiation of the electrical capacity of bioliquid plants, with particular reference to plants connected to production sites

Revenues as of December 31, 2025 of the Neodecortech SpA Group include an estimate of the accrued revenues relating to the electricity produced by the subsidiary company Bio Energia Guarcino Srl, for a total amount equal to Euro 43,701 thousand, measured according to the ARERA regulation with the GMP mechanism.

The energy sector is governed by regulations and authorization procedures, characterized by high complexity. The processes and methods of evaluating and determining the estimate made by the Administrators are based on complex assumptions which, by their nature, imply the use of management judgment.

We considered that this issue represents a key audit matter in relation to the complexity of the regulatory matter as well as the relevance of the affected items in the consolidated financial statements of the Neodecortech Group as of December 31, 2025.

The disclosures relating to this aspect were provided in the notes to the annual financial report as of December 31, 2025 and to the consolidated half year disclosures of the Neodecortech Group “Relevant segment and comments on operations”, “Neodecortech group consolidated income statement” and “Significant events after 31 December 2025”.

The main audit procedures carried out in response to the key audit matter identified were the following:

- discussions with the Management which concerned, among other things, understanding the regulatory legislation, applicable for the purposes of the correctness of the GPM calculation prepared by the Company and authorized by the Regulatory Body, as well as the correct registration, classification and accounting treatment of the revenue, resulting from this;
- examination of the main documentation prepared by the subsidiary Bio Energia Guarcino Srl.;
- verification of the exchange of communications/information with the granting authority;
- assessment of the appropriateness of the forecasts with respect to the final data set out in the Group's previous half year situations and in the financial statements for the period closed at December 31, 2025;
- carrying out procedures on a sample of data used by management in order to verify the competence and accuracy of the revenues entered in the financial statements;
- verification of receipts after the closing of the financial year and up to the date of this report;
- verification of the adequacy of the disclosure provided in the Annual Financial Report as at 31 December 2025 of the Group, in relation to these aspects.

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## Responsibilities of the Directors and the Board of Statutory Auditors for the consolidated financial statements

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board and endorsed by the European Union and the Italian regulations implementing article 9 of Legislative Decree no. 38/05 and, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Group's ability to continue as a going concern and for the appropriate use of the going concern basis in preparation of the consolidated financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the Parent ABC S.p.A. or ceasing operations exist, or have no realistic alternative but to do so.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, the Group's financial reporting process.

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## Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISA Italia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISA Italia, we exercised professional judgment and maintained professional skepticism throughout the audit. We also have:

- identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- concluded on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- evaluated the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

- obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion on the consolidated financial statements.

We have communicated with those charged with governance, as properly identified in accordance with ISA Italia, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control we identified during our audit.

We have also provided those charged with governance with a statement that we have complied with ethics and independence rules and standards applicable in Italy and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the measures taken to eliminate those threats or the safeguards applied.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We described those matters in our auditor's report.

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#### **Other information communicated pursuant to article 10 of Regulation (EU) no. 537/2014**

On December 9, 2019, the Shareholders' meeting of Neodecortech S.p.A. appointed us to perform the statutory audit of its parent company and consolidated financial statements for the years ending from December 31, 2020 to December 31, 2028.

We declare that we did not provide the prohibited non-audit services referred to in article 5, paragraph 1, of Regulation (EU) no. 537/2014, and that we remained independent of the Company in conducting the audit.

We confirm that the opinion on the consolidated financial statements expressed in this report is consistent with the additional report to the board of statutory auditors, in its capacity as audit committee, prepared pursuant to article 11 of the aforementioned Regulation.

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## Report on other legal and regulatory requirements

### Opinion on the compliance with the provisions of Commission Delegated Regulation (EU) 2019/815

The directors are responsible for the application of the requirements of Delegated Regulation (EU) 2019/815 of European Commission regarding the regulatory technical standards pertaining the electronic reporting format specifications (ESEF - European Single Electronic Format) (hereinafter the “Delegated Regulation”) to the consolidated financial statements at December 31,2025 to be included in the annual financial report.

We have performed the procedures required under Auditing Standard (SA Italia) no. 700B in order to express an opinion on the compliance of the consolidated financial statements with the requirements of the Delegated Regulation.

In our opinion, the consolidated financial statements at December 31,2025 have been prepared in XHTML format and have been marked-up, in all material respects, in compliance with the provisions of Delegated Regulation (EU) 2019/815.

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### Opinion and statement pursuant to article 14, paragraph 2, letters e), e-bis) and e-ter), of Legislative Decree no. 39/10 and article 123-bis, paragraph 4, of Legislative Decree no. 58/98

The directors are responsible for the preparation of the group’s reports on operations and on corporate governance and ownership structure of the Neodecortech Group as at December 31,2025, including their consistency with the related consolidated financial statements and their compliance with the applicable law.

We have performed the procedures required under Auditing Standard (SA Italia) n. 720B in order to:

- express an opinion on the consistency of the report on operations and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis, paragraph 4, of Legislative Decree no. 58/98 with the consolidated financial statements;
- express an opinion on the compliance of the report on operations and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis, paragraph 4, of Legislative Decree no. 58/98 with the applicable law;
- issue a statement of any material misstatements in the report on operations and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis, paragraph 4, of Legislative Decree no. 58/98.

In our opinion, the report on operations and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis, paragraph 4, of Legislative Decree no. 58/98 are consistent with the group’s consolidated financial statements at December 31,2025.

Moreover, in our opinion, the report on operations and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative Decree no. 58/98 have been prepared in compliance with the applicable law.

With reference to the statement pursuant to article 14, paragraph 2, letter e-ter), of Legislative Decree no. 39/10 based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Milan, March 31 2026

BDO Audit Services S.r.l.

*Signed by*

Giovanni Rovelli  
Partner

## Neodecortech S.p.A.

Independent auditor's report pursuant to  
article 14 of Legislative Decree no. 39 of 27  
January 2010 and article 10 of Regulation (EU)  
no. 537/2014

Financial statements as at December 31,2025

*As disclosed by the Directors on page 3, the accompanying financial statements of Neodecortech S.p.A. constitute a non-official version which is not compliant with the provisions of the Commission Delegated Regulation (EU) 2019/815. This independent auditor's report has been translated into English solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.*

## Independent auditor's Report

pursuant to article 14 of Legislative Decree no. 39 of 27 January 2010 and article 10 of Regulation (EU) no. 537/2014

To the Shareholders of  
Neodecortech S.p.A.

### Report on the audit of the financial statements

---

#### Opinion

We have audited the financial statements of Neodecortech S.p.A. (the "Company"), which comprise the statement of financial position as at December 31,2025, the income statement, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material information on the accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of Neodecortech S.p.A.as at December 31,2025 and of its financial performance and cash flows for the year then ended in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board and endorsed by the European Union, as well as the Italian regulations implementing article 9 of Legislative Decree no. 38/05.

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#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the financial statements* section of our report. We are independent of Neodecortech S.p.A. (the "Company") in accordance with the ethical and independence requirements applicable in Italy to the audit of financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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#### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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**Key audit matter****Audit procedures addressing the key audit matter**

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**EVALUATION OF INVESTMENTS**

Investments as of December 31, 2025 amounts to Euro 59,706 thousand (equal to 48.8% of the total assets) and refers to the 100% holdings in Cartiere di Guarcino SpA for €51,131 thousand, in NDT Energy Srl for Euro 108 thousand, in Changzhou NDT new material technology company Ltd which is zeroed and in Lamitex Srl for Euro 8,380 thousand, acquired on November 28, 2025.

These Investments in subsidiaries are measured at equity and are subject to impairment testing, where indicators of impairment have been identified.

In view of the materiality and nature of the financial statements items involved, we considered that issue to be a key audit matter.

The disclosure relating to this issue was provided by the Administrators in the Management Report and in the Explanatory Notes to the Financial Statements in the notes “Accounting policies” and “Investments”.

The main audit procedures carried out in response to the key audit matter identified were the following:

- discussions with Management to understand the methodology adopted by the Company regarding the identification of any impairment indicators, in line with the provisions of IAS36;
- verification of the absence of impairment indicators;
- analysis of the movement of investments during the period and examination of the most significant acquisition and sale transactions;
- obtaining financial statements for all significant investments;
- verification of the adequacy of the disclosure provided in the Management Report and the Explanatory Notes to the financial statements in relation to the evaluation of investments.

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**Responsibilities of the Directors and the Board of Statutory Auditors for the financial statements**

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board and endorsed by the European Union and the Italian regulations implementing article 9 of Legislative Decree no. 38/05 and, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Company’s ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the Company or ceasing operations exist, or have no realistic alternative but to do so.

The board of statutory auditors is responsible for overseeing, within the terms established by Italian law, the Company’s financial reporting process.

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**Auditor’s responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISA Italia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISA Italia, we exercised professional judgment and maintained professional skepticism throughout the audit. We also have:

- identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- concluded on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We have communicated with those charged with governance, as properly identified in accordance with ISA Italia, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control we identified during our audit.

We have also provided those charged with governance with a statement that we have complied with ethics and independence rules and standards applicable in Italy and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the measures taken to eliminate those threats or the safeguards applied.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the financial statements of the current period and are, therefore, the key audit matters. We described these matters in our auditor's report.

---

#### **Other information communicated pursuant to article 10 of Regulation (EU) no. 537/2014**

On December 9, 2019, the Shareholders' meeting of Neodecortech S.p.A. appointed us to perform the statutory audit of its parent company and consolidated financial statements for the years ending from December 31, 2020 to December 31, 2028.

We declare that we did not provide the prohibited non-audit services referred to in article 5, paragraph 1, of Regulation (EU) no. 537/2014, and that we remained independent of the Company in conducting the audit.

We confirm that the opinion on the financial statements expressed in this report is consistent with the additional report to the board of statutory auditors, in its capacity as audit committee, prepared pursuant to article 11 of the aforementioned Regulation.

---

## Report on other legal and regulatory requirements

### Opinion on the compliance with the provisions of Commission Delegated Regulation (EU) 2019/815

The directors of Neodecortech S.p.A. are responsible for the application of the requirements of Delegated Regulation (EU) 2019/815 of European Commission regarding the regulatory technical standards pertaining the electronic reporting format specifications (ESEF - European Single Electronic Format) (hereinafter the “Delegated Regulation”) to the [separate] financial statements at December 31,2025 to be included in the annual financial report.

We have performed the procedures required under Auditing Standard (SA Italia) no. 700B in order to express an opinion on the compliance of the financial statements with the requirements of the Delegated Regulation.

In our opinion, the financial statements at December 31,2025 have been prepared in XHTML format in compliance with the provisions of Delegated Regulation (EU) 2019/815.

---

### Opinion and statement pursuant to article 14, paragraph 2, letters e), e-bis) and e-ter), of Legislative Decree no. 39/10 and article 123-bis, paragraph 4, of Legislative Decree no. 58/98

The directors are responsible for the preparation of a directors’ report and a report on corporate governance and ownership structure at December 31,2025 including their consistency with the related financial statements and their compliance with the applicable law.

We have performed the procedures required under Auditing Standard (SA Italia) n. 720B in order to:

- express an opinion on the consistency of the report on operations and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis, paragraph 4, of Legislative Decree no. 58/98 with the financial statements;
- express an opinion on the compliance of the report on operations and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis, paragraph 4, of Legislative Decree no. 58/98 with the applicable law;
- issue a statement of any material misstatements in the report on operations and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis, paragraph 4, of Legislative Decree no. 58/98.

In our opinion, the report on operations and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis, paragraph 4, of Legislative Decree no. 58/98 are consistent with the company’s financial statements at December 31,2025

Moreover, in our opinion, the report on operations and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative Decree no. 58/98 have been prepared in compliance with the applicable law.

With reference to the statement pursuant to Article 14, paragraph 2, letter e-ter), of Legislative Decree no. 39/10 based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Milan, March 31 2026

BDO Audit Services S.r.l.

*Signed by*

Giovanni Rovelli

Partner



**NEO  
DECOR  
TECH**

Decors and surfaces  
for sustainable living.

**ANNUAL REPORT  
AT 31 DECEMBER 2025**

Financial Statements prepared in accordance with IAS/IFRS  
Amounts in Euro



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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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## Letter to stakeholders



**Luigi Cologni**  
Neodecortech Group CEO  
(Chief Executive Officer)

Shareholders,

*we submit for your approval the Consolidated Financial Statements at 31 December 2025 of the Neodecortech Group, prepared in accordance with IAS/IFRS and accompanied by this Directors' Report on Operations, aimed at providing a transparent and comprehensive presentation of the Group's performance for the year and future prospects.*

*2025 marked a year of competitive strengthening and industrial consolidation. In a macroeconomic environment still dominated by demand volatility in the European furniture and interior design sector, and by energy cost trends only partly normalized versus the peaks of the prior two years. The Group confirmed its operating strength by leveraging industrial integration, cost control, and an expanded product range.*

*Neodecortech maintains a leading position in producing and marketing decorative surfaces for furniture and flooring, leveraging an integrated model that stands out in the European landscape. Quality, technological innovation and environmental sustainability remain core to the industrial strategy, aligned with key market trends showing rising demand for high-performance decorative solutions with lower environmental impact.*

*In the period under review, the Group achieved a consolidated profit of € 7,294 thousand, a significant improvement versus € 3,977 thousand at 31 December 2024, after amortization, depreciation and allocations totaling € 10,482 thousand (€ 9,148 thousand in the prior year). EBITDA performance reflects the gradual normalization of industrial costs, the effectiveness of efficiency actions launched in prior years, and a product mix more focused on higher value-added solutions.*

*Key income indicators show a recovery in operating profitability, supported by management discipline and the Group's ability to adapt to a changing market. The Energy Division made a positive contribution to overall margins, confirming the soundness of the strategic decisions for energy diversification and integration, even amid a scenario of progressive revision of incentive systems.*

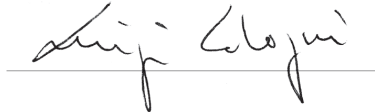
*The acquisition of Lamitex was also completed during 2025, a transaction aligned with the Group's industrial growth path and instrumental in expanding the range of decorative surfaces offered. The integration will reinforce the international markets footprint, amplify production and sales synergies, and further strengthen Neodecortech's competitive edge.*

*The Group's capital structure remains balanced and aligned with its development objectives, enabling it to support industrial investments while offering remuneration to Shareholders in line with a financial policy based on prudence and medium- to long-term value creation.*

*Looking ahead to 2026, despite a macroeconomic scenario requiring selectivity and attention, the Group intends to continue pursuing the strategic directions already outlined: industrial integration, product innovation, process sustainability, and strengthening its international footprint. Order visibility and an established customer base underpin confidence to tackle the new year with determination.*

*I would like to extend my sincere thanks to all our people for their professionalism and commitment, to Management for its ability to steer the Company through a transformation phase, and to you, the Shareholders, for your continued trust, an essential prerequisite for the Group's growth path.*

*Neodecortech will continue to operate with responsibility, financial discipline and strategic vision, mindful of its role in the European decorative surfaces landscape and focused on creating sustainable value over time.*



Luigi Colajanni

## Highlights

### Economic



**184,1** Mn Euro  
Revenue

(+9.2% compared to 2024)

**38,3** Mn Euro  
NWC

**20,9** Mn Euro  
EBITDA

(11.3% EBITDA Margin)

**30,9** Mn Euro  
NFP

(-2,2 Mn versus 2024)

**10,4** Mn Euro  
EBIT

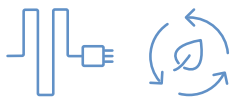
(5.6% EBIT Margin)

**20,1** Mn Euro  
NFP Adjusted

(-13 Mn versus 2024)

**6** Group Companies

### Environmental\*



**100%**  
electricity  
from renewable  
sources since 2017

**100%**  
FSC® certified  
purchased pulp

(Mix Credit and Controlled Wood)  
or PEFC

Confirmation of  
Carbon neutrality  
Scope 1 + Scope 2

### Social



**441**  
employees as of  
31.12.2025

**NEO  
DECOR  
TECH**

**NEO  
DECOR  
TECH**

Decors and surfaces  
for sustainable living.



**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

### Supervisory Board <sup>(5)</sup>

Ettore Raspadori (Chairman)  
Federica Menichetti <sup>(6)</sup>

### Independent Auditors <sup>(7)</sup>

BDO Audit Services S.r.l.

<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 ended 31 December 2025.

<sup>(3)</sup> Marina Fumagalli was appointed by the Board of Directors on 07 February 2023 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> 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. On 05 May 2023, the Board of Directors appointed Laura Bellezza as a member of the SB of the Company; her appointment ceased on 30 November 2025.

<sup>(6)</sup> Ms. Menichetti also holds the position of standing auditor of Neodecortech S.p.A.

<sup>(7)</sup> The nine-year statutory audit assignment pursuant to Article 17 of Legislative Decree 39/2010 of the Italian Civil Code for the financial years 2020-2028 was granted by the Ordinary Shareholders' Meeting on 9 December 2019. Effective 1 January 2026, the Independent Auditors BDO Italia S.p.A. transferred to BDO Audit Services S.r.l. a business unit including, among other things, the assignment to audit the financial statements of Neodecortech S.p.A.

## Group structure

The Group's structure at 31 December 2025 is shown below.

### Neodecortech S.p.A.

100%

**Cartiere di Guarcino S.p.A.**

100%

**Lamitex S.r.l.**

70%

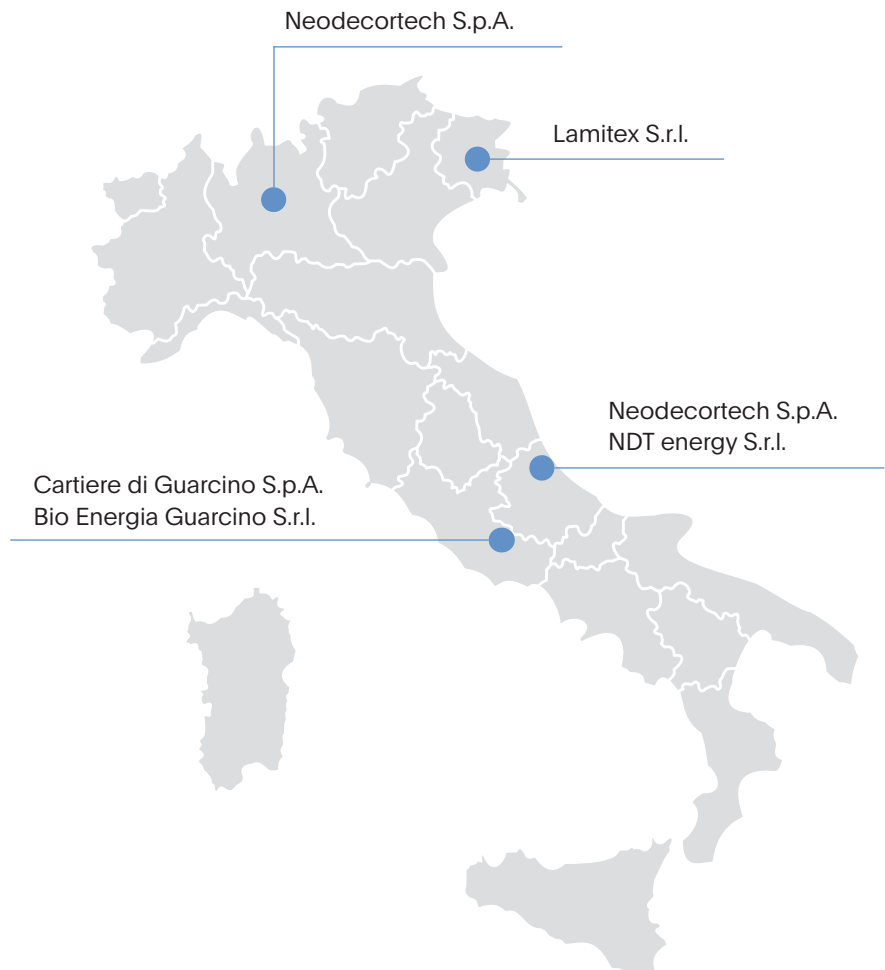
**Changzhou NDT new material technology company Ltd**

100%

**NDT energy S.r.l. (inactive)**

100%

**Bio Energia Guarcino S.r.l.**



## Locations

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### **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: legal and corporate affairs, administration and investments, strategic planning and business development, ESG Reporting, Internal Audit, Compliance & Risk Management.

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### **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.

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### **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.

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### **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.

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### **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.

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### **Lamitex S.r.l. (LMX)**

acquired on 28 November 2025, registered office in Spilimbergo (PN). The Company develops decorative laminates designed to clad vertical surfaces and meet a wide range of design requirements across the furniture, design and interior architecture sectors.

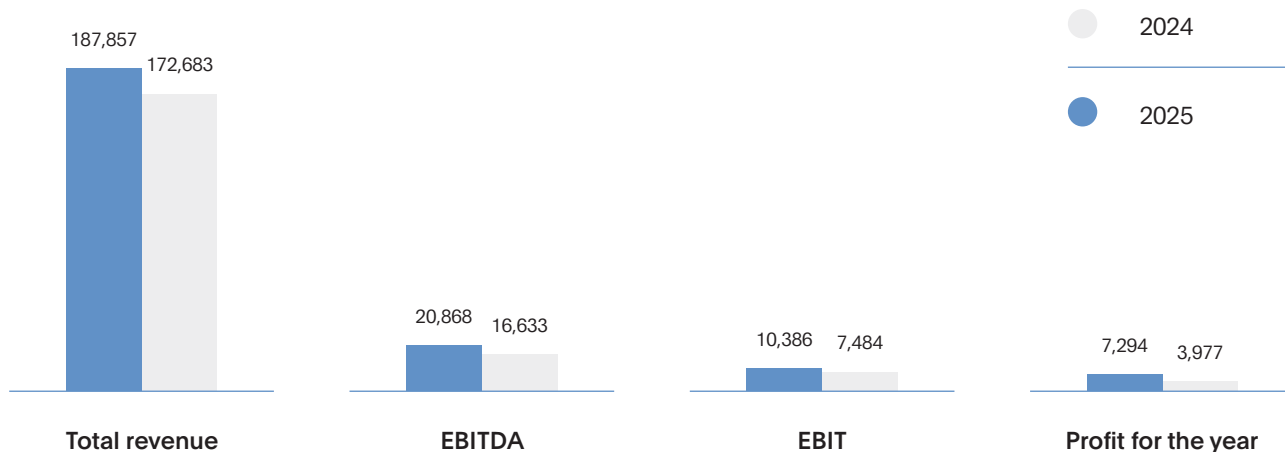
## Financial highlights of the Neodecortech Group

### Income statement

The table below shows the main **consolidated income statement** figures including the consolidation of Lamitex S.r.l. from the acquisition date to 31 December 2025:

(Euro thousands)	31 DECEMBER 2025		31 DECEMBER 2024		Chg.	% Chg.
		%		%		
Revenue from sales and services	184,072	100.0%	168,575	100.0%	15,497	9.2%
Other revenue	3,785	2.1%	4,108	2.4%	(323)	(7.9%)
<b>Total revenue</b>	<b>187,857</b>	<b>102.1%</b>	<b>172,683</b>	<b>102.4%</b>	<b>15,174</b>	<b>8.8%</b>
<b>EBITDA</b>	<b>20,868</b>	<b>11.3%</b>	<b>16,633</b>	<b>9.9%</b>	<b>4,235</b>	<b>25.5%</b>
Amortization and depreciation	10,412	5.7%	9,096	5.4%	1,316	14.5%
Allocations	70	0.0%	53	0.0%	17	32.1%
<b>EBIT</b>	<b>10,386</b>	<b>5.6%</b>	<b>7,484</b>	<b>4.4%</b>	<b>2,902</b>	<b>38.8%</b>
<b>Profit for the year</b>	<b>7,294</b>	<b>4.0%</b>	<b>3,977</b>	<b>2.4%</b>	<b>3,317</b>	<b>83.4%</b>

### Main Income Indicators



Instead, the table below shows the main **pro forma consolidated income statement results** for 2024 and 2025, including Lamitex as if it had been owned for the full calendar years:

(Euro thousands)	PRO-FORMA 31 DECEMBER 2025		PRO-FORMA 31 DECEMBER 2024		Chg.	% Chg.
		%		%		
Revenue from sales and services	195,680	100.0%	181,336	100.0%	14,344	7.9%
Other revenue	4,204	2.1%	4,506	2.5%	(302)	(6.7%)
<b>Total revenue</b>	<b>199,884</b>	<b>102.1%</b>	<b>185,842</b>	<b>102.5%</b>	<b>14,042</b>	<b>7.6%</b>
<b>EBITDA</b>	<b>23,150</b>	<b>11.8%</b>	<b>18,405</b>	<b>10.1%</b>	<b>4,745</b>	<b>25.8%</b>
Amortization and depreciation	11,119	5.7%	9,808	5.4%	1,311	13.4%
Allocations	70	0.0%	75	0.0%	(5)	(6.7%)
<b>EBIT</b>	<b>11,961</b>	<b>6.1%</b>	<b>8,522</b>	<b>4.7%</b>	<b>3,439</b>	<b>40.4%</b>

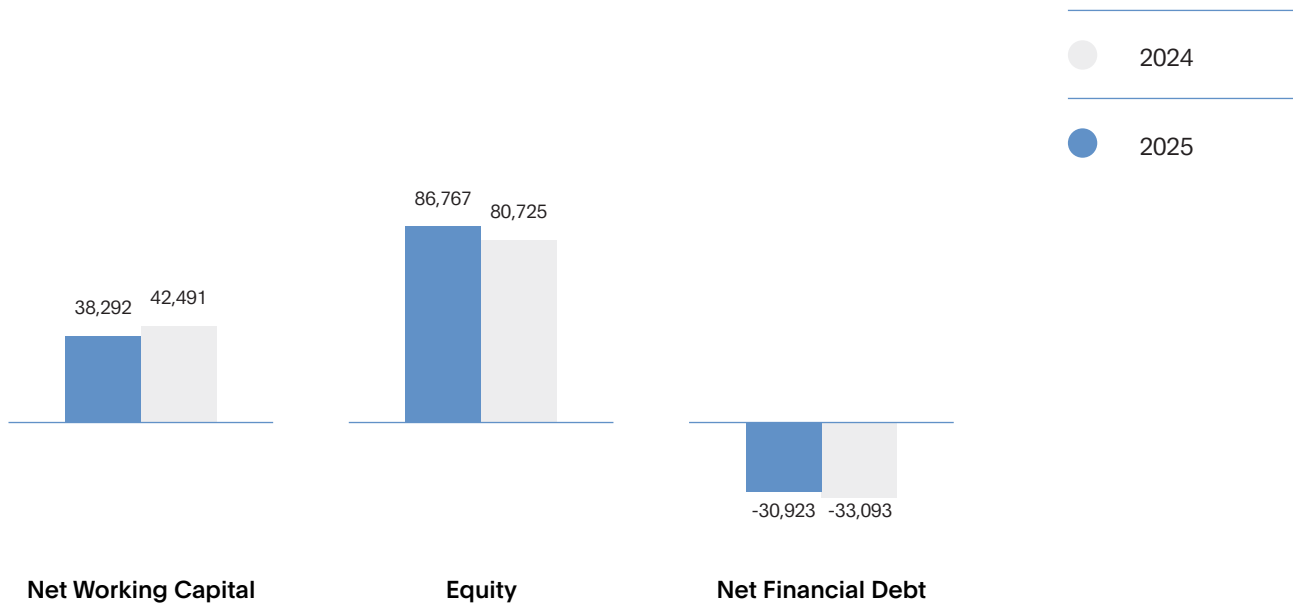
For comments on changes, see the paragraph "CONSOLIDATED INCOME STATEMENT" in the Directors' Report on Operations.

## Financial results

The table below shows the main **consolidated financial indicators** including the consolidation of Lamitex S.r.l.:

(Euro thousands)	31 DECEMBER 2025	31 DECEMBER 2024	Chg.	% Chg.
Net Working Capital	38,292	42,491	(4,199)	(9.9%)
Equity	86,767	80,725	6,042	7.5%
Net Financial Debt	(30,923)	(33,093)	2,170	(6.6%)

## Main Balance Sheet Indicators



Instead, the table below shows the main comparative consolidated financial indicators, including Lamitex's pro forma 2024 figures:

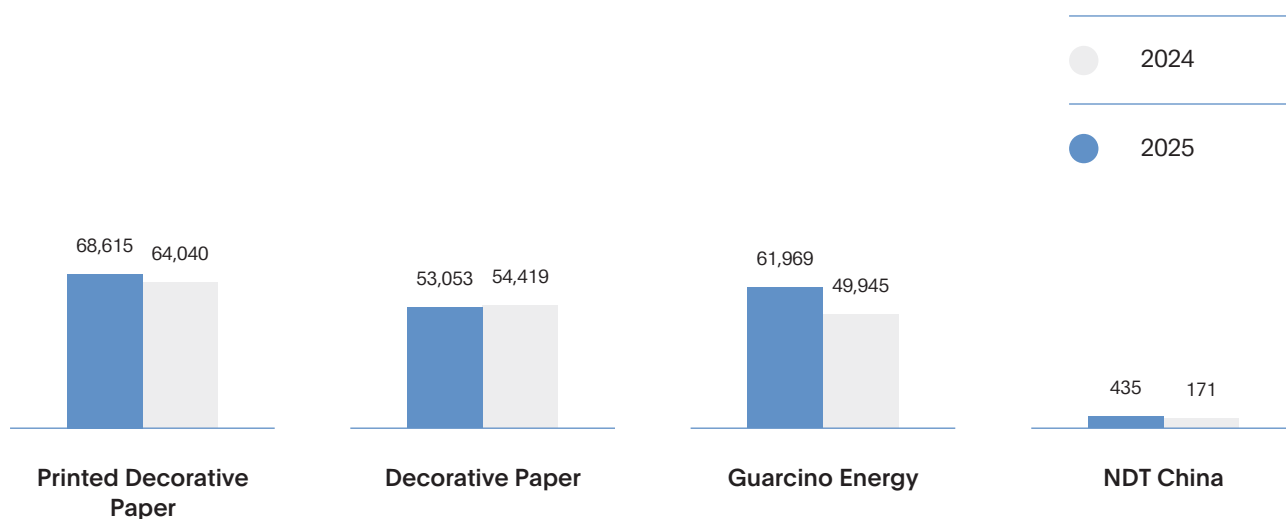
(Euro thousands)	31 DECEMBER 2025	PRO-FORMA 31 DECEMBER 2024	Chg.	% Chg.
Net Working Capital	38,292	45,631	(7,338)	(16.1%)
Equity	86,767	83,941	2,827	3.4%
Net Financial Debt	(30,923)	(37,508)	6,585	(17.6%)

For comments on changes, reference should be made to the section "RECLASSIFIED CONSOLIDATED STATEMENT OF FINANCIAL POSITION" in this Directors' Report on Operations.

The table below shows consolidated revenue by operating segment.

(Euro thousands)	31 DECEMBER 2025		31 DECEMBER 2024		Chg.	% Chg.
Printed Decorative Paper Division (*)	68,615	37%	64,040	38%	4,575	7.1%
Decorative Paper Division	53,053	29%	54,419	32%	(1,366)	(2.5%)
Guarcino Energy Division	61,969	34%	49,945	30%	12,024	24.1%
NDT China Division	435	0%	171	0%	264	154.4%
<b>Total</b>	<b>184,072</b>	<b>100%</b>	<b>168,575</b>	<b>100%</b>	<b>15,497</b>	<b>9.2%</b>

## Revenue by Division



Instead, the table below shows pro forma consolidated revenue by operating segment as if the Lamitex acquisition had been completed on 1 January and versus by including it in 2024:

(Euro thousands)	PRO-FORMA 31 DECEMBER 2025		PRO-FORMA 31 DECEMBER 2024		Chg.	% Chg.
Printed Decorative Paper Division (*)	80,223	41%	76,800	39%	3,423	4.46%
Decorative Paper Division	53,053	27%	54,419	30%	(1,366)	(2.51%)
Guarcino Energy Division	61,969	32%	49,945	28%	12,024	24.07%
NDT China Division	435	0%	171	0%	264	154.39%
<b>Total</b>	<b>195,680</b>	<b>100%</b>	<b>181,335</b>	<b>100%</b>	<b>14,345</b>	<b>7.91%</b>

For comments on the performance of each division, see the section "KEY RESULTS BY OPERATING SEGMENT" in the Directors' Report on Operations.

The table below shows **consolidated revenue by geographical area**.

<i>(Euro thousands)</i>	31 DECEMBER 2025		31 DECEMBER 2024		Chg.	% Chg.
		%		%		
<b>Italy</b>	<b>46,404</b>	<b>25.2%</b>	<b>49,804</b>	<b>29.5%</b>	<b>(3,400)</b>	<b>(6.8%)</b>
<b>Foreign</b>	<b>75,699</b>	<b>41.1%</b>	<b>68,826</b>	<b>40.9%</b>	<b>6,873</b>	<b>10.0%</b>
Of which Europe	61,772	33.6%	58,596	34.8%	3,175	5.4%
Of which Asia	4,325	2.3%	1,680	1.0%	2,644	157.4%
Of which Middle East	944	0.5%	635	0.4%	309	48.6%
Of which America	7,322	4.0%	6,690	4.0%	633	9.5%
Of which Africa	1,336	0.7%	1,224	0.7%	112	9.1%
<b>Energy Division</b>	<b>61,969</b>	<b>33.7%</b>	<b>49,945</b>	<b>29.6%</b>	<b>12,024</b>	<b>24.1%</b>
<b>Total</b>	<b>184,072</b>	<b>100.0%</b>	<b>168,575</b>	<b>100.0%</b>	<b>15,497</b>	<b>9.2%</b>

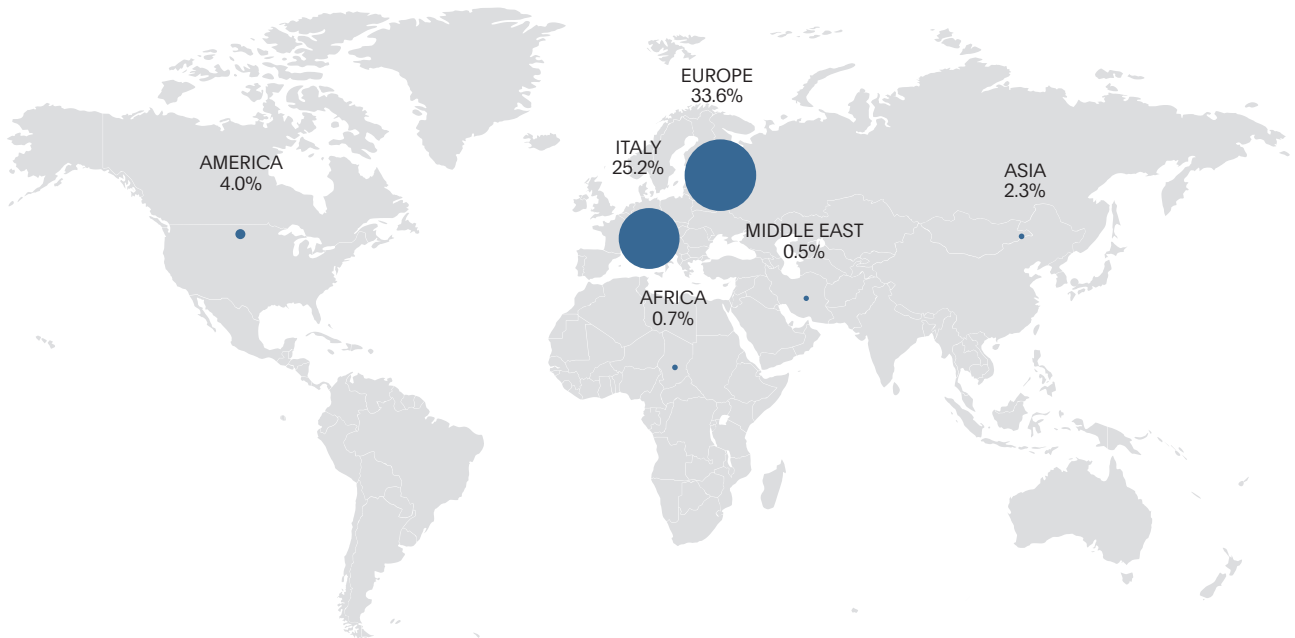
The table below shows **consolidated revenue by geographical area pro forma** as if the Lamitex acquisition had been completed on 1 January and versus by including it in 2024:

<i>(Euro thousands)</i>	PRO-FORMA 31 DECEMBER 2025		PRO-FORMA 31 DECEMBER 2024		Chg.	% Chg.
		%		%		
<b>Italy</b>	<b>49,672</b>	<b>25.4%</b>	<b>53,056</b>	<b>29.3%</b>	<b>(3,384)</b>	<b>(6.4%)</b>
<b>Foreign</b>	<b>84,039</b>	<b>42.9%</b>	<b>78,334</b>	<b>43.2%</b>	<b>5,705</b>	<b>7.3%</b>
Of which Europe	65,627	33.5%	63,068	34.8%	2,559	4.1%
Of which Asia	5,591	2.9%	3,904	2.2%	1,687	43.2%
Of which Middle East	1,676	0.9%	1,152	0.6%	524	45.5%
Of which America	7,943	4.1%	7,304	4.0%	639	8.7%
Of which Africa	3,202	21.6%	2,906	1.6%	296	10.2%
<b>Energy Division</b>	<b>61,969</b>	<b>31.4%</b>	<b>49,945</b>	<b>27.5%</b>	<b>12,024</b>	<b>24.1%</b>
<b>Total</b>	<b>195,680</b>	<b>100.0%</b>	<b>181,335</b>	<b>100.0%</b>	<b>14,345</b>	<b>7.9%</b>

**Percentage of revenue by geographical area**

(Amounts do not include the Energy Division)

**Foreign 62%**  
**Italy 38%**





Directors' Report on  
Operations

## Conflict-related impacts

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In relation to 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 four years after the onset of this 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.

The prevailing macroeconomic uncertainty has been further compounded by the Israeli-Palestinian conflict that broke out on 7 October 2023 and by the geopolitical tensions in the Middle East. This situation has recently worsened following the escalation of the military conflict involving the United States, Israel and Iran, reigniting tensions in the oil and natural gas markets. These developments create potential risks to the energy security of European countries, including Italy, in terms of possible reductions in storage levels and inflationary effects on natural gas and electricity prices.

## The national and international economic environment

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The ECB paper dated December 2025 on macroeconomic projections shows the following.

*The euro area economy is proving to be resilient despite the challenging global environment. Real GDP increased by 0.3% in the third quarter of 2025, which was above the September projections. This followed volatile developments in the first half of the year, reflecting the effects of frontloading in response to higher US trade tariffs and related uncertainty, [.....]. Domestic demand should remain the main driver of euro area growth, bolstered by rising real wages and employment, in the context of resilient labour markets with record low unemployment rates. [...].*

*On the external side, while competitiveness challenges persist, including some that are of a structural nature, exports are expected to pick up next year. This improvement is attributed to a rebound in foreign demand amid declining trade policy uncertainty, despite a gradually unfolding impact from higher tariffs. Annual average real GDP growth is projected to be 1.4% in 2025, 1.2% in 2026, 1.4% in 2027 and 1.4% in 2028. Compared with the last September projections, GDP growth has been revised up over the whole projection horizon, reflecting better than expected data, reduced trade policy uncertainty, stronger foreign demand and lower energy commodity prices.*

*Inflation is projected to decrease from 2.1% in 2025 to 1.9% in 2026 and then to 1.8% in 2027, before rising to the ECB's medium-term target of 2% in 2028. The expected decline in headline inflation (as measured by the Harmonised Index of Consumer Prices – HICP) at the start of 2026 reflects a downward base effect stemming from energy prices, while inflation in non-energy components should continue to ease throughout 2026. The contribution of energy inflation to headline inflation is expected to remain muted up to late 2027, before increasing notably in 2028 driven by the expected implementation of the EU Emissions Trading System 2 (ETS2), with an upward impact of 0.2 percentage points on headline inflation.*

[...]

*Wage growth should continue to moderate through 2026, before stabilising at around 3%, underpinned by a resilient labour market and productivity growth just slightly below 1%. Unit labour cost growth is expected to ease, although the impact on inflation is seen to be partly offset by a gradual recovery in profit margins over the projection horizon. [...]*

*The global economy has demonstrated resilience this year, despite the headwinds caused by tariffs.*

*[...] While the global growth outlook has been revised up slightly compared with the previous projections, it remains subdued relative to the pre-pandemic average. Global real GDP growth is estimated to be 3.5% in 2025 and is expected to gradually decline to 3.3% in 2026 and then to stay at this level in 2027 and 2028.*

[...] Headline consumer price index (CPI) inflation across major advanced and emerging market economies is projected to decline gradually, but at a somewhat faster pace than foreseen in the September projections.

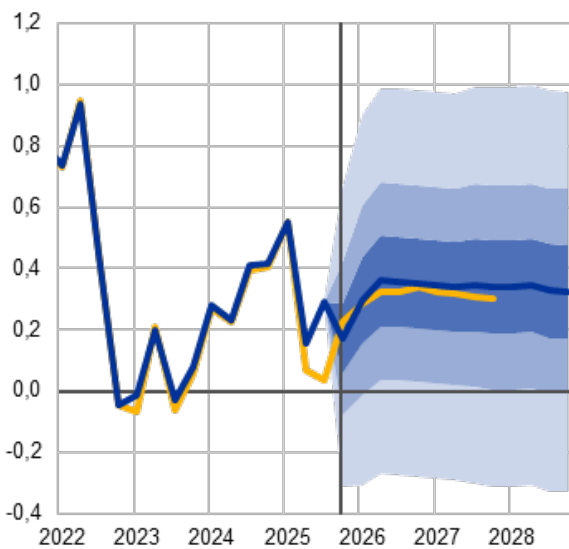
[...] Global import growth is projected to remain resilient this year, but its momentum is expected to slow next year.

[...] Euro area economic activity rose by 0.3% in the third quarter of 2025, which was much stronger than expected in the September projections (0.0%) but more in line with expectations when adjusting for volatility in Irish data. Real GDP is expected to increase modestly in the fourth quarter, amid continued divergence across sectors.

## Euro area real GDP

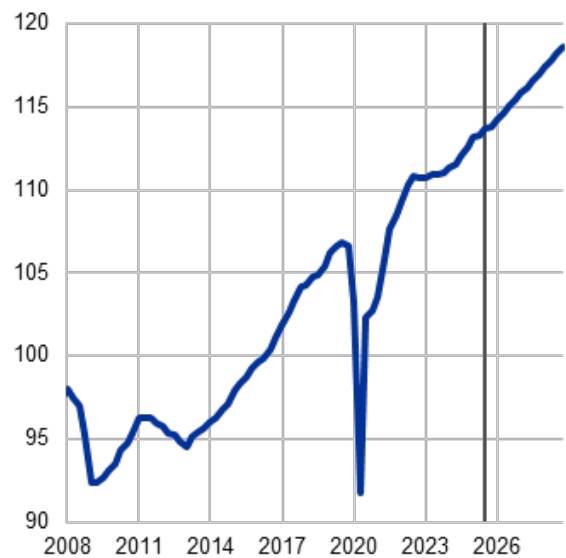
### a) Real GDP growth

(quarter-on-quarter percentage changes, seasonally and working day-adjusted quarterly data)



### b) Real GDP level

(chain-linked volumes, index, 2020=100)



— December 2025 staff projections

— September 2025 staff projections

**Note:** historical data may differ from the latest Eurostat publications due to data releases after the cut-off date for the projections. The vertical line indicates the start of the current projection horizon. In panel a), the ranges shown around the central projections provide a measure of the degree of uncertainty and are symmetric by construction. They are based on past projection errors, after adjustment for outliers. The bands, from darkest to lightest, depict the 30%, 60% and 90% probabilities that the outcome of real GDP growth will fall within the respective intervals. For more information, see the box entitled "Illustrating the uncertainty surrounding the projections" in the March 2023 ECB staff macroeconomic projections for the euro area.

[...] Annual real GDP growth is projected to average 1.3% over the projection horizon, supported by real disposable income growth, receding uncertainty, robust foreign demand, and fiscal stimulus related to defence and infrastructure spending.

[...] The impact of monetary policy rate cuts since June 2024 is expected to gradually outweigh the lagged effects of the previous tightening cycle, thereby supporting growth.

[...] Real GDP growth should continue to be driven by domestic demand, with the negative contribution of net exports diminishing to zero in 2027-2028.

[...] Business investment has been more resilient than expected and should gradually gain momentum over the medium term, driven by improving economic activity, receding uncertainty and the impact of fiscal stimuli in some countries.

[...] Exports are expected to remain weak in historical terms, despite a short-term pick-up, a positive reassessment owing to a lower effective tariff rate and a more gradual unfolding of the impact of tariffs.

(Source: [https://www.ecb.europa.eu/press/projections/html/ecb.projections202512\\_eurosystemstaff~12ead61977.it.html](https://www.ecb.europa.eu/press/projections/html/ecb.projections202512_eurosystemstaff~12ead61977.it.html))

## Relevant segment and comments on operations

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Based on the points already outlined with regard to the international and domestic macroeconomic environment, the year 2025 unfolded in a context still marked by moderate uncertainty and broadly weak demand in the Group's main target markets.

In the decorative surfaces supply chain serving the furniture and furnishings market, both furniture and flooring, first half 2025 showed a trend broadly in line with levels at end 2024, with a stable order backlog but no signs of material expansion. In the second half of the year, demand recovered gradually in certain segments and geographical areas, while intense competitive dynamics and pressure on sales prices continued to weigh on margins.

In 2025, with regard to the Group's main strategic raw materials: pulp, after the stabilization phase in the second part of 2024, showed a sudden upward trend in first quarter 2025, followed by a gradual readjustment in the middle part of the year, then rose again in the fourth quarter; titanium dioxide, which had shown signs of an increase from second quarter 2025, subsequently saw a decline in prices, with consolidation at lower average levels than in 2024; animal fat and vegetable oils remained broadly stable, with limited fluctuations during the year; plastic films remained broadly stable, with modest downward trends in the latter part of the year.

With regard to energy carrier costs, 2025 featured a generally more stable trend versus the prior two years, albeit with bouts of volatility stemming from the international geopolitical environment. Average cost levels remained above pre-crisis values, continuing to affect the Group's industrial cost structure.

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 is also attributable to the electricity supplied by the subsidiary Bio Energia Guarcino, operating a Closed Distribution System for Cartiera.

With regard to Bio Energia Guarcino specifically, it also operated throughout 2025 under the temporary regime of Guaranteed Minimum Prices, introduced by Energy Law Decree 181/23 approved by the Italian Council of Ministers on 27 November 2023.

Thanks to the GMP support system, Bio Energia Guarcino operated at full capacity in 2024 and 2025, versus 2023 when it underwent a stoppage of approximately 4 months due mainly to a discontinuity between the temporarily suspended maximization scheme in the period 31 March 2023 - 15 May 2023 and its end on 30 September 2023.

For Bio Energia Guarcino, the ordinary incentive period ended in May 2025; it was included in the support framework for energy production from renewable sources.

As a reminder, by Resolution 306/2024/R/eel, ARERA defined the Guaranteed Minimum Prices (hereinafter "GMPs") set out in Article 5, paragraph 2, of Law Decree 181/23, applicable to plants fuelled by sustainable bioliquids (updated following subsequent consultation through further Resolution 518/2024/R/eel). GMPs represent revenue supplements "paid to cover operating costs, ensuring the facility's continuous and efficient operation". They also consider the cost of raw materials and the need to encourage ongoing cost efficiency of the plants.

GMP remuneration is recognized for net electricity production; disbursement is net of energy sold valued at the PUN and any ordinary incentives, if applicable.

Under this framework, the Power Plant has been operating 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.

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, differentiated by plant category based on capacity and configuration (with or without cogeneration). Specifically, Bio Energia Guarcino falls into the power cluster:  $1 \text{ MWh} \leq P \leq 8 \text{ MWh}$ .

The integration of Lamitex, acquired on 28 November 2025, marks a significant step in the Group's industrial consolidation path, enabling an expansion of the product range and strengthening the commercial presence in higher value-added segments. The transaction aligns with the external growth strategy, aimed at generating operational and commercial synergies in the medium term.

At the financial level, the decrease in net financial debt versus the prior year reflects positive operating cash generation and confirms the soundness of the Group's financial structure, reinforcing its ability to support industrial development plans.





Key balance sheet, financial  
and income figures

## Neodecortech group consolidated income statement

<i>(Euro thousands)</i>	31 DECEMBER 2025		31 DECEMBER 2024		Chg. % Chg.	
		%		%		
<b>Revenue from sales and services</b>	<b>184,072</b>	<b>100.0%</b>	<b>168,575</b>	<b>100.0%</b>	<b>15,497</b>	<b>9.2%</b>
Changes in work in progress, semi-finished and finished products	1,664	0.9%	(945)	(0.6%)	2,609	(276.1%)
Other revenue	3,785	2.1%	4,108	2.4%	(323)	(7.9%)
<b>Value of Production</b>	<b>189,521</b>	<b>103.0%</b>	<b>171,738</b>	<b>101.9%</b>	<b>17,783</b>	<b>10.4%</b>
Raw and ancillary materials and consum.	(118,972)	(64.6%)	(107,227)	(63.6%)	(11,745)	11.0%
Other operating expense	(27,075)	(14.7%)	(26,551)	(15.8%)	(524)	2.0%
<b>Value Added</b>	<b>43,474</b>	<b>23.6%</b>	<b>37,960</b>	<b>22.5%</b>	<b>5,514</b>	<b>14.5%</b>
Personnel expense	(22,606)	(12.3%)	(21,327)	(12.7%)	(1,279)	6.0%
<b>EBITDA</b>	<b>20,868</b>	<b>11.3%</b>	<b>16,633</b>	<b>9.9%</b>	<b>4,235</b>	<b>25.5%</b>
Amortization and depreciation	(10,412)	(5.7%)	(9,096)	(5.4%)	(1,316)	14.5%
Allocations	(70)	(0.0%)	(53)	(0.0%)	(17)	32.1%
<b>EBIT</b>	<b>10,386</b>	<b>5.6%</b>	<b>7,484</b>	<b>4.4%</b>	<b>2,902</b>	<b>38.8%</b>
Financial expense	(2,290)	(1.2%)	(2,740)	(1.6%)	450	(16.4%)
Financial income	183	0.1%	433	0.3%	(250)	(57.7%)
<b>Profit/(loss) before tax</b>	<b>8,279</b>	<b>4.5%</b>	<b>5,177</b>	<b>3.1%</b>	<b>3,102</b>	<b>59.9%</b>
Income tax	(985)	(0.5%)	(1,200)	(0.7%)	215	(17.9%)
<b>Profit/(loss) for the year</b>	<b>7,294</b>	<b>4.0%</b>	<b>3,977</b>	<b>2.4%</b>	<b>3,317</b>	<b>83.4%</b>

**Revenue from Sales and Services** at 31 December 2025 increased by € 15,497 thousand (+9.2%) versus 31 December 2024. This increase includes revenue from the newly acquired Lamitex S.r.l. totaling € 824 thousand. Net of this effect, the net increase in Group sales would amount to +8.7%.

This change resulted from the combined effect of the increase in Neodecortech revenue (€ +3.6 million; +5.7%), the decrease in subsidiary Cartiere di Guarcino revenue (€ -1.8 million; -2.5%), and the significant increase in Bio Energia Guarcino revenue of approximately € 12.2 million (+24%). In the furniture and flooring sector, following tentative signs of recovery, the order backlog showed substantial stability. The market backdrop, however, continues to reflect subdued demand, with a general downward trend in the furniture segment, while the flooring segment recorded more diversified trends depending on target markets.

A different scenario was seen for the Energy Division, namely Bio Energia Guarcino, which recorded a sharp revenue increase, due both to higher volumes (+5.2%) and, more significantly, to the ARERA resolutions (No. 306/2024/R/eel of 23/07/2024 and subsequent No. 518/2024/R/eel of 03/12/2024). These resolutions had a dual impact: on the level of Guaranteed Minimum Prices (GMPs) and on defining the amount of the GMP adjustment for the period December 2023 - December 2024. Net of the Energy Division, the markets of Europe (+5.4%), excluding Italy (-6.8%), Asia (+157%) and America (+9.5%) showed a marked increase. The other markets were steady or up slightly.

**Other revenue** is composed of core and non-core revenue, attributable to Neodecortech S.p.A. for € 1,942 thousand, to Cartiere di Guarcino for € 1,845 thousand, and residually to the other companies. This item includes mainly:

- i) Neodecortech, totaling € 982 thousand, relating to expense reimbursements and plant grants, plus insurance reimbursements of € 250 thousand;
- ii) for Cartiere di Guarcino S.p.A. € 1,246 thousand for statutory incentives, relating to the non-repayable grant disbursed in August 2024 under the SIMEST- Support Ukraine Fund 394.81.2023 measure (charged pro rata for the investments made), the aid obtained under the Fund for Energy Transition in the Industrial Sector, the ENERGY RELEASE 2.0 project, and the portion of 4.0 investments carried to the income statement based on the asset's useful life; € 197 thousand for an internal plant order, with a corresponding inventory deduction for the spare parts used.

The cost of **consumption of raw and ancillary materials** as a percentage of sales revenue rose from 63.6% to 64.6%, with the acquisition of Lamitex not affecting this percentage. This trend is attributable mainly to the combined effect of:

- i) a deterioration in Neodecortech's percentage, arising mainly from the postponement of certain sales into 2026 and a different mix of products sold;
- ii) an improvement at Cartiere di Guarcino, resulting mainly from the sales mix;
- iii) an improvement at Bio Energia Guarcino, stemming mainly from the identification under the GMP scheme of three plant clusters by capacity ( $P < 1$  MW;  $1$  MW  $< P \leq 8$  MW;  $P > 8$  MW), each assigned standard yields, with the BEG plant outperforming versus the yield assigned to its reference cluster.

**Other operating expense** increased in absolute terms but declined as a percentage of sales, from 15.8% to 14.7%. The absolute increase is € 524 thousand versus 2024, of which € 123 thousand relates to subsidiary Lamitex. The item includes primarily electricity and gas costs.

**Personnel expense** at 31 December 2025 had a ratio of 12.3% to sales, down versus 2024. The € 1,279 thousand increase is attributable mainly to Lamitex for € 157 thousand. The number of employees on the Group's payroll at 31 December 2025 increased to 441, of which 35 were on Lamitex's payroll, versus 398 at 31 December 2024.

As a result of the above effects, the **EBITDA margin** at 31 December 2025 stood at 11.3% of revenue from sales and services, up versus 31 December 2024 (9.9% of revenue from sales and services). Net of the acquisition, the **EBITDA margin** remained unchanged. Lamitex contributed EBITDA of € 245 thousand for the period from the acquisition date to 31 December 2025. Closing EBITDA exceeded expectations.

**Amortization and depreciation** at 31 December 2025 increased versus 31 December 2024 (€ +1,316 thousand), due mainly to higher amortization of intangible fixed assets following the commissioning of the new ERP system. The Group's expenditure in tangible and intangible fixed assets totaled € 8,703 thousand versus € 10,188 thousand at 31 December 2024, the year that included the investment in the new ERP system.

**Allocations** refers to the allocation made by the Group to the provision for doubtful accounts to adjust the face value of trade receivables to the realizable value in accordance with IFRS, equal to approximately 0.1% of total receivables, in addition to the provision for supplementary agents' indemnity. An allocation of € 1,309 thousand was also made to the provision for inventory obsolescence, reclassified under Consumption of raw and ancillary materials.

With regard to **financial components**, the decrease in financial expense stemmed from the lower use of short-term lines versus the prior year, together with reduced interest rates attributable mainly to ongoing line optimization and the improvement achieved in the terms applied by the banking system. Financial expense, net of financial income, amounted to € 2.1 million. The Group's floating-rate debt is 76%.

The Group's taxation showed a tax balance for the period of € 985 thousand, positively impacted by proceeds from the tax consolidation with Finanziaria Valentini (€ 839 thousand).

For the above effects, **Net Profit** amounted to € 7,294 thousand, representing 4.0% of revenue. It increased by € 3,317 thousand versus 31 December 2024, including € 134 thousand relating to Lamitex.

## Reclassified consolidated statement of financial position

<i>(Euro thousands)</i>	31 DECEMBER 2025	31 DECEMBER 2024	Chg.	% Chg.
Trade receivables	17,635	35,713	(18,078)	(50.6%)
Inventory	45,196	40,049	5,147	12.9%
Trade payables	(29,247)	(29,952)	705	(2.4%)
<b>Operating NWC</b>	<b>33,584</b>	<b>45,810</b>	<b>(12,226)</b>	<b>(26.7%)</b>
Other current receivables	13,312	3,081	10,231	332.1%
Receivables from tax consolidation	-	348	(348)	(100.0%)
Tax receivables	4,265	1,989	2,276	114.4%
Other current payables	(10,938)	(7,462)	(3,476)	46.6%
Tax payables	(1,116)	(1,244)	128	10.3%
Payables from tax consolidation	(815)	(31)	(784)	2529.0%
<b>Net Working Capital</b>	<b>38,292</b>	<b>42,491</b>	<b>(4,199)</b>	<b>(9.9%)</b>
Tangible fixed assets	77,318	74,480	2,838	3.8%
Intangible fixed assets	9,762	3,317	6,445	194.3%
Financial fixed assets	2	0	2	0.0%
Non-current financial assets	469	512	(43)	(8.4%)
Other non-current assets	62	359	(297)	(82.7%)
<b>Fixed assets</b>	<b>87,613</b>	<b>78,668</b>	<b>8,945</b>	<b>11.4%</b>
Post-employment benefits	(2,087)	(2,091)	4	(0.2%)
Provisions for risks and charges	(826)	(771)	(55)	7.1%
Deferred tax assets and liabilities	(5,302)	(4,479)	(823)	18.4%
<b>Net Capital Employed</b>	<b>117,690</b>	<b>113,818</b>	<b>3,872</b>	<b>3.4%</b>
<b>Equity</b>	<b>86,767</b>	<b>80,725</b>	<b>6,042</b>	<b>7.5%</b>
Cash funds	(15,030)	(12,483)	(2,547)	20.4%
Other current financial receivables	-	(81)	81	(100.0%)
Current financial liabilities	24,500	25,689	(1,189)	(4.6%)
Non-current financial liabilities	21,453	19,968	1,485	7.4%
<b>Net Financial Debt</b>	<b>30,923</b>	<b>33,093</b>	<b>(2,170)</b>	<b>(6.6%)</b>
<b>Equity and Net Financial Debt</b>	<b>117,690</b>	<b>113,818</b>	<b>3,872</b>	<b>3.4%</b>

Consolidated **net working capital** at 31 December 2025 stood at € 38,292 thousand versus € 42,491 thousand at 31 December 2024 (€ -4,199 thousand, of which € -12,226 thousand was operating NWC). The main combined effects driving the decrease in NWC are:

- i) the decrease in *trade receivables*, partly offset by the increase in *other current receivables*, due mainly to the GMP billing cycle, which, at 31 December 2024, included receivables for issued invoices collected in the first months of 2025, whereas, at 31 December 2025, advances for the first ten months of the year were billed and collected, and the allocations of the estimated amounts relating to the adjustment for the period January 2025 - December 2025 are recognized under *other receivables*;
- ii) the increase in *inventory* of € 5,147 thousand, relating to the acquisition of Lamitex for € 4,299 thousand, with the remaining portion attributable to certain sales postponed to the following six months;
- iii) the increase in other tax receivables, attributable mainly to the increase in VAT receivables of the subsidiary Bio Energia Guarcino, offset by the increase in other current payables, which include deferrals of 4.0 and 5.0 grants recognized in the income statement over the useful life of the relevant asset, as well as certain advances received from customers for sales pertaining to 2026.

The change in **tangible fixed** assets is € +2,838 thousand and includes assets from the Lamitex acquisition totaling € 4,299 thousand. New 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;
- iii) maintenance expenditure in Bio Energia Guarcino. At 31 December 2025, capital expenditure in tangible fixed assets amounted to € 7,965 thousand. In the same period of 2024, capital expenditure amounted to € 7,329 thousand.

The change in **intangible fixed assets** of € 6,445 thousand includes the allocation of the capital gain paid on acquisition to the "Lamitex" trademark of approximately € 6.5 million. The item was reduced by the amortization charge for the new ERP system that entered operation on 1 January.

**Consolidated Financial Debt** at 31 December 2025 and 31 December 2024, in accordance with ESMA/2013/319 Recommendations and the new guidelines published on 4 March 2021, is shown below:

(Euro thousands)	31 DECEMBER 2025	31 DECEMBER 2024	Chg.	% Chg.
A. Cash funds	15,030	12,483	2,547	20.4%
B. Cash and cash equivalents	-	-	-	-
C. Other current financial assets	-	82	(82)	(100.0%)
<b>D. Cash (A) + (B) + (C)</b>	<b>15,030</b>	<b>12,565</b>	<b>2,465</b>	<b>19.6%</b>
E. Current financial debt	(14,526)	(16,226)	1,700	(10.5%)
F. Current portion of non-current debt	(9,973)	(9,464)	(509)	5.4%
<b>G. Current financial debt (E)+(F)</b>	<b>(24,499)</b>	<b>(25,690)</b>	<b>1,191</b>	<b>(4.6%)</b>
<b>H. Net current financial debt (G)-(D)</b>	<b>(9,469)</b>	<b>(13,125)</b>	<b>3,656</b>	<b>(27.9%)</b>
I. Non-current financial debt	(21,454)	(19,968)	(1,486)	7.4%
J. Debt instruments	-	-	-	-
K. Trade payables and other non-current payables	-	-	-	-
<b>L. Non-current financial debt (I)+(J)+(K)</b>	<b>(21,454)</b>	<b>(19,968)</b>	<b>(1,486)</b>	<b>7.4%</b>
<b>M. Total financial debt (H)+(L)</b>	<b>(30,923)</b>	<b>(33,093)</b>	<b>2,170</b>	<b>(6.6%)</b>
<i>of which Lamitex financial debt</i>	3,299	-	-	-
<i>of which payable to Lamitex shareholders to be settled</i>	4,000	-	-	-
<i>of which financial outflow for Lamitex acquisition</i>	3,500	-	-	-
<b>Total Adjusted Financial Debt</b>	<b>(20,124)</b>	<b>(33,093)</b>	<b>12,968</b>	<b>(39.2%)</b>

Group Financial Debt at 31 December 2025 stood at € 30,923 thousand, down € 2,170 thousand versus 31 December 2024. Such reduction would have been even greater absent, relative to EBITDA (€ 20,868 thousand), the debt attributable to Lamitex amounting to € 3,299 thousand. Consolidated net financial debt at 31 December 2025 decreased significantly to € 30,923 thousand (€ 33,093 thousand at 31 December 2024) and includes Lamitex's financial debt of € 3.3 million in addition to the cash used for the acquisition itself. The decrease is attributable mainly to the settlement of part of the current debt linked, in particular, to the dynamics of collections from maximization and GMP.

On 2 July 2025, Neodecortech S.p.A. signed a loan agreement with Banca Popolare di Sondrio totaling € 7 million, for 84 months and a 12-month grace period, at a floating rate. This loan was guaranteed under SACE Convenzione GROWTH to support investments.

However, in order to better understand the performance of this equity item, it is appropriate to specify the structure of Net Financial Debt: excluding the resources obtained for the acquisition of Lamitex and the consolidation of its financial debt component, adjusted Net Financial Debt amounts to € 20,124 thousand, a significant reduction (-39.2%) versus 31 December 2024 (€ 33.1 million).

The following table shows the leverage ratio (Net Debt/EBITDA) at 31 December 2025 versus the same ratio assuming the acquisition had taken place on 1 January:

(Euro thousands)	31 DECEMBER 2025	ADJ 31 DECEMBER 2025	31 DECEMBER 2024
Consolidated EBITDA	20,868	20,868	16,633
EBITDA Lamitex S.r.l. 1/1/25-27/11/25	-	2,283	-
<b>ADJUSTED EBITDA</b>	<b>20,868</b>	<b>23,151</b>	<b>16,633</b>
<b>Net Debt</b>	<b>(30,923)</b>	<b>(30,923)</b>	<b>(33,093)</b>
<b>PFN/EBITDA ADJ</b>	<b>1.48</b>	<b>1.34</b>	<b>1.99</b>

## Key results by operating segment

Under IFRS 8, in order to provide adequate disclosure on the nature and characteristics of revenue, the breakdown of revenue by Company is shown below. The table below also shows the change between 31 December 2025 and 31 December 2024 in the main income statement indicators and balance sheet indicators, both broken down by operating segment, gross of intercompany items. See the segment information in the Notes to the Financial Statements for the net amounts of Intercompany items.

The newly acquired Lamitex was included in the Printed Decorative Paper Division for the relevant period (28.11.25 – 31.12.25).

### Income Statement

<i>(Euro thousands)</i>	31 DECEMBER 2025		31 DECEMBER 2024		Chg.	% Chg.
		%		%		
<b>Printed Decorative Paper Division (*)</b>						
Revenue from sales and services	68,642	100.0%	64,134	100.0%	4,508	7.0%
EBITDA	5,238	7.6%	4,025	6.3%	1,213	30.1%
EBIT	1,423	2.1%	739	1.2%	684	92.6%
Profit (loss) for the year	7,495	10.9%	4,111	6.4%	3,384	82.3%
<b>Decorative Paper Division</b>						
Revenue from sales and services	69,462	100.0%	71,228	100.0%	(1,766)	(2.5%)
EBITDA	5,517	7.9%	4,744	6.7%	773	16.3%
EBIT	2,472	3.6%	1,910	2.7%	562	29.4%
Profit (loss) for the year	6,645	9.6%	3,865	5.4%	2,780	71.9%
<b>Guarcino Energy Division</b>						
Revenue from sales and services	62,879	100.0%	50,695	100.0%	12,184	24.0%
EBITDA	10,284	16.4%	8,179	16.1%	2,105	25.7%
EBIT	6,987	11.1%	5,391	10.6%	1,596	29.6%
Profit (loss) for the year	5,892	9.4%	3,540	7.0%	2,352	66.4%
<b>Casoli Energy Division</b>						
Revenue from sales and services	0	0.0%	0	0.0%	0	0.0%
EBITDA	(53)	(0.0%)	(37)	(0.0%)	(16)	43.2%
EBIT	(53)	(0.0%)	(37)	(0.0%)	(16)	43.2%
Profit (loss) for the year	(53)	(0.0%)	(36)	(0.0%)	(17)	47.2%
<b>NDT China Division</b>						
Revenue from sales and services	438	100.0%	171	100.0%	267	156.1%
EBITDA	(41)	(9.3%)	(254)	(148.5%)	213	(83.9%)
EBIT	(85)	(19.4%)	(268)	(156.7%)	183	(68.3%)
Profit (loss) for the year	(102)	(23.3%)	(265)	(154.9%)	163	(61.5%)

Net of the Lamitex acquisition, the income figures for the Printed Decorative Paper Division are as follows:

(Euro thousands)	31 DECEMBER 2025		31 DECEMBER 2024		Chg.	% Chg.
<b>Printed Decorative Paper Division ADJUSTED</b>						
Revenue from sales and services	67,819	100.0%	64,134	100.0%	3,685	5.7%
EBITDA	4,992	7.4%	4,025	6.3%	967	24.0%
EBIT	1,248	1.8%	739	1.2%	509	68.9%
Profit (loss) for the year	7,360	10.9%	4,111	6.4%	3,249	79.0%

### Statement of financial position

(Euro thousands)	31 DECEMBER 2025	31 DECEMBER 2024	Chg.	% Chg.
<b>Printed Decorative Paper Division (*)</b>				
Net Working Capital	10,540	9,280	1,260	13.6%
Equity	90,741	80,818	9,923	12.3%
Net Financial Debt	(15,204)	(7,210)	(7,994)	110.9%
<b>Decorative Paper Division</b>				
Net Working Capital	19,740	17,922	1,818	10.1%
Equity	51,244	46,707	4,537	9.7%
Net Financial Debt	(17,598)	(16,581)	(1,017)	6.1%
<b>Guarcino Energy Division</b>				
Net Working Capital	9,195	15,842	(6,647)	(42.0%)
Equity	11,585	10,192	1,393	13.7%
Net Financial Debt	1,210	(9,516)	10,726	(112.7%)
<b>Casoli Energy Division</b>				
Net Working Capital	5	2	3	150.0%
Equity	108	111	(3)	(2.7%)
Net Financial Debt	78	84	(6)	(7.1%)
<b>NDT China Division</b>				
Net Working Capital	(1,031)	-428	(603)	140.9%
Equity	(166)	(126)	(40)	31.7%
Net Financial Debt	591	130	461	354.6%

Amounts before intercompany transactions

(\*) Balances at 31 December 2025 include Lamitex's KPIs at 31 December 2025

Net of the Lamitex acquisition, the financial figures for the Printed Decorative Paper Division are as follows:

(Euro thousands)	31 DECEMBER 2025	31 DECEMBER 2024	Chg.	% Chg.
<b>Printed Decorative Paper Division ADJUSTED</b>				
Net Working Capital	7,871	9,280	(1,409)	(15.2%)
Equity	86,894	80,818	6,076	7.5%
Net Financial Debt	(11,904)	(7,210)	(4,693)	65.1%

## Results of Neodecortech S.p.A.

### Business performance

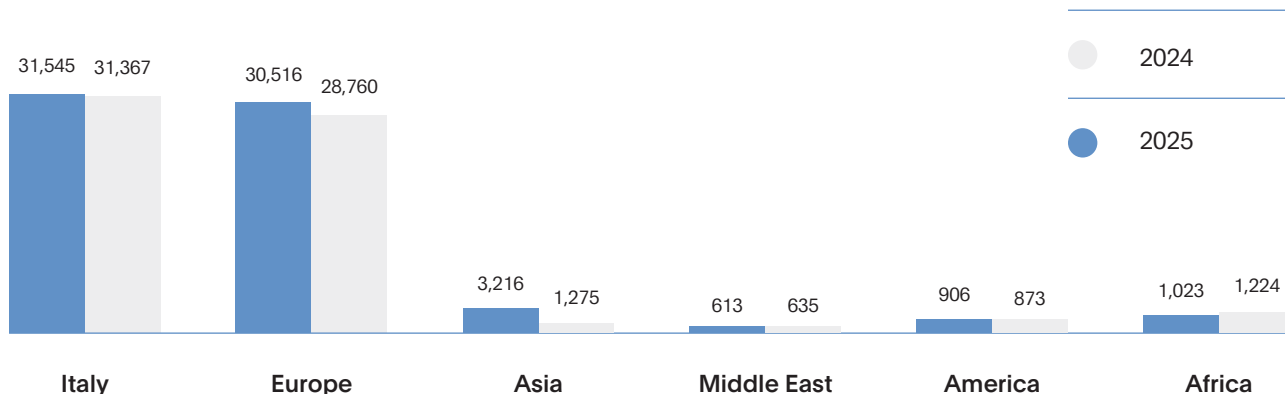
(Euro thousands)	31 DECEMBER 2025		31 DECEMBER 2024		Chg.	% Chg.
		%		%		
<b>Revenue from sales and services</b>	<b>67,819</b>	<b>100.0%</b>	<b>64,134</b>	<b>100.0%</b>	<b>3,685</b>	<b>5.7%</b>
Changes in work in progress, semi-finished and finished products	969	1.4%	(37)	(0.1%)	1,006	(>100.0%)
Other revenue	2,712	4.0%	1,742	2.7%	970	55.7%
<b>Value of Production</b>	<b>71,500</b>	<b>105.4%</b>	<b>65,839</b>	<b>102.7%</b>	<b>5,661</b>	<b>8.6%</b>
Raw and ancillary materials and consum.	(42,307)	(62.4%)	(38,745)	(60.4%)	(3,562)	9.2%
Other operating expense	(11,890)	(17.5%)	(11,316)	(17.6%)	(574)	5.1%
<b>Value Added</b>	<b>17,303</b>	<b>25.5%</b>	<b>15,778</b>	<b>24.6%</b>	<b>1,525</b>	<b>9.7%</b>
Personnel expense	(12,311)	(18.2%)	(11,753)	(18.3%)	(558)	4.7%
<b>EBITDA</b>	<b>4,992</b>	<b>7.4%</b>	<b>4,025</b>	<b>6.3%</b>	<b>967</b>	<b>24.0%</b>
Amortization and depreciation	(3,709)	(5.5%)	(3,286)	(5.1%)	(423)	12.9%
Allocations	(35)	(0.1%)	0	0.0%	(35)	0.0%
<b>EBIT</b>	<b>1,248</b>	<b>1.8%</b>	<b>739</b>	<b>1.2%</b>	<b>509</b>	<b>68.9%</b>
Financial expense	(649)	(1.0%)	(985)	(1.5%)	336	(34.1%)
Financial income	6,810	10.0%	4,370	6.8%	2,440	55.8%
<b>Profit/(loss) before tax</b>	<b>7,409</b>	<b>10.9%</b>	<b>4,124</b>	<b>6.4%</b>	<b>3,285</b>	<b>79.7%</b>
Income tax	(49)	(0.1%)	(13)	(0.0%)	(36)	>100.0%
<b>Profit/(loss) for the year</b>	<b>7,360</b>	<b>10.9%</b>	<b>4,111</b>	<b>6.4%</b>	<b>3,249</b>	<b>79.0%</b>

Revenue from sales and services at 31 December 2025 increased by € 3,685 thousand (+5.7%) versus 31 December 2024. Importantly, this increase was attributable mainly to higher volume (6.9%), while the reduction in the price effect was -0.5% and mix was -0.7%.

The geographical distribution of revenue in 2025 versus 2024 is shown below.

(Euro thousands)	31 DECEMBER 2025		31 DECEMBER 2024		Chg.	% Chg.
		%		%		
<b>Italy</b>	<b>31,545</b>	<b>46.5%</b>	<b>31,367</b>	<b>48.9%</b>	<b>178</b>	<b>0.6%</b>
<b>Foreign</b>	<b>36,274</b>	<b>53.5%</b>	<b>32,767</b>	<b>51.1%</b>	<b>3,587</b>	<b>10.7%</b>
Of which Europe	30,516	45.0%	28,760	44.8%	1,756	6.1%
Of which Asia	3,216	4.7%	1,275	2.0%	1,941	152.2%
Of which Middle East	613	0.9%	635	1.0%	(22)	(3.5%)
Of which America	906	1.3%	873	1.4%	33	3.8%
Of which Africa	1,023	1.5%	1,224	1.9%	(201)	(16.4%)
<b>Total</b>	<b>67,819</b>	<b>100.0%</b>	<b>64,134</b>	<b>100.0%</b>	<b>3,685</b>	<b>5.7%</b>

## Revenue by Geographical Area



In 2025, **other revenue** includes, among other items, grants related to Industry 5.0 and 4.0, carried to the income statement over the useful life of the assets for which they were received, totaling € 429 thousand, and operating grants amounting to € 552 thousand.

The percentage of **raw and ancillary materials** (+2.0% versus 2024) was impacted by the different mix of products sold and clearly shows that the current market situation and strong competition do not allow an easy recovery of margins.

**Other operating** expense increased in absolute terms but was stable as a percentage of revenue, which stood at 17.5%. This item includes utility costs for energy and gas, accounting for 27%.

**Personnel expense**, up € +558 thousand versus 2024, accounts for 18.2% of sales, stable versus 2024. In 2024, the Company used CIGO for a total of 1,643 hours in the 1° half of the year to counter the decrease in sales orders. The increases envisaged in the Papermakers' collective bargaining agreement were applied. Due to the above effects, EBITDA improved from 6.3% to 7.4% in 2025.

At 31 December 2025, **amortization and depreciation** increased by € 423 thousand versus 2024, with a 5.5% impact on sales: slightly higher, resulting from the new ERP system becoming operational on 1 January 2025 and the related amortization.

For 2025, the **provision for doubtful accounts**, determined in accordance with IFRS 9, was found to be sufficient, and therefore no allocation had to be made. An allocation of € 43 thousand was however made to the provision for inventory obsolescence, reclassified under Consumption of raw and ancillary materials.

With regard to **financial expense/income**, in 2025 the adjustment of the value of the investment in Cartiere di Guarcino S.p.A., based on the equity method, positively impacted the result for the year by € 6,624 thousand, that of Lamitex by € 86 thousand, while that of NDT energy Srl and Changzhou NDT new material technology company Ltd negatively impacted the result for the year by € -53 thousand and € -72 thousand, respectively. Financials, net of the effects of the equity measurement of investments, shows bank interest expense of € 524 thousand (€ 718 thousand in 2024) and interest income of € 100 thousand (€ 484 thousand in 2024), decreasing following the closure of loans granted to subsidiaries.

With regard to the percentage of direct tax on income for the year, the tax rate stood at approximately 2%, in line with the prior year, linked to the non-taxability of the equity measurement of investments and income from tax consolidation with Finanziaria Valentini. Net of these effects, the tax rate would be approximately 18%.

Net Profit amounted to € 7,360 thousand, accounting for 10.9% of revenue (€ 4,111 thousand at 31 December 2024, or 6.4%).

**Reclassified Statement of Financial Position of Neodecortech S.p.A.**

<i>(Euro thousands)</i>	31 DECEMBER 2025	31 DECEMBER 2024	Chg.	% Chg.
Trade receivables	8,737	10,639	(1,902)	(17.9%)
Trade receivables - intercompany	304	1,078	(774)	(71.8%)
Inventory	10,940	9,455	1,485	15.7%
Trade payables	(6,863)	(7,265)	402	(5.5%)
Trade payables - Intercompany	31	-	31	0.0%
<b>Operating NWC</b>	<b>13,149</b>	<b>13,907</b>	<b>(758)</b>	<b>(5.5%)</b>
Other current receivables	955	430	525	122.1%
Receivables from tax consolidation	-	13	(13)	(100.0%)
Tax receivables	672	530	142	26.8%
Other current payables	(6,482)	(4,955)	(1,527)	30.8%
Tax payables	(387)	(645)	258	(40.0%)
Payables from tax consolidation	(36)	-	(36)	0.0%
<b>Net Working Capital</b>	<b>7,871</b>	<b>9,280</b>	<b>(1,409)</b>	<b>(15.2%)</b>
Tangible fixed assets	31,814	32,339	(525)	(1.6%)
Intangible fixed assets	1,967	2,093	(126)	(6.0%)
Financial fixed assets	59,708	46,727	12,981	27.8%
Non-current financial assets	24	67	(43)	(64.2%)
Other non-current assets	34	337	(303)	(89.9%)
Fixed assets	93,547	81,563	11,984	14.7%
Post-employment benefits	(532)	(693)	161	(23.2%)
Provisions for risks and charges	(370)	(296)	(74)	25.0%
Deferred tax assets and liabilities	(1,718)	(1,826)	108	(5.9%)
<b>Net Capital Employed</b>	<b>98,798</b>	<b>88,028</b>	<b>10,770</b>	<b>12.2%</b>
<b>Equity</b>	<b>86,894</b>	<b>80,818</b>	<b>6,076</b>	<b>7.5%</b>
Cash funds	(6,467)	(1,629)	(4,838)	297.0%
Other current financial receivables IC	(28)	(4,216)	4,188	(99.3%)
Current financial liabilities to banks	4,369	5,632	(1,263)	(22.4%)
Current financial liabilities to other lenders	4,229	90	4,139	4598.9%
Non-current financial liabilities to banks	9,251	6,574	2,677	40.7%
Non-current financial liabilities to other lenders	550	759	(209)	(27.5%)
<b>Net Financial Debt</b>	<b>11,904</b>	<b>7,210</b>	<b>4,694</b>	<b>65.1%</b>
<b>Equity and Net Financial Debt</b>	<b>98,798</b>	<b>88,028</b>	<b>10,770</b>	<b>12.2%</b>

At 31 December 2025, operating NWC stood at € 13,149 thousand, down € 683 thousand versus the prior year (-5.5%) as the combined effect of reduced trade receivables, reduced trade payables, and higher inventory attributable mainly to the postponement of certain sales to 2026. Conversely, the NWC increased by € 1,409 thousand due mainly to higher other current payables, including deferred income from investments 5.0 carried to the income statement in line with the depreciation rates of the assets on which the related tax receivables were obtained.

The change in tangible fixed assets relates to capital expenditure of € 2,649 thousand in new machinery, maintenance, improvement and efficiency expense on existing plants offset by depreciation for the period. Intangible fixed assets includes capital expenditure in the new ERP system, which went into operation on 1 January 2025, net of amortization charges for the period.

The change in financial fixed assets relates to the adjustment to the carrying amount of the investment measured using the equity method and to € 8.4 million for the acquisition of 100% of Lamitex S.r.l., completed on 28 November 2025, of which € 4 million is payable in 2026.

The **net financial debt of Neodecortech S.p.A.** at 31 December 2025 and 31 December 2024, according to the ESMA guidance approved on 4 March 2021, is shown below:

(Euro thousands)	31 DECEMBER 2025	31 DECEMBER 2024	Chg.
A. Cash funds	6,467	1,629	4,838
B. Cash and cash equivalents	-	-	-
C. Other current financial assets	28	4,216	(4,188)
<b>D. Cash (A) + (B) + (C)</b>	<b>6,495</b>	<b>5,845</b>	<b>650</b>
E. Current financial debt	(4,048)	(1,511)	(2,537)
F. Current portion of non-current debt	(4,550)	(4,211)	(339)
<b>G. Current financial debt (E)+(F)</b>	<b>(8,598)</b>	<b>(5,722)</b>	<b>(2,876)</b>
<b>H. Net current financial debt (G)-(D)</b>	<b>(2,103)</b>	<b>123</b>	<b>(2,226)</b>
I. Non-current financial debt	(9,801)	(7,333)	(2,468)
J. Debt instruments	-	-	-
K. Trade payables and other non-current payables	-	-	-
<b>L. Non-current financial debt (I)+(J)+(K)</b>	<b>(9,801)</b>	<b>(7,333)</b>	<b>(2,468)</b>
<b>M. Total financial debt (H)+(L)</b>	<b>(11,904)</b>	<b>(7,210)</b>	<b>(4,694)</b>
of which payable to Lamitex shareholders to be settled	4,000	-	-
of which financial outflow for Lamitex acquisition	3,500	-	-
<b>ADJ financial debt Lamitex acquisition</b>	<b>(4,404)</b>	<b>(7,210)</b>	<b>2,806</b>

The deterioration in NFP is entirely attributable to the € 7.5 million acquisition of Lamitex; conversely, operations generated positive cash flows which, absent the extraordinary transaction, would have improved net financial debt.

Current financial payables (E) totaling € 4,048 thousand include the residual debt to the former shareholders of Lamitex, scheduled for settlement on the due dates in May and November 2026.

Non-current financial payables (I) increased by € 2,467 thousand, due mainly to the combined effect of installment repayments on medium/long-term loans and the signing of a new loan of € 7,000 thousand with BPS, for 84 months (quarterly installments).

The following is a reconciliation between Parent Company equity and results and the Consolidated Financial Statements at 31 December 2025:

Consolidated Figures (Euro thousands)	Equity 31 DECEMBER 2025	Profit (Loss) For The Year 31 DECEMBER 2025	Equity 31 DECEMBER 2024	Profit (Loss) For The Year 31 DECEMBER 2024
<b>Equity and profit for the period attributable to the parent company</b>	<b>86,895</b>	<b>7,360</b>	<b>80,818</b>	<b>4,111</b>
<b>Elimination of the carrying amount of consolidated investments:</b>				
Difference between carrying amount and pro-rata amount of equity	-	-	-	-
Currency translation difference	13	-	(1)	-
Pro-rata results of investees	-	12,547	-	7,184
Cancellation of write-downs/write-backs of investments	-	(12,316)	-	(7,044)
Amortization of fair value of fixed assets (allocation of BEG goodwill)	-	(210)	-	(162)
<b>Elimination of the effects of transactions between consolidated companies:</b>				
Intercompany profits included in the value of closing inventory	2	(21)	-	22
Intercompany profits on disposal of fixed assets	(89)	(35)	(55)	(54)
<b>Equity and profit for the year attributable to the shareholders of the parent</b>	<b>86,821</b>	<b>7,325</b>	<b>80,762</b>	<b>4,057</b>
Non-controlling interests	(54)	(31)	(37)	(80)
<b>Total equity</b>	<b>86,767</b>	<b>7,294</b>	<b>80,725</b>	<b>3,977</b>

## Business and financial performance of the subsidiaries

### CARTIERE DI GUARCINO S.P.A.

#### Business performance

(Euro thousands)	31 DECEMBER 2025		31 DECEMBER 2024		Chg.	% Chg.
		%		%		
Revenue from sales and services	69,462	100.0%	71,228	100.0%	(1,766)	(2.5%)
Other revenue	1,934	2.8%	2,558	3.6%	(624)	(24.4%)
<b>Total revenue</b>	<b>71,396</b>	<b>102.8%</b>	<b>73,786</b>	<b>103.6%</b>	<b>(2,390)</b>	<b>(3.2%)</b>
<b>EBITDA</b>	<b>5,516</b>	<b>7.9%</b>	<b>4,744</b>	<b>6.7%</b>	<b>772</b>	<b>16.3%</b>
Amortization and depreciation	3,013	4.3%	2,782	3.9%	231	8.3%
Allocations	32	0.0%	52	0.1%	(20)	(38.5%)
<b>EBIT</b>	<b>2,471</b>	<b>3.6%</b>	<b>1,910</b>	<b>2.7%</b>	<b>561</b>	<b>29.4%</b>
<b>Profit (loss) for the year</b>	<b>6,645</b>	<b>9.6%</b>	<b>3,865</b>	<b>5.4%</b>	<b>2,780</b>	<b>71.9%</b>

Sales performance reflects the macroeconomic and industry environment and, at 31 December 2025, declined by € -1,766 thousand (-2.5%) versus the corresponding figure for 2024, attributable to an unfavourable mix effect, partly offset by a positive volume effect and a slightly negative price effect driven by the deflationary trend in raw materials.

The geographical distribution of revenue in 2025 versus 2024 is shown below.

(Euro thousands)	31 DECEMBER 2025		31 DECEMBER 2024		Chg.	% Chg.
		%		%		
<b>Italy</b>	<b>31,210</b>	<b>44.9%</b>	<b>35,340</b>	<b>49.6%</b>	<b>(4,130)</b>	<b>(11.7%)</b>
<b>Foreign</b>	<b>38,252</b>	<b>55.1%</b>	<b>35,888</b>	<b>50.4%</b>	<b>2,364</b>	<b>6.6%</b>
Of which Europe	31,044	44.7%	29,836	41.9%	1,208	4.1%
Of which Asia	584	0.8%	234	0.3%	350	149.6%
Of which Middle East	251	0.4%	0	0.0%	251	0.0%
Of which America	6,373	9.2%	5,817	8.2%	556	9.5%
Of which Africa	0	0.0%	0	0.0%	0	0.0%
<b>Total</b>	<b>69,462</b>	<b>100.0%</b>	<b>71,228</b>	<b>100.0%</b>	<b>(1,766)</b>	<b>(2.5%)</b>

The company reaffirms a robust focus on exports, accounting for 50% of its annual sales, with a notable presence in Europe (42%), America (8%) and, to a lesser extent, Asia.

On the production side, typical logics related to the organizational approach of lean production have been applied for years now, with related expenditure referring to Industry 4.0 plans. Generally speaking, significant attention is devoted to continuously increasing productivity and reducing resource usage, with the aim of enhancing the Company's competitive edge.

On the raw materials front, a review is given below of the price trends of the two strategic materials, pulp and titanium dioxide, which together account for 85% of the total raw materials used.

With regard to the pulp market, after a strong start to the year, prices declined, returning in August to the same price levels as in December 2024; prices first recovered from September, a trend to be confirmed in the coming months in a still uncertain market scenario.

For titanium dioxide, 2025 opened weakly, attempted a recovery in the second quarter, then weakened again from the third quarter onward, in a context of weak demand and ample product availability, including from China despite anti-dumping duties.

Following 2024, the average cost of titanium dioxide also increased in 2025 due mainly to anti-dumping tariffs on products imported from China, introduced by the European Commission in July 2024 through publication of the decision applying provisional tariffs ranging from 14.4% to 39.7%; the tariffs were then confirmed by the decision of 9 January 2025 and set at € 0.25/kg to € 0.74/kg.



## Financial performance

<i>(Euro thousands)</i>	31 DECEMBER 2025	31 DECEMBER 2024	Chg.	% Chg.
Net Working Capital	19,740	17,922	1,818	10.1%
Fixed assets	53,678	50,039	3,639	7.3%
Equity	51,244	46,707	4,537	9.7%
Net Financial Debt	17,598	16,581	1,017	6.1%

At 31 December 2025, operating NWC increased (+7.2%) due mainly to the combined effect of a decrease in trade receivables (€ -32 thousand), an increase in inventory (€ +136 thousand), and a decrease in payables to suppliers (€ -1,301 thousand). This increase, despite a -2.5% drop in revenue, is primarily determined by a reduction in trade payables, which occurred to take advantage of financial discounting opportunities from suppliers, and partly due to destocking resulting from weak demand.

Net NWC also increased (+10.1%), due mainly to the increase in other current receivables, including the ENERGY RELEASE 2.0 receivable (€ 835 thousand), the reduction in other current payables, including deferred income of € 47 thousand (€ 477 thousand at 31 December 2024), allocating, pro rata for the expenditure made, the € 1,000 thousand SIMEST non-repayable amount – facility measure “Support for Italian exporting companies sourcing from Ukraine and/or Russia and/or Belarus”.

Net financial debt at 31 December 2025 increased slightly (€ +1,019 thousand) versus the prior year, attributable to significant expenditure made (€ 5,424 thousand), cash flow from operations (€ 6,489 thousand), and the dividend received from Bio Energia Guarcino S.r.l. in December 2025 totaling € 4,500 thousand (in 2024 it had paid dividends of € 4,600 thousand).

There is a balanced mix of short- and long-term sources, due mainly to disbursements under medium/long-term loans obtained in recent years (in 2022, the € 10 million loan with MPS Capital Services S.p.A., with a SACE guarantee under the SupportItalia measure; in 2024, the Banca POPSO unsecured loan, resolved in 2024, amounting to € 4,500 thousand; in 2024, the SIMEST unsecured loan, resolved in 2024, under the facility measure “Support for Italian exporting companies sourcing from Ukraine and/or Russia and/or Belarus” amounting to € 1,500 thousand). No additional long-term loans were taken out in 2025.

At 31 December 2025, the Company has an outstanding loan agreement containing covenants tied to compliance with financial or capital ratios ( $NFP/EBITDA \leq 3.5$  at 31 December 2025), which were met.

Overall, the NFP of Cartiere di Guarcino S.p.A. in the period 2018 - 2025 improved by approximately € 22.5 million.

With regard to parent company Neodecortech S.p.A., a loan of € 17,642 thousand was repaid, novated on 21 December 2018 through rescheduling into 136 monthly installments of € 130 thousand effective 31 January 2019.

Net financial debt includes the current accounts with both the parent company Neodecortech (zeroed at 31 December 2025 versus debt of € 3,131 thousand in the prior year) and the subsidiary Bio Energia Guarcino (debt of € 10 thousand versus credit of € 6,008 thousand in the prior year).

## BIO ENERGIA GUARCINO S.R.L.

### Business performance

<i>(Euro thousands)</i>	31 DECEMBER 2025		31 DECEMBER 2024		Chg.	% Chg.
		%		%		
Revenue from sales and services	62,879	100.0%	50,695	100.0%	12,184	24.0%
Other revenue	(24)	(0.0%)	877	1.7%	(901)	(102.7%)
<b>Total revenue</b>	<b>62,855</b>	<b>100.0%</b>	<b>51,572</b>	<b>101.7%</b>	<b>11,283</b>	<b>21.9%</b>
<b>EBITDA</b>	<b>10,283</b>	<b>16.4%</b>	<b>8,179</b>	<b>16.1%</b>	<b>2,104</b>	<b>25.7%</b>
Amortization and depreciation/Write-downs	3,298	5.2%	2,788	5.5%	510	18.3%
Allocations	0	0.0%	0	0.0%	0	0.0%
<b>EBIT</b>	<b>6,985</b>	<b>11.1%</b>	<b>5,391</b>	<b>10.6%</b>	<b>1,594</b>	<b>29.6%</b>
<b>Profit (loss) for the year</b>	<b>5,892</b>	<b>9.4%</b>	<b>3,540</b>	<b>7.0%</b>	<b>2,352</b>	<b>66.4%</b>

The increase in revenue in 2025 is related to higher production made possible by operating fully under the guaranteed minimum prices system (GMP) introduced by LD 181/23, with application rules issued by ARERA in Resolutions 306/2024 and 518/2024.

Revenue from sales and services includes revenue from energy sales (to the grid and to CDG), revenue relating to the ordinary GRIN incentive through 31 May 2025, at a unit value of € 55.34/MWh, and the reinstatement of revenue relating to the guaranteed minimum price system.

The power plant operated for 25,217 hours, up +5.2% versus the prior year's 23,970 hours, and generated approximately 164,884 MWh versus 158,134 MWh in 2024. Energy fed into the grid was 118,535 MWh versus 115,840 MWh in 2024; energy sold to CDG was 40,434 MWh, up from 37,653 MWh in 2024.

At 31 December 2025, EBITDA amounted to € 10,283 thousand (+25.7%), due to both higher production supported by the GMP revenue reinstatement system and the positive management of operating costs and sustainable bioliquids procurement.

On the raw material cost front, the animal fats market, after being steady in the first part of the year, grew slightly in a range of between 2% and 6%. Refined soybean oil declined 7% in the Milan Granary market, while refined rapeseed oil increased 1%, reflecting divergent trends for conventional vegetable oils.

## Financial performance

<i>(Euro thousands)</i>	31 DECEMBER 2025	31 DECEMBER 2024	Chg.	% Chg.
Net Working Capital	9,195	15,842	(6,647)	(42.0%)
Fixed assets	504	3,775	(3,271)	(86.7%)
Equity	11,585	10,192	1,393	13.7%
Net Financial Debt	(1,210)	9,516	(10,726)	(112.7%)

Net Working Capital decreased by € 6,646 thousand as a result of the normalization of receipts from Guaranteed Minimum Prices (GMPs), which took place during the first two months of 2025 following full implementation of the advance payment system and receipt of the final adjustment relating to 2024. In fact, the regulations on Guaranteed Minimum Prices (GMP) for power generation plants fueled by sustainable bioliquids (ARERA Resolution 306/2024/R/eel, updated following subsequent consultation, with further Resolution 518/2024/R/eel), stipulate that the GSE will disburse the remuneration due, calculated as the difference, if positive, between the minimum guaranteed revenue and conventional revenue, and that payment will be made by year-end adjustment, subject to the disbursement of a monthly advance of up to a maximum of 90% of the grant due.

This reduction occurred against an increase in sales of € 12,184 thousand, or +24.0%. In detail, receivables related to GMP remuneration, totaling € 16,397 thousand uncollected at 31 December 2024, stood at € 10,759 thousand at 31 December 2025. At 31 December 2025, the Company had yet to collect the fixed cost component related to the maximization period (€ 1,639 thousand).

All this resulted in net financial debt at 31 December 2025 of € -1,210 thousand, a significant improvement versus the prior year, when it stood at € +9,516 thousand. Specifically, the Company continued the regular repayment of medium-long-term bank loans during the year, with the loans repaid in 2025, whereas in 2023 the only outstanding lease agreement had been settled through the redemption of the three electric generator sets.

## LAMITEX S.R.L.

### Business performance

The table below shows the main KPIs of the Company on a pro forma basis at 31 December 2025, versus the prior year; it also indicates the portion attributable to the period from the acquisition date.

For 2025 consolidation purposes, only the results from the acquisition date (28 November 2025) to 31 December 2025 were included in the consolidated financial statements.

(Euro thousands)	PRO-FORMA 31 DECEMBER 2025		PRO-FORMA 31 DECEMBER 2024		Chg.	% Chg.	28/11/25 31/12/25 (1M)	
		%		%				%
Revenue from sales and services	12,430	100.0%	12,761	100.0%	(331)	(2.6%)	824	100.0%
Other revenue	374	3.0%	398	3.1%	(24)	(6.0%)	30	3.6%
<b>Total revenue</b>	<b>12,804</b>	<b>103.0%</b>	<b>13,159</b>	<b>103.1%</b>	<b>(355)</b>	<b>(2.7%)</b>	<b>902</b>	<b>&gt;100.0%</b>
<b>EBITDA</b>	<b>2,502</b>	<b>20.1%</b>	<b>1,772</b>	<b>13.9%</b>	<b>730</b>	<b>41.2%</b>	<b>245</b>	<b>29.7%</b>
Amortization and depreciation	682	5.5%	712	5.6%	(30)	(4.2%)	68	8.3%
Allocations	3	0.0%	22	0.2%	(19)	(86.4%)	3	0.4%
<b>EBIT</b>	<b>1,723</b>	<b>13.9%</b>	<b>1,038</b>	<b>8.1%</b>	<b>685</b>	<b>66.0%</b>	<b>175</b>	<b>21.2%</b>
<b>Profit for the year</b>	<b>1,222</b>	<b>9.8%</b>	<b>635</b>	<b>5.0%</b>	<b>587</b>	<b>92.4%</b>	<b>135</b>	<b>16.4%</b>

Despite slightly declining revenue, the company generated positive and sharply improved income results versus 2024, EBITDA up by € 730 thousand, with the revenue margin increasing from 13.9% to 20.1%.

Net profit for the year amounted to € 1,222 thousand, up more than 90% versus 2024.

The Company confirms a strong export focus, accounting for 73% of annual revenue, with a presence predominantly in Europe (33%) and Africa (18%). Below is the geographical breakdown of 2025 revenue versus 2024.

(Euro thousands)	31 DECEMBER 2025		31 DECEMBER 2024		Chg.	% Chg.
		%		%		
<b>Italy</b>	3,350	27%	3,252	25%	98	3%
<b>Foreign</b>	9,080	73%	9,509	75%	(429)	(4%)
Of which Europe	4,067	33%	4,472	35%	(405)	(9%)
Of which Asia	1,358	11%	2,224	17%	(865)	(39%)
Of which Middle East	811	7%	517	4%	293	57%
Of which America	665	5%	614	5%	52	8%
Of which Africa	2,179	18%	1,682	13%	497	30%
<b>Total</b>	<b>12,430</b>	<b>100%</b>	<b>12,761</b>	<b>100%</b>	<b>(331)</b>	<b>(3%)</b>

## Financial performance

<i>(Euro thousands)</i>	31 DECEMBER 2025	PROFORMA 31 DECEMBER 2024	Chg.	% Chg.
Net Working Capital	2,667	3,140	(473)	(15.1%)
Fixed assets	4,556	5,049	(493)	(9.8%)
Equity	3,847	3,216	631	19.6%
Net Financial Debt	(3,299)	(4,415)	1,116	(25.3%)

The change in NWC reflects the combined effect of lower trade receivables and payables aligned with business performance, together with lower accrued expense and deferred income resulting mainly from the reversal of portions of grants related to 4.0 and 5.0 expenditure.

2025 saw a change in fixed assets attributable predominantly to depreciation. The only expenditure beyond maintenance related to technological infrastructure and the company's new showroom.

Equity reflected the combined effect of profit for the year of € 1,222 thousand and dividend distributions of € 592 thousand to prior shareholders, increasing by € 631 thousand.

The Net Financial Position decreased due mainly to cash flow generated by core operations.

## Main Alternative Performance Measures (APMs)

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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 Directors' Report on Operations 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;
- **EBITDA and EBIT ADJUSTED:** 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;
- **ADJUSTED NET FINANCIAL DEBT:** a measure used by Management to strip net financial debt from the effect of non-recurring financial components.

## Main risks and uncertainties to which Neodecortech S.p.A. and the Group are exposed

The Group's risk management is based on the principle of accountability that the risk is managed by the person in charge of the business process directly involved.

The main risks are reported and discussed at the top management level of the Group companies in order to create the conditions for their management, coverage, insurance and assessment of the residual risk.

Financial risks - for a detailed analysis of which reference should be made to the Notes to the Financial Statements in "Financial Risk Management" of the separate and consolidated financial statements - are managed within the framework of specific directives of an organizational nature that govern their management and the oversight of all transactions that are strictly relevant to the composition of assets and liabilities of a financial and trade nature. Risks are also monitored by means of a structured system (ERM) for all Group companies, with specific reporting to the relevant Board of Directors and, in aggregate form, to the Board of Directors of the Parent Company.

Below is an analysis of risks and the resulting uncertainties.

### Non-financial risks

#### *Risks associated with the general economic situation*

As the Group operates in a global competitive scenario, its financial position, results and cash flows are affected by the general conditions and performance of the world economy, the continuation of the Russian-Ukrainian conflict and, more broadly, the various geopolitical crisis situations in different areas of the world. Any negative economic cycle or political instability in one or more relevant geographical markets may influence the Company's performance and strategies and affect its future prospects in both the short and medium/long term. In order to alleviate risk, the Group operates both nationally and internationally, in order to diversify the source of its sales. This is to avoid both the concentration of sales from a single country and to adopt business strategies that allow it not to depend on customers located in high-risk countries. Specifically, in light of the Russian-Ukrainian conflict that broke out at end February 2022, the Group can attest that it has not carried out any development activities or invested in these countries,

and purchases and sales in both Russia and Ukraine are negligible. Except for sales of Cartiere goods that are not embargoed. Still, the ongoing conflict has undeniably dampened the consumption propensity of furniture and flooring buyers, impacting indirectly on the Group's results.

The prevailing macroeconomic uncertainty has been further compounded by the Israeli-Palestinian conflict that broke out on 7 October 2023. Additionally, global geopolitical instability and trade tensions between economic blocs could lead to new or tighter customs duties and import/export restrictions, potentially affecting the Group's sourcing model and the competitiveness of its products in international markets. The Group constantly monitors developments in international regulations to anticipate critical issues and implement alternative trade and logistical strategies to mitigate the economic effects of protectionist scenarios.

#### *Risks associated with the level of competitiveness and cyclicality in the segment*

Demand trends are cyclical and vary according to the general economic conditions and the consumption propensity of end customers. An adverse trend in demand, or if the Group is not able to adapt effectively to the external market context, could have a significant negative impact on the Group's business prospects, as well as on its performance and financial situation. Most of the Group's revenue is generated in the decorative papers and industrial paper sectors. The Group competes

primarily in Europe with other major international groups. These markets are all highly competitive in terms of product quality, innovation and price. The Group has launched new product lines in order to seize new market segments that are more lucrative than traditional business; these new lines will not only allow it to acquire new customers, but also to expand sales and further strengthen its relationships with existing customers.

#### *Risks associated with sales on international markets*

Part of the Group's sales takes place outside the European Union. The Group is therefore exposed to the risks related to exposure to local economic and political conditions and to the possible implementation of restrictive import and/or export policies. The Group

constantly monitors the development of political and financial risks associated with countries whose general economic and political situation could prove unstable in the future, in order to take possible mitigation actions.

#### *Risks associated with fluctuations in the price of raw materials and components*

The Group's exposure (in particular the Paper and Energy Division) to the risk of an increase in prices of raw materials for production is definitely real. In order to manage this risk, the Group constantly monitors the market prices of the raw materials it procures for its activities in order to promptly anticipate any significant price increases, always keeping at least two suppliers that are able to supply the same quantity and quality of raw materials. In this context however, the Group

does not carry out specific hedges against these risks but rather tends to implement targeted purchasing policies to ensure stability for periods normally of no less than a quarter. The technical methods of setting prices on the raw materials market, as well as the fierce level of competition in the Group's area of operation, do not always allow it to transfer all of the sudden and/or significant increases in procurement costs to sales prices.

#### *Risks associated with the ability to propose innovative products*

The success of the Group's activities depends on its ability to maintain or increase its share in its markets of operation and/or to expand into new markets through innovative, high-quality products that ensure adequate levels of profitability. Specifically, should the Group be unable to develop and offer innovative and competitive products compared to those of its main competitors in terms of price and quality, the Group's market shares could shrink, impacting negatively on its business prospects, results and/or financial situation. The Group

invests constantly in technological innovation in order to mitigate this risk. Investments in recent years have been channeled mainly into the new lacquering line for EOS products, the expansion of an embossing line for plastic films, the purchase of a new lamination line and new impregnation line, the revamping of a printing press, the purchase and engraving of cylinders, as well as work to maintain and upgrade existing process technologies which, at Cartiera, have escalated to an extraordinary scale.

#### *Risks associated with the concentration of sales on a small number of customers and with production on order*

Part of the Group's revenue is concentrated on a small number of customers. Production on order is strictly affected by relations with the Group's main customers, which can have a significant impact on revenue generation. Group revenue relates mainly to business on order, where prices are based on the production batch. The Group therefore bears the risk that the work required to complete individual job orders is higher than budgeted and that, consequently, expectations in terms of profit margins may be significantly lower. Additionally, production on order is subject to possible fluctuations

in revenue in the short term. Consequently, the increase or decrease in revenue in a given period may not be indicative of revenue trends over the long term. In order to mitigate the resulting risk, the Group companies have developed long-term relationships with their main customers based on trust and great focus on quality. The products developed become "niche" products, not just commodities. Decorations are developed, in some cases, ad hoc at the customer's request; the Group, therefore, adopts a loyalty system with this practice.

### *Risks associated with the compliance with environmental, health and safety regulations in the workplace*

The Group is an industrial entity and, as such, is subject to laws and regulations governing the environment, health and safety in the workplace. Violations of the regulations applicable to these areas could result in restrictions on the Group's activities, the application of sanctions and/or claims for damages. In performing its activities, the Group is subject to strict environmental and health and worker protection legislation, applicable within the plants where production activities are carried out. In this regard, Neodecortech S.p.A. and its subsidiaries have obtained ISO 14001 environmental certification and ISO 45001 on health and safety in the workplace. As far as environmental protection is concerned, in accordance with applicable legislation, the Group has the burden of requesting and obtaining permits and authorizations to carry out its activities. Specifically, the Parent Company completed the initial steps for the renewal of the Integrated Environmental Authorization (AIA), with the last session of the services conference held on 15/10/2024. Meanwhile, the subsidiary Cartiere di Guarcino, with resolution no. G04146 of 11/04/2024,

saw the Lazio Region positively conclude the services conference for the revision, validating the renewal of the A.I.A. for the Company. The Region issued provisions, and in compliance with them, Cartiere di Guarcino S.p.A. submitted updated technical documentation to the Region (and for information to ARPA Lazio), along with a synoptic overview of the fulfillment of these requirements. Additionally, production activities imply a controlled use of hazardous chemical materials that require a special system for their management and disposal. With regard to health and safety in the workplace, the Group is required to comply with laws and regulations (for instance, Legislative Decree no. 81 of 2008) aimed at mapping and managing risks, also with a view to preventing accidents. To this end, the Group has adopted policies and procedures to comply with regulatory provisions; the presence of requirements regarding safety, health and hygiene in the workplace is secured thanks to the constant updating and implementation of the legally prescribed controls.

### *Risks associated with Management*

The success of the Group depends to a large extent on the ability of its Executive Directors and other members of management to effectively manage the Group and its individual business areas.

The current governance structure of Neodecortech S.p.A. - with the presence of two Executive Directors who have longstanding experience in the specific line of business - allows management of operating

discontinuities in the short term resulting, for instance, from a replacement of Managing Directors before the ordinary expiry of their office or resignation, thus ensuring continuity and stability in the management of the Company and the Group. Additionally, the Group has fitted itself with an effective organizational setup, which provides, for each department within the Companies, a manager with adequate powers to exercise the role.

### *Cyber Security Risk and Artificial Intelligence*

With regard to cyber security, the Group is implementing all necessary actions to align its structure with the main national and international industry standards. Technological and organizational measures were recently put in place with the aim of: managing the threats to which the organization's network infrastructure and information systems are exposed, in order to ensure a level of security appropriate to the existing risk; preventing incidents and minimizing their impact on the security of the network and information systems used for production and business, in order to ensure their continuity.

A business continuity/disaster recovery procedure is in place to deal with any unforeseen events.

Additionally, the use of artificial intelligence to support business processes is growing significantly and at an

accelerating pace worldwide. This development offers a significant opportunity for operational efficiency and optimization; however, it cannot be ruled out that artificial intelligence could also be used for illicit purposes, potentially adversely affecting the Group. In parallel, the Group plans to implement information security solutions that also leverage artificial intelligence technologies. The Group may, however, still experience interruptions or discontinuities in its operations due to malfunctions, including actual blackouts, affecting internal information systems or those of third parties. Additionally, there can be no guarantee that, at the time of acquisition, the information systems of any acquired companies fully comply with the Group's minimum reliability and security requirements.

### *Climate Change Risk*

A significant global challenge that can impact its business operationally, financially, and reputationally. The Group has initiated a structured process to analyze its environmental impacts and mitigation activities, focusing on identifying physical and transitional risks associated with climate change. Since 2021, Neodecortech has been working to assess climate change risks and opportunities as part of its broader sustainability program. This analytical process involves mapping both direct and indirect impacts on its plants and operations, continuously monitoring global environmental sustainability regulations and trends, and assessing accounting estimates that may be affected by climate risks. Continuing this effort, Neodecortech has intensified its focus on monitoring and progressively reducing environmental impacts by adopting innovative

technologies and optimizing production processes. At the same time, climate risk management has been incorporated into the Enterprise Risk Management (ERM) system, with ongoing assessments and monitoring of climate change risks. These risks are systematically addressed and integrated into corporate strategies, in alignment with CONSOB's relevant principles and guidelines. Neodecortech ensures constant alignment between the financial and non-financial information disclosed in its financial statements and sustainability report. This approach improves the consistency and transparency of information, avoiding potential discrepancies (greenwashing) and providing stakeholders with a comprehensive view of the Group's environmental impacts and mitigation strategies.

### **Financial risks**

#### *Risks associated with financial requirements*

Liquidity risk is normally defined as the risk that a company will be unable to meet its payment obligations due to the difficulty of raising funds (funding liquidity risk) or liquidating assets on the market (asset liquidity risk).

The Group efficiently manages its financial resources through a loan agreement between the Parent Company and its Subsidiaries in order to make surplus liquidity available, if necessary, to cover its requirements. Short-term bank credit lines are in line with commitments undertaken and planned, while medium-term loans guarantee adequate coverage for investments in fixed assets, keeping cash flows and the resulting liquidity generated in balance.

Thanks to the provision of low-interest loans obtained through emergency law decrees in 2020 and to a loan obtained in 2022 through a SupportItalia guarantee, in addition to two loans from SIMEST with a non-repayable portion to support Italian exporting companies sourcing from Ukraine and/or Russia and/or Belarus obtained in 2023 and 2024, the Company was able to redefine the maturities of its debt by lengthening its duration. Reference should be made for further details to the Directors' Report on Operations and to Note 25 "Non-current financial liabilities" and "Current financial liabilities".

#### *Credit risk*

The current assets of Group companies, with the exception of inventory, are primarily trade receivables. The Group presents different credit risk concentrations in its different relevant markets. While the Group has longstanding relationships with its main clients, changes in these relationships or in the business strategies of some of these clients could have negative effects on the results and financial position of the Group itself.

The Group takes measures to carefully manage trade receivables in order to minimize collection time and credit risk, also adopting a policy of advance payments and guarantees, including the insurance of most receivables. To date, the Group has not encountered particular issues in the collection of trade receivables and does not expect to have a significant negative impact from this situation in the future.

### Currency risk

The Group is obviously exposed to market risks associated with fluctuations in exchange rates and interest rates. Exposure to exchange rate risks is related mainly to the procurement of certain raw materials (pulp and titanium dioxide) and, to a lesser extent, to the sale of products, which leads to cash flows denominated

in currencies other than those of the production area (mainly US dollars). This exposes the Group to the risk of fluctuations in the Euro against the US dollar, against which specific exchange rate hedging policies are adopted, but not accounted for in hedge accounting.

### Interest rate risk

The Group companies have in place - inter alia - financial liabilities (loans) at floating rates. In order to alleviate the negative effects of a possible increase in interest rates, a hedging derivative (IRS - Interest Rate Swaps) is in place, accounted for using the fair value hedge accounting

method. Specifically, at 31 December, the Parent Company had an IRS in place relating to the mortgage loan agreement with BPM, with a notional value of € 2,158 thousand and a positive fair value of € +24 thousand (a positive € 67 thousand at 31 December 2024).

## Corporate Governance

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The Company has aligned its corporate governance system to the relevant provisions set out in Legislative Decree no. 58/1998 ("TUF"), and has adopted the Corporate Governance Code approved by the Corporate Governance Committee, published on 31 January 2020, applicable as from 1 January 2021 (the "Corporate Governance Code") and adopted by the Company on the same date.

Following the provision of Borsa Italiana for admission to the STAR segment dated 5 March 2021, trading of the Company's ordinary shares began on 15 March 2021 on the STAR segment of Euronext Milan organized and managed by Borsa Italiana. The Company has a traditional management and control model in place, which envisages the presence of the Shareholders' Meeting, the Board of Directors, the Board of Statutory Auditors and the Independent Auditors (for further information, reference should be made to the chapter "CORPORATE BODIES" at the beginning of this Report).

At the meeting held on 24 March 2025, the Chairman of the Board of Directors submitted for discussion the recommendations set out in the communication from the Chairman of the Corporate Governance Committee of Borsa Italiana dated 17 December 2024, concerning (i) more effective application of the "comply or explain" principle; (ii) transparency regarding deviations from the Corporate Governance Code; (iii) the Board's active role in approving the business plan and promoting long-term value creation; (iv) efficient and timely management of pre-Board disclosure; (v) the definition of measurable targets in variable remuneration; and (vi) the rationale for granting broad management powers to the Chairman (the "Recommendations"); the Board of Directors discussed then took account of all the Recommendations and ascertained that the Company's governance is already aligned with most of them; the considerations made and any further initiatives will be formalized and reflected in the Report on Corporate Governance and Ownership Structure pursuant to Article 123 bis of the TUF.

The Shareholders' Meeting of 29 April 2025 of the Parent Company Neodecortech, pursuant to Article 123-ter, paragraph 3-ter, of Legislative Decree no. 58/1998, 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, approved Section Two of the Report on the Remuneration Policy and on Compensation Paid.

For further information on the Company's corporate governance, reference should be made to the specific section on the Company website [www.neodecortech.it](http://www.neodecortech.it), Investors, Corporate Governance section.

## Report on Corporate Governance and Ownership Structure

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The Report on Governance and Ownership Structure pursuant to Article 123 bis of the TUF of Neodecortech S.p.A. is contained in a separate report from the Directors' Report on Operations, published jointly with the latter and available on the Neodecortech S.p.A. website ([www.neodecortech.it](http://www.neodecortech.it)).

## Related party transactions

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Following the transposition into Italian law of Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 (Shareholders Right Directive II), through Legislative Decree no. 49/2019, and in light of the CONSOB amendments with resolution no. 21624 of 10 December 2020 to the regulation containing provisions on related party transactions adopted by CONSOB with resolution no. 17221 of 12 March 2010, on 30 March 2023, the Board of Directors of the Company approved the update to the Related Party Transactions Procedure (the "RPT Procedure"), adopted by the Company on 25 June 2020 and amended on 10 December 2020 and on 28 June 2021.

The procedure aims to ensure full transparency and correctness of transactions carried out with Related Parties. The updated text of the Procedure for Transactions with Related Parties of Neodecortech S.p.A. is available on the Company website ([www.neodecortech.it](http://www.neodecortech.it)).

Reference should be made to the Explanatory Notes to the Consolidated Financial Statements, which provide a detailed comment on transactions with related parties; it should be noted that during the year under review, no atypical or unusual transactions were carried out with such parties and that business transactions with related parties, including those outside Group companies, were carried out at conditions corresponding to normal market value.

## Capital expenditure

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Capital expenditure in tangible and intangible fixed assets in 2025 amounted to € 8,703 thousand.

€ 3,063 thousand of this expenditure refers to the Parent Company and relates to new plant and machinery and the improvement and efficiency of existing ones, and, with regard to intangible fixed assets, for the change of the ERP system, which became operational on 1 January 2025 across the entire Group.

In 2025, the subsidiary Cartiere di Guarcino invested € 5,421 thousand in tangible and intangible fixed assets, primarily to improve plant operating conditions to increase productivity, plant efficiency and plant yield, reduce the use of materials and resources while encouraging reuse, raise operating safety standards, and expand automation for more efficient operational management, in addition to the new ERP system.

For the subsidiary Bio Energia Guarcino S.r.l., expenditure amounted to € 26 thousand for plant maintenance and the new ERP system. For Changzhou NDT new material technology company Ltd, expenditure related to printing cylinders amounted to € 145 thousand. The remainder comprises expenditure by the newly acquired Lamitex.

All Group plants are continuing their 4.0 and 5.0 process revision actions to further strengthen the production process, with active control of critical variables and plant upgrading.

## Research & Development

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Innovation has long been the driving force for the Neodecortech Group, shaping ideas, projects, products, and development processes. Fueled by research, this commitment to innovation fosters the development and sharing of knowledge, benefiting various market sectors.

In 2025, with regard to the Parent Company, research, innovation, and process improvement activities continued across both legacy and new-generation production lines. In recent years, the Group has pursued product and market diversification, offering environmentally sustainable solutions, also in light of recent European regulations.

In response to this legislation, Neodecortech is developing research projects to test new lines of decorative papers for alternative, environmentally oriented applications. The production lines were also upgraded through the integration of sensors and advanced digital systems capable of optimizing each process step, increasing productivity, and ensuring higher quality levels.

These technologies, together with the design approach focused on the entire product life cycle, enable lower consumption, emissions, and waste generation, delivering genuinely sustainable solutions from the production stage to final disposal.

Creative development is overseen by the Neodecortech Lab, which collaborates closely with the sample department. Equipped with digital printers and laboratory rotogravure machines, the sample department ensures meticulous sampling and matching to the sample, offering customers the highest reproduction quality plus fast work time.

In 2025, Cartiere di Guarcino S.p.A. continued to diversify its products and markets by offering environmentally sustainable solutions and obtaining special Cradle to Cradle certification, an international recognition of the sustainability of production processes and the environmental quality of products.

In 2022, the subsidiary Cartiere di Guarcino S.p.A., with a view to decarbonization, launched the European project PUSH2HEAT backed by the Horizon program, continued in 2024, 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 takes part in the project as one of the chosen demonstration sites, where two machines (heat pump and mechanical steam re-compressor) will be installed to extract steam through heat contained in the cooling water of the Bio Energia Guarcino S.r.l. cogeneration plant. The project involves partial coverage of personnel costs and the activities required to implement the machinery, up to € 734 thousand (an amendment under review would increase the non-repayable grant up to € 1,024 thousand); the project is structured over a 4-year timeline, starting 01/10/2022. At 31 December 2025, € 350 thousand of non-repayable co-financing was granted from the Horizon Project.

Cartiere di Guarcino S.p.A. developed a project for innovative paper for food use and, on 10 December 2020, submitted an application for incentives under the "Circular Economy" call pursuant to Ministerial Decree 5 August 2020 and DD 11 June 2020 and 20 June 2013, within the project entitled "Study and development of an innovative paper for food use". On 23 January 2025, the Ministry of Enterprises and Made in Italy (MIMIT) 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.

Cartiere di Guarcino S.p.A. also, in 2025, completed a series of plant interventions enabling the introduction of a new type of paper: Kraft paper. The full industrialization of this paper is still underway and, once completed, will provide access to new customers/markets.

The newly acquired Lamitex S.r.l. also continued its ongoing research and development on products (decorative and finishing), processes, services and organization in 2025, as in past years.

## Information on the environment, safety and health and, more generally, on ESG topics

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### Environment

Environmental impact is a crucial issue for the Neodecortech Group. As proof of this, the Parent Company, since 2007, has acquired a series of system certifications that offer its stakeholders tangible evidence of its commitment and of the transparency and correctness of its business activities.

This approach has also been gradually adopted by the subsidiaries Cartiere di Guarcino S.p.A. and Bio Energia Guarcino S.r.l.. Below is a list of the certifications obtained by each Group company. With regard to environmental targets and policies.

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#### Neodecortech

UNI EN ISO 9001 (since 2009) - Quality System Certification

UNI EN ISO 14001 (since 2007) - Environmental Certification - for the improvement of environmental performance

BS HOSAS 18001 (2011 to 2019) - Certification related to occupational health and safety management

UNI EN ISO 45001 (since 2020) - Certification related to occupational health and safety management

UNI EN ISO 50001 (since 2017) - Certification related to energy use efficiency and gradual improvement of energy performance

FSC® CHAIN CUSTODY (since 2010) - Certification related to the sustainability of the forests where the pulp used in the paper we employ is obtained from

MADE IN ITALY 100% (since 2015) - Supply Chain Certification

SUSTAINABILITY REPORT from 2016 to 2020

NON-FINANCIAL STATEMENT (since 2021) *with limited assurance*.

CDP rating: B

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#### Cartiere di Guarcino

UNI EN ISO 9001 (since 2017) - Quality System Certification

UNI EN ISO 14001 (since 2012) - Environmental Certification - for the improvement of environmental performance

BS HOSAS 18001 (2012 to 2018) - Certification related to occupational health and safety management

UNI ISO 45001 (since 2019) - Certification related to occupational health and safety management

UNI EN ISO 50001 (since 2018) - Certification related to energy use efficiency and gradual improvement of energy performance

FSC® CHAIN CUSTODY (since 2010) - Certification related to the sustainability of the forests where the pulp used in the paper we employ is obtained from

PEFC (since 2015) - Programme for Endorsement of Forest Certification

CRADLE TO CRADLE (since 2025) - Product certification certifying commitment to a circular economy

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**Bio Energia Guarcino**

UNI EN ISO 9001 (since 2017) - Quality System Certification

UNI EN ISO 14001 (since 2012) - Environmental Certification - for the improvement of environmental performance

BS HOSAS 18001 (2016 to 2018) - Certification related to occupational health and safety management

UNI ISO 45001 (since 2019) - Certification related to occupational health and safety management

UNI EN ISO 50001 (since 2018) - Certification related to energy use efficiency and gradual improvement of energy performance

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**Lamitex**

UNI EN ISO 14001 (since 2024) - Environmental Certification - for the improvement of environmental performance

UNI ISO 45001 (since 2022) - Certification related to occupational health and safety management

FSC® CHAIN CUSTODY (since 2013) - Certification related to the sustainability of the forests where the pulp used in the paper we employ is obtained from

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In 2025, the Group continued with the implementation of the ESG 2021-2023 Plan adopted at the Board meeting in May and November 2021, and at the Board meeting in February 2024 approved the 2024-2026 ESG Plan.

Moreover, given the product sector in which the Group companies operate and their activities, there are no reports of specific activities and/or accidents with repercussions on the environment. During the year, the Group caused no environmental damage for which it was found guilty, nor was it imposed fines or penalties for environmental offences or damage.

**Safety and Health**

The Group adopts all workplace health and safety measures and, in particular, has adopted all the safety protocols provided for, as explained in detail in the relevant paragraph on risks. No particular critical issues and/or incidents were reported in this area. During the year, the Group caused no damage for which it was found guilty, nor was it imposed fines or penalties for offences or damage on health and safety.

## ESG

Regarding climate risks, as outlined in the section "Main risks and uncertainties to which Neodecortech S.p.A. and the Group are exposed" and specifically related to Climate Change, the Group conducted a preliminary internal assessment to identify the extent and pervasiveness of these risks at both the actual and forecast levels. Possible impacts on estimates, changes in the useful life of assets, potential impairment of trade receivables, and other assets were analyzed. It is believed that, based on the business model and the analyses performed, the Group does not face significant exposures to environmental risks, particularly those related to climate change.

Commitment to social responsibility and territorial issues has long been an integral part of the principles and conduct of Group companies. These are geared towards maintaining high levels of safety, environmental protection, energy efficiency, and staff training, as well as raising awareness and involvement on social responsibility topics.

In 2025, as in prior years, there was no environmental damage for which any of the Group's companies was declared definitively liable.

More generally, regarding ESG topics, the Board of Directors of Neodecortech S.p.A. approved the new 2024-2026 ESG Action Plan in February 2024. This plan continues the scope of the 2021-2023 plan, maintaining continuity and commitment to sustainability.

The 2024-2026 ESG Action Plan focuses on strategic priorities such as combating climate change, improving water use efficiency, reducing and managing waste, and applying circular economy principles. Additionally, support for local communities continues, and the commitment to ethical and responsible supply chain management is strengthened. In this context, a new supplier analysis methodology has been implemented through the introduction of a Vendor Rating system. This system allows suppliers to be periodically evaluated based on sustainability criteria, particularly those related to human rights, environmental impact, and ethical business practices. This tool will help select and retain suppliers aligned with the Group's ESG goals and values.

In parallel, targeted training was initiated for managers and middle managers, aimed at raising their awareness and training on sustainability principles and ESG objectives. This will enable them to integrate these principles into their daily activities and strategic business decisions. The aim of this training is to ensure that all levels of management have full awareness of ESG topics and are able to implement and monitor initiatives that comply with these principles within the Group. Over the past year, significant achievements have been made in the area of ESG initiatives, further strengthening the commitment to sustainability and corporate responsibility.

The main actions include:

- Introduction of a control and audit system to ensure suppliers' compliance with the Code of Conduct, with a three-year audit plan (ESG Vendor Rating).
- Establishment of a cross-departmental role in product quality assurance at the Filago and Casoli locations.
- Update of materiality analysis with the involvement of suppliers and customers (presented to the Board of Directors in February 2024) and the voluntary implementation of the double materiality exercise.
- Development of environmental offset plans to maintain carbon neutrality for Scope 1 and 2.

In 2023, the Group achieved carbon neutrality for Scopes 1 and 2 for all its member companies.

Since 2016, based on 2015 figures, the Neodecortech Group has prepared the GRI-compliant Sustainability Report, to which reference is made for the relevant details.

Starting from 2021, in a continued effort to increase its transparency also on data and events of a non-income, equity or financial nature, Neodecortech has chosen to implement its sustainability reporting, with the publication of the first consolidated non-financial statement (NFS) pursuant to Legislative Decree 254/2016, on a voluntary basis certified by a limited assurance by BDO Audit Services S.r.l., according to the criteria indicated by ISAE 3000 Revised.

## Human resources and organization

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There is no significant information relating to human resources that requires disclosure.

PERSONNEL IN SERVICE	GROUP	
	31 DECEMBER 2025	31 DECEMBER 2024
Executives	11	11
Managers/White collars	135	118
Blue collars	291	266
Trainees	4	3
<b>Total</b>	<b>441</b>	<b>398</b>

The average number of Group employees in 2025 was 441, including 35 employees acquired with Lamitex S.r.l.. Additionally, 5 resources from Cartiere di Guarcino S.p.A. work on secondment at the subsidiary Bio Energia Guarcino S.r.l..

The Group used CIGO in 2025 to counter the decline in sales orders (NDT 1,643 hours, CDG 34,961 hours and Lamitex 247, from the acquisition date).

### **Diversity and equal opportunities**

The composition of Neodecortech Group's human resources reveals a predominance of male workers, a trend typical of manufacturing companies in the industry. This trend is influenced by the nature of manufacturing activities, which still involve a substantial amount of manual labour and tasks that require specific physical strength. While technological advancements and automation are gradually reducing the reliance on these factors, the representation of women in production areas will continue to be rather limited. The male labour force represents approximately 91% of the workforce in the productive area, while it significantly decreases in the non-productive areas, where it stood at 63% in 2025.

Aside from this gender-related specificity, the Group is committed to promoting a more inclusive and accessible work environment, encouraging skill development, and adopting strategies to enhance workforce diversity.

## Atypical and/or unusual transactions during the year

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In 2025, the Group did not carry out any significant transactions qualifying as non-recurring, atypical and/or unusual.

## Significant events in the period

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The key events during the period under review are briefly outlined below:

### New loan agreement signed with Banca Popolare di Sondrio

On 2 July 2025, Neodecortech S.p.A. signed a new loan agreement with Banca Popolare di Sondrio totaling € 7 million, for 84 months and a 12-month grace period, at the 3-month Euribor rate plus a 1% spread. The loan, guaranteed under SACE Convenzione GROWTH, is intended to fund the investments set out in the Parent Company's business plan.

### Lamitex S.p.A. (now Lamitex S.r.l.) acquisition

On 25 November 2025, the parties signed a binding agreement to acquire 100% of the share capital of Lamitex S.p.A. (now Lamitex S.r.l.), and on 28 November 2025, the parties completed the closing of the transaction to acquire 100% of the share capital of Lamitex S.p.A. (now Lamitex S.r.l.), an Italian company that produces and develops innovative decorative laminates for the furniture and interior design sector, with a strong focus on aesthetic quality and sustainability.

The total acquisition price, not subject to adjustment systems, amounted to € 8.38 million, paid in cash for € 7.5 million and for € 0.88 million through the sale of 189,247 NDT treasury shares at a unit price of € 4.65 each. On the closing date, the treasury shares indicated were paid in full and, using available resources, a total of € 3.5 million was paid in cash. The remaining portion of the consideration, amounting to € 4.0 million, will be paid in two equal tranches, respectively 6 months and 12 months after the closing. By the final payment date, to protect the customary safeguards for transactions of this type, a special escrow agreement will be executed for the benefit of Neodecortech with regard to part of the cash consideration.

Pursuant to the purchase and sale agreement, the Company has allotted 189,247 NDT treasury shares, totaling 1.33%, to the sellers, subject to a so-called 12-month lock-up restriction, under market terms and conditions.

As already anticipated, the integration of Lamitex marks a significant step in the Group's industrial consolidation path, enabling an expansion of the product range and strengthening the commercial presence in higher value-added segments.

## Significant events after 31 December 2025

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With regard to the subsidiary Bio Energia Guarcino, reference should be made to the issuance of the new Energy Law Decree no. 21 of 20 February 2026 (State Gazette no. 42 of 20 February 2026), which substantially revises the regulatory framework.

At end 2025, Law no. 11 of 2 February 2024, converting Law Decree no. 181 of 9 December 2023 (the so-called "Energy Security" Decree), was in force and introduced urgent measures aimed at strengthening national energy security and promoting the development of renewable energy sources. With specific regard to bioliquid-fueled plants, the regulation introduced several relevant provisions applicable even after the expiry of the incentive period - for Bio Energia Guarcino S.r.l. ended in May 2025, specifically:

- i) the introduction of the Guaranteed Minimum Prices (GMP) system, applicable from December 2023 until 31 December 2025. The rules on Guaranteed Minimum Prices for power generation plants fueled by sustainable bioliquids, set out in ARERA Resolutions no. 306/2024/R/eel and no. 518/2024/R/eel, remained fully operational until 31 December 2025. This system provides that the GSE will pay the company remuneration equal to the difference, if positive, between the guaranteed minimum revenue and the conventional revenue, disbursed as an adjustment at the end of each calendar year, subject to the payment of monthly advances of up to a maximum of 90% of the grant due;
- ii) the introduction, from 2026, of a new scheme based on trading electrical capacity from bioliquid plants, with regard to plants connected to production sites. The implementing decree of the Ministry of Environment and Energy Security (MASE) has not been issued.

In light of the persistent uncertainty of the regulatory framework and the absence, after the expiration of the Guaranteed Minimum Prices scheme, of a fully operational alternative system, Bio Energia Guaricino S.r.l. was forced to order, effective 1 January 2026, the production stoppage of the plant. During the period, extraordinary maintenance work was carried out on two of the three generator sets.

This suspension of operations continued until the recent enactment of the new Energy Law Decree no. 21 of 20 February 2026 (State Gazette no. 42 of 20 February 2026).

This provision, under Article 5, repeals the regulation governing the capacitive system and extends operation of the guaranteed minimum prices to 31 March 2026, a system to be updated by ARERA within 90 days of this provision's entry into force for the period from 1 April 2026 to 31 December 2030.

GMPs are recognized for a maximum number of hours per semester, considering differences across plant types:

- for dedicated plants, the maximum number of hours depends on the hours required to operate the production site.
- conversely, for other plants, Terna will determine the maximum no. of hours, taking into account any potential need to use fossil fuels during the ignition and shutdown phases and the maximum quota for the use of such fuels under current regulations.

The GSE must prepare a cost estimate for the system by the middle of the month preceding the start of each semester, beginning with the forecast for second semester 2026, to be prepared by mid-June 2026.

As for the spending trend for bioliquid plants from general system charges, it is quantified as follows: € 700 million for 2026; € 537 million for 2027; € 331 million for 2028; € 208 million for 2029; € 100 million for 2030.

On 4 February 2025, the subsidiary NDT energy S.r.l. obtained 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). A group of citizens and the municipalities of Casoli di Atri, Roseto, and Pineto have filed a lawsuit with the regional TAR against this decision. On 11 February 2026, a hearing was held at the Regional Administrative Court to examine the matter. However, the decision on the case was deferred pending a later request for supplementary documentation. To date, we are awaiting feedback from the Authority.

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

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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.

## Treasury shares and shares of the Parent Company

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Pursuant to Articles 2435-bis and 2428 of the Italian Civil Code, it should be noted that, at the closing of the year, the Company held no. 399,753 treasury shares for the equivalent of € 1,264,687.

A total of 187,000 shares were purchased in 2025, 125,000 were sold, and 189,247 were sold as partial consideration for the purchase price of Lamitex S.r.l.

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 December 2025 and in 2025, the Company did not hold and did not purchase any shares of the parent company.

## Other information

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Pursuant to paragraph 5 of Article 2497-bis of the Italian Civil Code, we certify that the Company is not subject to the direction and coordination of others.

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.

## Business and market outlook

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The international geopolitical environment remains marked by instability, attributable mainly to the ongoing Russia-Ukraine conflict and renewed severe tensions in the Middle East, as well as persistent competitive dynamics among the world's major economies. Uncertainties also persist regarding trade policies and the implementation of tariff measures among different economic areas, potentially affecting international trade and supply chains.

In second half 2025, the order backlog stabilization already seen in the latter part of the first half of the year strengthened, with overall performance in line with expectations set at the beginning of the year. However, demand in the relevant sector remains affected by end-consumer caution, particularly in the durable goods segment, and a general climate of macroeconomic uncertainty. There is therefore limited visibility on sales trends in the coming months, also considering uneven performance across the different geographical target areas, potential developments in international trade policies and, even more so, the overall geopolitical situation.

With regard to the trend of strategic raw materials used by the Group, prices of pulp and titanium dioxide are currently under strong tension and, shortly, those of plastic polymers and resins will be as well. Logistics costs are also expected to be affected. To conclude, the current and recent conflict in the Middle East is already having impacts whose temporary nature or otherwise will soon become clear.

With regard to Bio Energia Guarcino S.r.l., the future evolution of bioliquids prices remains tied to the general macroeconomic framework and the dynamics of the energy sector, including the effects of oil and gas price trends.

In 2025, the gradual easing of pressure on interest rates from the peak levels reached in prior years was confirmed, reducing the impact of debt-related borrowing costs. However, currency markets still show volatility, which could generate operating effects related to existing hedging instruments.

Pursuant to and for the purposes of point 6) of the third paragraph of Article 2428 of the Italian Civil Code, Bio Energia Guarcino restarted the plant concurrently with the enactment of the new Energy Law Decree no. 21 of 20 February 2026.

For entities such as Bio Energia Guarcino, operating in close integration with Cartiere di Guarcino's production site (so-called dedicated plant), the decree provides tangible recognition of the value of energy generated in direct connection with the industrial process. This model guarantees efficiency, operational continuity, stable energy costs and a tangible contribution to the transition towards a more circular and decarbonized economy.

The Neodecortech Group therefore confirms its commitment to developing integrated and sustainable energy models, aligned with decarbonization goals and with the need to strengthen the competitiveness of the Italian industrial system". In an increasingly challenging international environment, the Group believes that only structural investment, technological innovation and deeper integration between industrial production and renewable energy can build a solid, responsible and long-term oriented supply chain.

In light of the elements described above, and excluding the potential effects that the development of the recent conflict that broke out in the Middle East could bring about in significantly worsening the situation, the Group believes it can approach 2026 with an overall more stable operating environment than the downturn recorded in prior years. The strategy will continue to focus on safeguarding margins, controlling operating costs and prudently managing the financial structure.

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, and promoting circular use of materials.

With regard to the CONSOB notices of 7 March 2022, and subsequently of 19 May 2022, aimed at compliance with the restrictive measures adopted by the EU in response to the Russian military aggression in Ukraine, it should be noted that the Group is continuing to comply with all the measures introduced by the European Union. Additionally, from an IT point of view, the Group has adopted stringent business continuity plans, guaranteeing the full operation of back-ups, including offline solutions, to protect company systems and data from possible cyber-attacks, which could intensify as the Russian-Ukrainian conflict continues.

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 targets set in the 2026 Budget approved by the BoD.

## Printed Decorative Paper Division

### *Neodecortech*

Industry activity remains steady in a market environment that still reflects subdued demand. The Company continues to strengthen profitability by channeling resources toward developing higher value-added products - particularly laminates and plastic films - for which volume growth is anticipated. Traditional products, instead, maintain a steady trend, confirming the resilience of the production and business structure.

In line with macroeconomic forecasts, this market environment is not expected to change materially during 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, only ordinary growth is anticipated.

### *Lamitex*

The prevailing general uncertainty across the market and international environment is likely to persist over the coming periods, in which it will be reasonable to expect a market that is not particularly buoyant. Growth opportunities could instead emerge if current conflicts move toward resolution and the complex international trade environment eases, creating scope for renewed growth and a resumption of commercial development in markets historically important to the company. Despite the constraining contextual factors, the company continues its new market and product development activities, pursuing additional growth opportunities.

Even in 2026, the Company expects to maintain a majority share of sales abroad. First quarter 2026 appears to be in line with first quarter 2025, with a portfolio also substantially in line.

## Paper Division

### *Cartiere di Guarcino*

Industry activity remains steady in a market environment that still reflects subdued demand. The Company continues to strengthen profitability by allocating resources to develop higher value-added products, increase customer loyalty and consolidate market share among class A customers, grow market share in backer and kraft papers, and maintain a strong focus on sustainability.

Consistent with available macroeconomic forecasts, the assumption was that the market environment would not change materially during the year. Based on current events and the information available at today's date, the Company believes it should achieve the targets set out in the 2026 Budget, approved by the Board of Directors of Neodecortech S.p.A. and the Board of Directors of Cartiere di Guarcino S.p.A. on 4 December 2025.

## Energy Division

### *Bio Energia Guarcino*

The Company welcomed the enactment of the long-awaited new Energy Decree, introducing a clearer and more stable regulatory framework for the bioenergy sector. The expiry of the GMPs until 31 March 2026 has been amended; however, it remains subject to ARERA updating the operating arrangements for the Guaranteed Minimum Prices (GMPs), which must act within 90 days of the provision's entry into force, with regard to the period between 1 April 2026 and 31 December 2030.

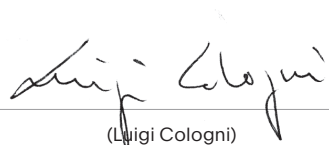
Specifically, for plants fueled by sustainable materials and integrated into an industrial production cycle (so-called dedicated plants), continuity of the system through 2030 is confirmed and priority in resource allocation is supported, but the spending trend for bioliquid plants, from general system charges, has a quantified phase-down: € 700 million for 2026; € 537 million for 2027; € 331 million for 2028; € 208 million for 2029; € 100 million for 2030.

The implementation procedures will be governed by the Regulatory Authority for Energy, Networks and Environment (ARERA), in compliance with the principles of system sustainability and balanced public expenditure.

The measure made it possible to overcome the severe uncertainty that, in recent months, has affected bioliquid-fueled plants, by setting out the conditions for applying the Guaranteed Minimum Prices (GMP) system and restoring greater visibility and planning capacity for industrial players. Bio Energia Guarcino has resumed operation of the generator sets, sequenced in line with ongoing maintenance work.

As a result of the above, the Company has identified at 31 December 2025 the presence of impairment indicators regarding the recoverability of the carrying amount of tangible fixed assets in accordance with IAS 36. Therefore, the Company wrote down certain assets (machinery and buildings), taking into account the regulatory uncertainty affecting their prospects for use and economic recovery. Subsequent events, namely the enactment of the Energy Law Decree, while materially mitigating the risk pending ARERA's regulatory resolution, support the decision to confirm the asset write-down in the financial statements at 31 December 2025.

Filago (BG), 13 March 2026  
For the Board of Directors  
The Chief Executive Officer



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(Luigi Coligni)



# Consolidated Financial Statements at 31 December 2025

## Consolidated income statement at 31 December 2025

<i>(Euro thousands)</i>	Note	31 DECEMBER 2025		31 DECEMBER 2024		Chg.	% Chg.
			%		%		
<b>Revenue from sales and services</b>	1	<b>184,072</b>	<b>100.0%</b>	<b>168,575</b>	<b>100.0%</b>	<b>15,497</b>	<b>9.2%</b>
Changes in work in progress, semi-finished and finished products	2	1,664	0.9%	(945)	(0.6%)	2,609	(276.1%)
Other revenue	3	3,785	2.1%	4,108	2.4%	(323)	(7.9%)
<b>Value of Production</b>		<b>189,521</b>	<b>103.0%</b>	<b>171,738</b>	<b>101.9%</b>	<b>17,783</b>	<b>10.4%</b>
Raw and ancillary materials and consum.	4	(118,972)	(64.6%)	(107,227)	(63.6%)	(11,745)	11.0%
Other operating expense	5	(27,075)	(14.7%)	(26,551)	(15.8%)	(524)	2.0%
<b>Value Added</b>		<b>43,474</b>	<b>23.6%</b>	<b>37,960</b>	<b>22.5%</b>	<b>5,514</b>	<b>14.5%</b>
Personnel expense	6	(22,606)	(12.3%)	(21,327)	(12.7%)	(1,279)	6.0%
<b>EBITDA</b>		<b>20,868</b>	<b>11.3%</b>	<b>16,633</b>	<b>9.9%</b>	<b>4,235</b>	<b>25.5%</b>
Amortization and depreciation	7	(10,412)	(5.7%)	(9,096)	(5.4%)	(1,316)	14.5%
Allocations	8	(70)	(0.0%)	(53)	(0.0%)	(17)	32.1%
<b>EBIT</b>		<b>10,386</b>	<b>5.6%</b>	<b>7,484</b>	<b>4.4%</b>	<b>2,902</b>	<b>38.8%</b>
Financial expense	9	(2,290)	(1.2%)	(2,740)	(1.6%)	450	(16.4%)
Financial income	10	183	0.1%	433	0.3%	(250)	(57.7%)
<b>Profit/(loss) before tax</b>		<b>8,279</b>	<b>4.5%</b>	<b>5,177</b>	<b>3.1%</b>	<b>3,102</b>	<b>59.9%</b>
Income tax	11	(985)	(0.5%)	(1,200)	(0.7%)	215	(17.9%)
<b>Profit/(loss) for the year</b>		<b>7,294</b>	<b>4.0%</b>	<b>3,977</b>	<b>2.4%</b>	<b>3,317</b>	<b>83.4%</b>
Of which Group profit/(loss) for the year		7,325		4,057		3,268	80.6%
Of which Profit/(loss) for the year of non-controlling interests		(31)		(80)		49	(59.0%)

## Consolidated statement of comprehensive income at 31 December 2025

<i>(Euro thousands)</i>	31 DECEMBER 2025	31 DECEMBER 2024
<b>Profit/(loss) for the year</b>	<b>7,294</b>	<b>3,977</b>
<b>Other items of the comprehensive income statement</b>		
Actuarial gains (losses) net of tax effect	23	27
<b>Total items that will not be reclassified in the income statement for the year</b>	<b>23</b>	<b>27</b>
Gains/(losses) on cash flow hedging instruments	(32)	(80)
<b>Total items that will or may be reclassified in the income statement for the year</b>	<b>(32)</b>	<b>(80)</b>
<b>Total other items of the comprehensive income statement</b>	<b>(9)</b>	<b>(53)</b>
<b>Comprehensive income (loss) for the year</b>	<b>7,285</b>	<b>3,924</b>
Profit for the year attributable to:		
Shareholders of the Parent	7,316	4,004
Non-controlling interests	(31)	(80)
<b>Earnings per share (in Euro):</b>		
Basic	0.54	0.29
Diluted	0.54	0.29

## Consolidated statement of financial position at 31 December 2025

Assets (Euro thousands)	Note	31 DECEMBER 2025	%	31 DECEMBER 2024	%	Chg.	% Chg.
Intangible assets	12	9,762	5.3%	3,317	1.9%	6,445	194.3%
Tangible assets	13	77,318	41.8%	74,480	42.9%	2,838	3.8%
Investments		2	0.0%	0	0.0%	2	0.0%
Other non-current assets	14	62	0.0%	358	0.2%	(296)	(82.7%)
Non-current financial receivables	15	469	0.3%	512	0.3%	(43)	(8.4%)
Deferred tax assets	16	1,750	0.9%	1,055	0.6%	695	65.9%
<b>Non-current assets</b>		<b>89,363</b>	<b>48.4%</b>	<b>79,722</b>	<b>46.0%</b>	<b>9,641</b>	<b>12.1%</b>
Inventory	17	45,196	24.5%	40,049	23.1%	5,147	12.9%
Trade receivables	18	17,635	9.5%	35,713	20.6%	(18,078)	(50.6%)
Receivables from tax consolidation	19	0	0.0%	348	0.2%	(348)	(100.0%)
Tax receivables	20	4,265	2.3%	1,989	1.1%	2,276	114.4%
Current financial receivables	15	0	0.0%	81	0.0%	(81)	(100.0%)
Other current receivables	21	13,312	7.2%	3,081	1.8%	10,231	332.1%
Cash funds	22	15,030	8.1%	12,483	7.2%	2,547	20.4%
<b>Current assets</b>		<b>95,438</b>	<b>51.6%</b>	<b>93,744</b>	<b>54.0%</b>	<b>1,694</b>	<b>1.8%</b>
<b>Total assets</b>		<b>184,801</b>	<b>100.0%</b>	<b>173,466</b>	<b>100.0%</b>	<b>11,335</b>	<b>6.5%</b>
Equity and liabilities (Euro thousands)	Note	31 DECEMBER 2025	%	31 DECEMBER 2024	%	Chg.	% Chg.
Share capital		18,804	10.2%	18,804	10.8%	0	0.0%
Share premium reserve		19,188	10.4%	18,864	10.9%	324	1.7%
Other reserves		32,794	17.7%	30,276	17.5%	2,518	8.3%
Prior years' profit (loss)		8,710	4.7%	8,761	5.1%	(51)	(0.6%)
Profit (loss) for the year		7,325	4.0%	4,057	2.3%	3,268	80.6%
<b>Group equity</b>		<b>86,821</b>	<b>47.0%</b>	<b>80,762</b>	<b>46.6%</b>	<b>6,059</b>	<b>7.5%</b>
Equity attributable to non-controlling interests		(23)	0.0%	43	0.0%	(66)	(153.5%)
Profit (loss) for the year attributable to non-controlling interests		(31)	0.0%	(80)	0.0%	49	(61.3%)
<b>Total equity attributable to non-controlling interests</b>		<b>(54)</b>	<b>0.0%</b>	<b>(37)</b>	<b>0.0%</b>	<b>(17)</b>	<b>45.9%</b>
<b>Total equity</b>	<b>30</b>	<b>86,767</b>	<b>47.0%</b>	<b>80,725</b>	<b>46.5%</b>	<b>6,042</b>	<b>7.5%</b>
Provisions for risks and charges	23	826	0.4%	771	0.4%	55	7.1%
Deferred tax	16	7,052	3.8%	5,534	3.2%	1,518	27.4%
Post-employment benefits	24	2,087	1.1%	2,091	1.2%	(4)	(0.2%)
Non-current financial liabilities	25	21,453	11.6%	19,968	11.5%	1,485	7.4%
<b>Non-current liabilities</b>		<b>31,418</b>	<b>17.0%</b>	<b>28,364</b>	<b>16.4%</b>	<b>3,054</b>	<b>10.8%</b>
Trade payables	26	29,247	15.8%	29,951	17.3%	(704)	(2.4%)
Payables from tax consolidation	27	815	0.4%	31	0.0%	784	2,529.0%
Tax payables	28	1,116	0.6%	1,244	0.7%	(128)	(10.3%)
Current financial liabilities	25	24,500	13.3%	25,689	14.8%	(1,189)	(4.6%)
Other current payables	29	10,938	5.9%	7,462	4.3%	3,476	46.6%
<b>Current liabilities</b>		<b>66,616</b>	<b>36.0%</b>	<b>64,377</b>	<b>37.1%</b>	<b>2,239</b>	<b>3.5%</b>
<b>Total equity and liabilities</b>		<b>184,801</b>	<b>100.0%</b>	<b>173,466</b>	<b>100.0%</b>	<b>11,335</b>	<b>6.5%</b>

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

CONSOLIDATED FIGURES (Euro thousands)	Attributable to the shareholders of the parent									Total Equity
	Notes	Share Capital	Hedging and Translation Reserves	Equity Reserves	Other Reserves	Treasury Shares	Profit (Loss) for the years	Equity	Equity non-controlling Interests	
<b>Balance at 01/01/2024</b>	<b>28</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>0</b>	<b>77,462</b>
Other items of the comprehensive income statement		0	(80)	0	27	0	0	(53)	0	(53)
Profit for the year		0	0	0	0	0	4,057	4,057	(80)	3,977
<b>Total comprehensive income/loss for the year</b>		<b>0</b>	<b>(80)</b>	<b>0</b>	<b>27</b>	<b>0</b>	<b>4,057</b>	<b>4,004</b>	<b>(80)</b>	<b>3,924</b>
Dividend distribution		0	0	0	0	0	0	0	0	0
Allocation of prior year's profit (loss)		0	0	0	2,848	0	(2,848)	0	0	0
Other changes		0	(1)	0	(1)	(702)	0	(704)	43	(661)
<b>Balance at 31/12/2024</b>	<b>28</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>28</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	(32)	0	23	0	0	(9)	0	(9)
Profit for the year		0	0	0	0	0	7,325	7,325	(31)	7,294
<b>Total comprehensive income/loss for the year</b>		<b>0</b>	<b>(32)</b>	<b>0</b>	<b>23</b>	<b>0</b>	<b>7,325</b>	<b>7,316</b>	<b>(31)</b>	<b>7,285</b>
Dividend distribution		0	0	0	(2,038)	0	0	(2,038)	0	(2,038)
Allocation of prior year's profit (loss)		0	0	0	4,057	0	(4,057)	0	0	0
Other changes		0	14	324	3	440	0	781	14	795
<b>Balance at 31/12/2025</b>	<b>28</b>	<b>18,804</b>	<b>32</b>	<b>19,188</b>	<b>42,720</b>	<b>(1,248)</b>	<b>7,325</b>	<b>86,821</b>	<b>(54)</b>	<b>86,767</b>

## Consolidated statement of cash flows at 31 December 2025

<i>(Euro thousands)</i>	31 DECEMBER 2025	31 DECEMBER 2024
Profit (loss) for the year	7,294	3,977
Income tax	1,801	732
Deferred/(prepaid) tax	(817)	468
Interest expense/(interest income)	2,107	2,528
(Gains)/losses from disposal of assets	(20)	25
<b>1 Profit (loss) for the year before income tax, interest, dividends and gains/ losses from disposals</b>	<b>10,365</b>	<b>7,730</b>
Adjustments for non-monetary items that had no balancing entry in net working capital:		
Allocation to post-employment benefits	47	146
Allocations to other provisions	1,417	163
Amortization and depreciation of fixed assets	10,373	9,096
Other adjustments for non-monetary items	(3,070)	(1,159)
<b>2 Cash flow before changes in NWC</b>	<b>19,134</b>	<b>15,976</b>
Changes in net working capital:		
Decrease/(increase) in receivables from customers	19,587	(19,473)
Decrease/(increase) in inventory	(2,552)	2,020
Increase/(decrease) in payables to suppliers	(1,967)	(3,861)
Decrease/(increase) in other receivables	(12,676)	9,653
Increase/(decrease) in other payables	3,460	1,289
<b>3 Cash flow after changes in NWC</b>	<b>24,986</b>	<b>5,604</b>
Other adjustments:		
Interest received/(paid)	(1,964)	(2,375)
(Income tax paid)	(899)	(185)
(Utilization of provisions)	(22)	578
(Utilization of provisions for post-employment benefits)	(254)	(128)
<b>4 Cash flow after other adjustments</b>	<b>21,846</b>	<b>3,494</b>
<b>A Cash flow from operations</b>	<b>21,846</b>	<b>3,494</b>
Tangible fixed assets	(7,960)	(7,154)
(Purchase)	(7,965)	(7,329)
Disposal	4	174
Intangible fixed assets	(7,121)	(2,859)
(Purchase)	(7,121)	(2,859)
Financial fixed assets	(280)	(91)
(Purchase)	(280)	(97)
Proceeds from disposal of assets	20	(24)

<b>B Cash flow from investing activities</b>	<b>(14,781)</b>	<b>(10,128)</b>
<b>Free Cash Flow</b>	<b>7,063</b>	<b>(6,634)</b>
<b>Liabilities</b>	<b>(4,346)</b>	<b>7,662</b>
Increase (decrease) in short-term bank payables	(5,853)	6,548
New loans	7,000	8,000
Repayment of loan	(9,401)	(6,886)
Financial liabilities to other lenders	3,866	0
Change in financial receivables from other lenders	42	0
<b>Equity</b>	<b>(1,282)</b>	<b>(702)</b>
Sale (purchase) of treasury shares	440	(702)
Other changes in equity	(1,722)	0
<b>C Cash flow from financing activities</b>	<b>(5,629)</b>	<b>6,960</b>
<b>Increase (decrease) in cash funds (A ± B ± C)</b>	<b>1,437</b>	<b>326</b>
Cash funds at 1 January	12,483	12,157
Cash acquired (transferred) from change in consolidation scope	1,110	0
Cash funds at 31 December	15,030	12,483



# Explanatory Notes to the Consolidated Financial Statements

## Entity preparing the consolidated financial statements

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Neodecortech S.p.A. (hereinafter also the "Company", the "Parent Company" or the "Controlling Company") is a company incorporated under Italian law, with registered office in Filago (BG), Strada Provinciale 2, at the head of the Neodecortech Group (hereinafter also the "Group"). The Company's website is: [www.neodecortech.it](http://www.neodecortech.it).

The Group is active in the production and marketing of decorative papers for the industrial sectors of wood and furnishing accessories.

Mention should be made that on 5 March 2021, Borsa Italiana, under provision no. 8746, assigned the ordinary shares and warrants of Neodecortech S.p.A. the STAR qualification as per the Company's application dated 4 March 2021. The first trading day in the STAR segment of Euronext Milan was 15 March 2021.

The publication of these consolidated financial statements was authorized by the Directors on 13 March 2026; they will be submitted to the Shareholders' Meeting for approval and subsequent filing, within the time limits of law. The Shareholders' Meeting is empowered to make changes to these Consolidated Financial Statements.

BDO Audit Services S.r.l. is in charge of the statutory audit.

## General criteria for the preparation of the consolidated financial statements

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### Statement of compliance with IAS-IFRS

These consolidated financial statements were prepared in compliance with the IAS-IFRS international accounting standards in force at 31 December 2025, as adopted by the European Union, as well as with the provisions issued in implementation of Article 9 of Legislative Decree no. 38/2005. The IAS-IFRS also include all the revised international accounting standards (IAS) and all the interpretations issued by the IFRS Interpretation Committee (formerly IFRIC), previously known as SIC. The rules of national legislation implementing EU Directive 2013/34 also apply, provided they are consistent, to companies that prepare their financial statements in accordance with IAS-IFRS. Therefore, the financial statements implement the relevant provisions of the articles of the Italian Civil Code and the corresponding provisions of the TUF for listed companies concerning the Directors' Report on Operations, the Independent Auditors' Report and the publication of the financial statements. The consolidated financial statements and the notes thereto also include the details and additional information required by the articles of the Italian Civil Code concerning financial statements, insofar as they do not conflict with the provisions of IAS-IFRS, as well as the other CONSOB regulations and instructions concerning financial statements.

The financial statements were prepared on a going concern basis. The Group has assessed that there are no significant uncertainties surrounding its ability to continue operations, due also to its financial structure and the forecasts included in the 2026 Budget, as explained in the "Directors' Report on Operations".

### Preparation criteria and functional currency

Delegated Regulation (EU) 2019/815 introduced a requirement for securities issuers listed on regulated markets in the European Union to prepare their annual financial report in the XHTML language, based on the ESMA-approved European Single Electronic Format (ESEF). For 2025, the schedules and information - textual and/or numerical - presented in the consolidated financial statements that correspond to the mandatory elements of the basic taxonomy must be "tagged" to the ESEF taxonomy, using an integrated computer language (iXBRL).

The consolidated accounts are prepared in accordance with the cost principle, with the exception of derivative financial instruments and financial assets, which are measured at fair value.

The presentation currency used in the consolidated financial statements is the Euro, which is the functional currency of the Parent Company, Neodecortech S.p.A., and its other subsidiaries. All the amounts contained in the financial statements and the notes are rounded to the nearest Euro unit, unless otherwise indicated.

## Financial statements and presentation criteria

The consolidated financial statements comprise the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of changes in equity and the consolidated statement of cash flows, as well as the explanatory notes for the year ended 31 December 2025.

Regarding the presentation of the financial statements, the Group opted for the following approach:

- current and non-current assets and current and non-current liabilities are shown separately in the statement of financial position. Current assets, which include cash and cash equivalents, are those intended to be realized, sold or consumed in the Group's normal operating cycle; current liabilities are those expected to be settled in the Group's normal operating cycle or in the twelve months following the end of the period;
- for the income statement, the analysis of costs is carried out based on the nature of the costs;
- for the statement of comprehensive income, the Group has chosen to present two statements: the first shows the traditional income statement components with the result for the period, while the second, starting from this result, shows in detail the other components, i.e. (i) changes in fair value of derivative financial instruments designated as hedge accounting, and (ii) the effects of the re-measurement of defined benefit plans;
- the statement of cash flows was prepared using the indirect method.

The financial statements provide comparative information for the prior year.

## New accounting standards, interpretations and amendments adopted by the Group

The Group has applied for the first time a number of standards or amendments that are effective as of January 1, 2025. The Group has not adopted in advance any new standards, interpretations or amendments issued but not yet in force.

Below are the new standards applied as of 1 January 2025:

- The Effects of Changes in Foreign Exchange Rates - Amendments to IAS 21

The amendments had no impact on the Group's consolidated financial statements.

## Standards issued but not yet in force

Standards and interpretations that had already been issued but were not yet in force at the date of preparation of the Group's consolidated financial statements are explained below. The Group intends to adopt these standards and interpretations, if applicable, when they come into effect.

- IFRS 18 Presentation and Disclosure in Financial Statements: In April 2024, the IASB issued IFRS 18, which supersedes IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for the presentation of the income statement, including specific totals and subtotals. Additionally, entities will need to classify all expense and revenue in the income statement into four categories: operating, investing, financing, and income tax, as well as discontinued operations, with the first three categories being new. The standard also requires disclosures based on the new definition of management-defined performance measures (MPMs), subtotals of costs and revenue, and includes new provisions for aggregating and disaggregating financial information based on the identified roles of "primary" financial statements (PFS) and notes. Additionally, changes have been made to IAS 7 Statement of Cash Flows, which include modifying the starting point for determining cash flows from operations based on the indirect method - shifting from profit or loss to operating profit or loss - and removing the option to classify cash flows from dividends and interest. Additionally, consequential changes were made to multiple other accounting standards. IFRS 18, and the amendments to other standards, are effective for financial periods beginning on or after 1 January 2027, but early application is permitted subject to disclosure. IFRS 18 will be applied retrospectively. The Group is currently working to identify the impacts that the changes will have on its financial statements and notes to the financial statements.

- IFRS 19 Subsidiaries without Public Accountability: Disclosures. In May 2024, the IASB issued IFRS 19, which allows eligible entities to opt for a reduction in their disclosure requirements while continuing to apply the recognition, measurement and presentation requirements in the other IFRS accounting standards. To be eligible, at year-end, an entity must be a subsidiary as defined within IFRS 19, cannot have "public accountability" and must have a parent (either ultimate or intermediate) that prepares consolidated financial statements, available to the public, in accordance with IFRS accounting standards. IFRS 19 will become effective for financial periods beginning on or after 1 January 2027, but early application is permitted. As the Group's shares are publicly traded, the Group is not eligible for the application of IFRS 19.
- Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7: In May 2024, the IASB issued amendments to IFRS 9 and IFRS 7 entitled Amendments to the Classification and Measurement of Financial Instruments (the "Amendments"). The Amendments include:
  - a clarification that a financial liability is derecognized on the "settlement date" and the introduction of an accounting policy option (provided that specific conditions are met) to derecognize financial liabilities settled through electronic payment systems before the settlement date;
  - additional guidance on evaluating contractual cash flows for financial assets with environmental, social, and governance (ESG) or similar characteristics;
  - clarification of the characteristics of a "non-recourse" instrument (non-recourse feature) and of contractually linked instruments;
  - the introduction of disclosure requirements for financial instruments with contingent characteristics and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI).
  - The Amendments are effective for annual periods beginning on or after 1 January 2026, with early adoption permitted solely for the classification of financial assets and related disclosures.

The Group does not expect these changes to have a material effect on the consolidated financial statements.

- Annual Improvements to IFRS Accounting Standards - Volume 11. In July 2024, the IASB issued nine limited-scope amendments as part of the periodic maintenance of IFRSs. The amendments include clarifications, simplifications, corrections, or changes to improve consistency across the following standards: IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial Instruments: Disclosures and related guidance on implementing IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IAS 7 Statement of Cash Flows. The amendments will take effect for administrative periods beginning on or after 1 January 2026. Early adoption is permitted, provided that adequate disclosure is given. These amendments are not expected to materially affect the Group's consolidated financial statements.
- Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7: In December 2024, the IASB issued amendments to IFRS 9 and IFRS 7, Contracts Referencing Nature-dependent Electricity. The amendments apply solely to contracts relating to this type of electricity and:
  - clarify the application of own-use requirements for contracts within the scope;
  - change the designation requirements of a hedged item in a cash flow hedging relationship for these contracts;
  - introduce new disclosure requirements enabling investors to understand the effects of such contracts on a company's financial performance and cash flows.

The amendments will take effect for years beginning on or after 1 January 2026. Early adoption is permitted, provided that adequate disclosure is given.

Amendments related to the own-use exception should be applied retrospectively, while amendments in hedge accounting should be applied prospectively to newly designated hedging relationships from the date of first application. Additionally, the IFRS 7 disclosure amendments must be implemented in conjunction with the IFRS 9 amendments. If an entity does not restate comparative information, it will not be permitted to submit comparative disclosures.

The Group does not expect these changes to have a material impact on its consolidated financial statements.

## Consolidation methods

The consolidated financial statements were prepared on the basis of the financial statements at 31 December 2025 prepared by the Parent Company Neodecortech S.p.A. and the consolidated companies, in accordance with the accounting standards adopted by the Group.

The administrative period and the closing date for the preparation of the Consolidated Financial Statements correspond to those of the financial statements of the Parent Company and all consolidated companies..

### Subsidiaries

Subsidiaries are those entities in which the Group is exposed to variable returns, or holds rights to those returns, arising from its relationship with those entities and at the same time has the ability to affect those returns by exercising its power.

The Group assesses entity control through the presence of three elements:

- power: current ability of the Group, deriving from substantive rights, to direct the relevant activities of the businesses that significantly affect the entity's returns;
- the Group's exposure to variability in the returns of the investee;
- correlation between power and returns, the Group has the ability to exercise its power to affect the returns from such relationship.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control is assumed until the date on which such control ceases..

### 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%
Lamitex S.r.l.	Spilimbergo (PN)	€	1,800,000	Full	100%
Changzhou NDT n.m.t Ltd	Changzhou (China)	CNY	1,000,000	Full	70%
NDT energy S.r.l.	Casoli di Atri (TE)	€	100,000	Full	100%

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

A change versus the prior year is the inclusion in the consolidation scope of the Italian-registered subsidiary Lamitex S.r.l., acquired on 28 November 2025.

On 28 November 2025, the Group completed the acquisition of 100% of the share capital of Lamitex S.r.l. (formerly Lamitex S.p.A.), obtaining control under IFRS 10. The company is consolidated on a line-by-line basis at the same date. The agreed consideration amounted to € 8,380 thousand.

The total acquisition price, not subject to adjustment systems, is paid as follows: i) € 3.5 million paid at closing; ii) € 0.88 million through the transfer of no. 189,247 Neodecortech treasury shares, valued at € 4.65 each; iii) the remaining consideration of € 4.0 million is deferred and will be paid in two equal tranches 6 months and 12 months after closing, respectively, with the execution of a specific escrow agreement to protect the Group's rights.

From the acquisition date to 31 December 2025, Lamitex S.r.l. contributed € 823 thousand to consolidated revenue and EBITDA of € 245 thousand. Had the acquisition been completed on 1 January 2025, the Group's pro forma consolidated revenue would have been € 12,430 thousand and EBITDA would have been € 2,502 thousand.

Based on the preliminary estimate of the transaction cost versus the fair value of the acquired assets and assumed liabilities, a positive difference was identified between the purchase price and the value of the acquired net identifiable assets, allocated mainly to the Lamitex trademark (brand), consistent with assumptions of competitive synergy generation and brand recognition in the target industry. The value attributed to the trademark was deemed a separable identifiable intangible asset under IFRS 3.

The table below shows the reconciliation of Parent Company equity and profit for the period with the corresponding consolidated figures.

<i>Consolidated Figures</i> (Euro thousands)	Equity 31 DECEMBER 2025	Profit (Loss) For The Year 31 DECEMBER 2025	Equity 31 DECEMBER 2024	Profit (Loss) For The Year 31 DECEMBER 2024
<b>Equity and profit for the period attributable to the parent company</b>	<b>86,895</b>	<b>7,360</b>	<b>80,818</b>	<b>4,111</b>
Elimination of the carrying amount of consolidated investments:				
Difference between carrying amount and pro-rata amount of equity	-	-	-	-
Currency translation difference	13	-	(1)	-
Pro-rata results of investees	-	12,547	-	7,184
Cancellation of write-downs/write-backs of investments	-	(12,316)	-	(7,044)
Amortization of fair value of fixed assets (allocation of BEG goodwill)	-	(210)	-	(162)
Elimination of the effects of transactions between consolidated companies:				
Intercompany profits included in the value of closing inventory	2	(21)	-	22
Intercompany profits on disposal of fixed assets	(89)	(35)	(55)	(54)
<b>Equity and profit for the year attributable to the shareholders of the parent</b>	<b>86,821</b>	<b>7,325</b>	<b>80,762</b>	<b>4,057</b>
Non-controlling interests	(54)	(31)	(37)	(80)
<b>Total equity</b>	<b>86,767</b>	<b>7,294</b>	<b>80,725</b>	<b>3,977</b>

## Transactions eliminated in the consolidation process

All intercompany balances and transactions, including any unrealized gains from third parties, are eliminated in full. Unrealized losses from intercompany transactions with third parties are eliminated, unless they cannot be recovered at a later date.

## Non-current assets held for sale and discontinued operations

Assets and liabilities held for sale and discontinued operations are classified as such if their carrying amount will be recovered primarily through sale rather than through continued use; these assets must represent a major independent line of business or geographical area of operation. Assets and liabilities held for sale and discontinued operations are classified as such if their carrying amount will be recovered primarily through sale rather than through continued use; these assets must represent a major independent line of business or geographical area of operation. These conditions are considered fulfilled when the sale is considered highly probable and the assets and liabilities are immediately available for sale in their present condition.

Operations held for sale are measured at the lower of net carrying amount and fair value less costs to sell. Property, plant and equipment and intangible assets once classified as held for sale no longer need to be depreciated or amortized.

In the consolidated statement of income, the net result from discontinued operations, together with the gain or loss from the measurement at fair value less costs to sell and the net realized gain or loss from the sale of assets, is grouped in a single line item separately from the result from continuing operations.

Cash flows relating to discontinued operations are reported separately in the statement of cash flows.

The above information is also presented for the comparative period.

## Cost of a business combination

Under IFRS 3, the cost of an acquisition is the acquisition-date fair value of the consideration transferred, plus the amount of any non-controlling interest held. For each business combination, any non-controlling interest in the acquiree must be measured at fair value or in proportion to the non-controlling interest's share of the acquiree's identifiable net assets. IFRS 3 requires that acquisition-related costs be considered as expense in the periods in which such costs are incurred and the services are received.

## Allocating the cost of a business combination

Goodwill is determined as the excess between::

- the sum of the fair value of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value, at the acquisition date, of any interest in the acquiree previously held;
- the net fair value of the identifiable assets and liabilities at the date of acquisition.

If the difference is negative, it is recorded directly in the income statement. If the initial recognition of a business combination can only be determined provisionally, the adjustments to the amounts assigned are recorded within 12 months of the acquisition date (valuation period).

## Business combination achieved in stages

If a business combination is achieved in stages with subsequent purchases of shares, at each transaction the fair value of the investment previously held must be recalculated and any difference recognized in the income statement as a profit or loss.

Purchases of shares subsequent to taking control do not result in a restatement of identifiable assets and liabilities. The difference between the cost and the portion of equity acquired is recorded as a change in Group equity. Transactions that result in a decrease in the percentage of interest held, without loss of control, are treated as disposals to minority shareholders and the difference between the interest sold and the price paid is recorded in Group equity.

## Subjective evaluations and use of estimates

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The preparation of the financial statements and the notes thereto, in application of the IAS-IFRS, requires Management to make estimates and assumptions that affect the carrying amounts of assets and liabilities and disclosures on contingent assets and liabilities as of the reporting date, as well as the amount of revenue and costs in the reporting period presented. Estimates and assumptions used are based on experience and on other factors considered significant. Actual results may differ from these estimates. Estimates and assumptions are reviewed regularly and the effects of each variation therein are recognized in profit and loss in the period in which the estimate was revised. The effects of such revisions are reflected in the periods on which they have effect, i.e. both in the current period, and in future periods, if relevant.

To provide a better understanding of the Consolidated Financial Statements, the following are the most significant estimates adopted in the process of preparing the Consolidated Financial Statements, as they involve a high level of subjective judgments, assumptions and estimates relating to issues that are by their nature uncertain. Changes in the conditions underlying the judgments and assumptions made could have a material impact on subsequent results.

- Measurement of receivables: receivables from clients are adjusted by the related allowance for doubtful accounts to take account of their recoverable value. The determination of the amount of the write-downs requires the directors to perform subjective evaluations based on past experience for similar receivables or current and historical past dues, closing rates, losses and collections, and to carefully monitor credit quality;
- Measurement of inventory: obsolescent inventory is periodically measured and written down if the net realizable value is lower than the carrying amount. Write-downs are calculated on the basis of Management's assumptions and estimates, based on their experience and sales forecasts;
- Measurement of deferred tax assets: deferred tax assets - whose recovery in future years is considered highly probable - are measured on the basis of the expected taxable income in future years. The measurement of such expected taxable income depends on factors that may vary over time and have significant effects on the measurement of deferred tax assets;
- Income tax: the calculation of the Group's tax liability requires Management to measure transactions whose tax implications are not certain at the balance sheet date;
- Impairment of intangible and tangible assets with finite useful life: these assets undergo an impairment test to ascertain whether there has been an impairment, which must be recognized by means of a write-down, when there are indications of a difficulty in recovering the related net book value through use. Ascertainment of the existence of the above indicators requires the Directors to make subjective assessments based on information available within the Group and from the market, as well as statistics. Additionally, if it is determined that a potential impairment may have occurred, the Group determines it using appropriate measurement techniques. The proper identification of the elements pointing to the existence of a potential impairment, as well as the estimates used to determine them, depend on factors that may change over time and that are subject to uncertainties and the use of estimates (growth rates, rates of return on assets, and financial projections affected by external, non-controllable variables) that affect the valuations and estimates made by the Directors;
- Measurement of intangible and tangible assets with finite useful life: tangible and intangible assets with finite useful life are depreciated/amortized over the estimated useful life of the related assets. The useful life of the assets is determined by the Directors at the time the asset is acquired; it is based on historical experience for similar fixed assets, market conditions and anticipations of future events that could have an impact on the useful life. Therefore, the actual useful life may differ from the estimated useful life. The Group regularly assesses technological and industry changes to update the remaining useful life. This regular update could lead to a change in the amortization/depreciation period and therefore also in the amortization/depreciation charge for future years.
- Pension plans: the present value of the liability for pension benefits depends on a number of factors that are determined by actuarial methods using certain assumptions. The assumptions regard the discount rate, the expected return on the assets servicing the plan, the rates of future salary increases, and the mortality and resignation rates. Any change in the above assumptions could have significant effects on the liability for pension benefits;

- Valuation of risk provisions: the Group is subject to legal and tax lawsuits that may arise from complex and difficult issues, which are subject to a varying degree of uncertainty, including facts and circumstances underlying each case, jurisdiction and different applicable laws. Given the uncertainties underlying these issues, it is difficult to accurately predict the outlay that could arise from such disputes. Accordingly, after hearing the opinion of their legal and tax advisors and experts, the Directors recognize a liability from such disputes when they consider it probable that a financial outlay will occur and when the amount of the resulting losses can be reasonably estimated. This estimate implies the adoption of assumptions that depend on factors that may change over time and which could therefore have significant effects over the current estimates made by the Directors in preparing the Group's consolidated financial statements;
- Determination of fair value: the fair value of certain financial assets that are not listed on active markets is determined using measurement techniques. The Group uses measurement techniques that use inputs that are directly or indirectly observable in the market at year end, related to the assets being measured. While the estimates of the above mentioned fair values are deemed reasonable, possible changes in the estimation factors on which the calculation of these values is based may produce different valuations.

## Accounting policies

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### Tangible assets

These are recorded at purchase, production or transfer cost, including any ancillary expense and direct costs required to make the asset available for use, less subsequent accumulated depreciation and write-downs for impairment. All other costs and financial expense are recognized in the income statement in the year to which they refer.

If an item of property, plant and equipment consists of several components with different useful lives, these components are accounted for separately (if they are significant components).

Leasehold improvements are classified as tangible fixed assets, on the basis of the cost incurred. In such cases, the depreciation period corresponds to the lower of the residual useful life of the tangible asset and the residual term of the lease contract.

Assets under construction are recorded at cost under "Assets under construction" until they are available for use; at the time of their availability for use, the cost is classified under the relevant item and depreciated.

The gain or loss on the disposal of property, plant, machinery, equipment and other assets is determined as the difference between the net sale proceeds and the net residual value of the asset, and is recognized in the income statement for the year in which the asset is derecognized.

Costs incurred after the purchase of the assets and the cost of replacing certain parts of the assets recorded in this category are added to the carrying amount of the item to which they refer and capitalized only if they increase the future economic benefits inherent in the asset itself and are therefore depreciated on the basis of the residual possibility of use of the asset. All other costs are recognized in the income statement when incurred.

When the cost of replacing certain parts of the assets is capitalized, the residual amount of the parts replaced is charged to the income statement.

Gains and losses arising from the sale or disposal of assets are determined as the difference between the sale proceeds and the net carrying amount of the asset and are recognized in the income statement for the year.

Depreciation is generally calculated on a straight-line basis over the estimated useful lives of the individual components into which property, plant and equipment are divided. Land is not depreciated.

Below are the rates applied for each category:

Category	Rates % Neodecortech	Rates % Cartiere di Guarcino	Rates % Bio Energia Guarcino
Industrial buildings	2%	2.5%	4%
Lightweight constructions	10%		
Temporary and kindred constructions	10%		
Plant and equipment	9%	5.5%	
Purification plants	12%	7.5%	
Miscellaneous production equipment / laboratory	30%		
Production equipment (printing cylinders)	20%		
Furniture and ordinary office equipment	12%	8.5%	12%
Electronic office equipment	20%	14%	
Internal means of transport	16%	14%	10%
Cars and motor vehicles	25%	17.5%	
Laboratory workshop maintenance		17.5%	
General plant		4.5%	15%
General equipment		6.5%	
Communications systems			20%
Weighing plant			15%
Firefighting Water System			15%
Dewatering plant			15%
Steam production plant			15%
Measurement and control system			10%
Industrial equipment			10%
Workshop and equipment			10%

The useful life of tangible assets and their residual value are reviewed and updated, where necessary, at least at the end of each financial period.

Tangible assets are also tested for impairment annually or whenever there is an indication that the asset may be impaired. Reference should be made to the section below "Impairment of tangible and intangible assets" for the criteria used to determine any write-downs.

## Leases

The Group must evaluate whether the contract is, or contains a lease, as at the date it is entered into. The Group recognizes the Right of Use and related Lease Liability for all leases in which it acts as lessee, except for short-term leases (leases of 12 months or less) and leases related to low-value assets (i.e., assets valued at less than € 5,000 when new). Contracts for which the latter exemption has been applied fall primarily within the following categories: computers, phones and tablets; printers, other electronic devices; and furniture and fixtures.

With regard to these exemptions, the Group records the related payments as operating expense recognized on a straight-line basis over the life of the contract.

The lease liability is initially recorded at the present value of future payments at the effective date of the contract. Since most of the lease agreements entered into by the Group do not contain an implicit interest rate, the discount rate to be applied to future lease payments was determined as the risk-free rate, with maturities commensurate with the term of the specific lease, increased by the specific credit spread of the company entering into the agreement.

Lease payments included in the value of the lease Liability include:

- the fixed component of lease payments, net of any incentives received;
- variable lease payments based on an index or rate, initially measured using the index or rate on the effective date of the contract;
- the amount of collateral for the residual value that the lessee expects to pay;
- the exercise price of the purchase option, which must only be included if the exercise of such option is considered reasonably certain;
- penalties for early termination of the contract, if the lease term envisages the option to exercise termination of the lease and the exercise thereof is estimated to be reasonably certain.

Subsequent to initial recognition, the carrying amount of the lease liability increases due to interest accrued (using the effective interest method) and decreases to take account of payments made under the lease agreement.

The Group restates the value of the Lease Liabilities (and adjusts the value of the corresponding Right of Use) if:

- the lease term changes or there is a change in the valuation of the exercise of the option right; in this case, the lease liability is restated by discounting the new lease payments at the revised discount rate.
- the value of lease payments changes as a result of changes in indices or rates, in such cases the Lease Liability is restated by discounting the new lease payments at the initial discount rate (unless the payments due under the lease change as a result of fluctuations in interest rates, in which case a revised discount rate must be used).
- The Group did not recognize any of the above changes in the period, availing itself, however, of the possibility of early application of the amendment to IFRS 16 - COVID-19 Related Rent Concessions, which allowed it to account for the effects of reductions in lease payments directly in the income statement at the effective date of the reduction, without having to assess, through the analysis of contracts, whether the definition of lease modification in IFRS 16 is met.

The Group did not recognize any of the above changes during the period.

The Right of Use asset includes the initial calculation of the lease Liability, lease payments made prior to or on the effective date of the contract, plus any other initial direct costs. The Right of Use is recorded in the financial statements net of depreciation and any impairment losses. Lease-related incentives (e.g., free lease periods) are recognized as part of the initial value of the right of use and lease liability over the contract period.

The Right of Use is amortized/depreciated on a systematic basis to the lower of the lease term and the remaining useful life of the underlying asset. If the lease agreement transfers ownership of the related asset or the cost of the right of use reflects the Group's wish to exercise the purchase option, the related right of use is amortized over the useful life of the asset in question. The beginning of amortization starts from the effective date of the lease.

The Right of Use is included under "Tangible assets" in the consolidated statement of financial position.

The Group applies IAS 36 Impairment of Assets in order to identify the presence of any impairment losses.

In the statement of cash flows, the Group divides the total amount paid between principal (recognized in the cash flow from financing activities) and interest (recognized in the cash flow from operations).

### Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance, controllable and capable of generating future economic benefits. These items are recorded at purchase and/or production cost, including directly attributable expense for preparing the asset for use, net of accumulated amortization and any impairment losses.

Intangible assets arising from the development of products and production processes are recognized as assets only if the following requirements are met:

- the cost attributable to the asset during its development can be measured reliably;
- the product or process is technically and commercially feasible;
- future economic benefits are likely;
- the Group has sufficient resources to complete its development and to use or sell the asset..

Amortization begins from when the asset is available for use, in accordance with Management's intentions, and is systematically allocated in relation to the residual possibility of use of the asset, or on the basis of its estimated useful life.

The costs of software licenses, including expense incurred to make the software ready for use, are amortized on a straight-line basis over the relevant period of time (5 years), while the costs relating to the maintenance of software programs are charged to the Income Statement at the time they are incurred.

Intangible assets with finite useful life are systematically amortized from the moment the asset is available for use over their expected useful life. Below are the rates applied for each category:

Category	Rates % Neodecortech	Rates % Cartiere di Guarcino	Rates % Bio Energia Guarcino
Patents and use of intellectual property	20%		
Other intangible fixed assets	20%	20%	20%
Other intangible fixed assets - customer list	7 years		
Trademarks	8 years		

Intangible fixed assets with finite useful life are also tested for impairment whenever there is an indication that the asset may be impaired. Reference should be made to the section below "Impairment of tangible and intangible assets" for the criteria used to determine any write-downs.

## Cost of a business combination

Under IFRS 3, the cost of an acquisition is the acquisition-date fair value of the consideration transferred, plus the amount of any non-controlling interest held. For each business combination, any non-controlling interest in the acquiree must be measured at fair value or in proportion to the non-controlling interest's share of the acquiree's identifiable net assets.

IFRS 3 requires that acquisition-related costs be considered as expense in the periods in which such costs are incurred and the services are received.

## Allocating the cost of a business combination

Goodwill is determined as the excess between, on the one hand:

- the sum of the fair value of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value, at the acquisition date, of any interest in the acquiree previously held; and, on the other hand,
- the net fair value of the identifiable assets and liabilities at the date of acquisition.

If the difference is negative, it is recorded directly in the income statement. If the initial recognition of a business combination can only be determined provisionally, the adjustments to the amounts assigned are recorded within twelve months of the acquisition date (valuation period).

## Impairment of tangible and intangible assets

At each balance sheet date, an assessment is made to ascertain whether there are any indications that tangible and intangible assets (including rights of use, the reduction in value of which is connected with the emergence of conditions for using the asset on the basis of an onerous contract pursuant to IAS 37) may have suffered impairment. Both internal and external sources of information are considered for this purpose. With regard to the former (internal sources), the following are considered: obsolescence or physical deterioration of the asset, any significant changes in the use of the asset, and the economic performance of the asset compared to estimated performance. With regard to external sources, the following are considered: trends in the market prices of assets, any technological, market or regulatory discontinuities, trends in market interest rates or the cost of capital used to value investments.

If such indicators are identified, the recoverable amount of said assets is estimated (impairment test), posting any write-down against the related carrying amount to the Income Statement. The recoverable value of an asset is represented by the greater of its fair value, less ancillary costs to sell, and its value in use, i.e. the current value of the future cash flows estimated for this asset. In determining the value in use, the expected future cash flows are discounted using a discount rate that reflects current market assessments of the time value of money, in relation to the period of the investment and the risks specific to the asset. For an asset that does not generate cash flows that are largely independent, the recoverable amount is determined in relation to the cash generating unit (CGU) to which such asset belongs.

An impairment loss is recognized in the Income Statement if the carrying amount of the asset, or of its cash generating unit, is higher than its recoverable value. Impairment losses of the cash generating unit are recognized as a reduction in assets, in proportion to their book value and within the limits of the relating recoverable value, including rights of use. If the conditions for a previous write-down no longer apply, the carrying amount of the asset is reinstated with an entry in profit and loss, up to the net carrying amount that the asset in question would have had if the write-down had not been made and the related amortization/depreciation had been carried out.

## Financial assets

All financial assets are initially recognized, at the trading date, at cost, which corresponds to the fair value increased by the expense directly attributable to the purchase, with the exception of financial assets held for trading (fair value in the income statement).

All financial assets must be subsequently recognized at amortized cost or fair value based on the entity's business model for managing financial assets and the characteristics related to the contractual cash flows of the financial asset.

Specifically:

- Debt instruments held as part of a business model whose objective is to hold financial assets for the purpose of collecting contractual cash flows, and which have cash flows represented solely by principal payments and interest on the amount of principal to be repaid, are subsequently measured at amortized cost;
- Debt instruments held as part of a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and which have cash flows represented solely by principal payments and interest on the amount of principal to be repaid, are subsequently measured at fair value with changes recognized in other comprehensive income (FVTOCI);
- All other debt instruments and investments in equity instruments are subsequently measured at fair value, with changes recognized in net profit (loss) for the year (FVTPL).

When an investment in a debt instrument measured as FVTOCI is derecognized, the cumulative gain (loss) previously recognized in other comprehensive income is reclassified from equity to net profit (loss) through a reclassification adjustment. Conversely, when an investment in an equity instrument designated as FVTOCI rated is derecognized, the cumulative gain (loss) previously recognized in other comprehensive income is subsequently transferred to retained earnings without passing through the income statement. Dividends received from investments in equity instruments are recognized in the income statement.

Debt instruments subsequently measured at amortized cost or FVTOCI are subject to financial asset impairment. With regard to the impairment of financial assets, the Group has applied a model based on expected losses on receivables, with reference to trade receivables. Specifically, the Group measures the loss allowance on a financial asset at an amount equal to the lifetime expected credit losses (ECL) if the credit risk on that financial asset has significantly increased since initial recognition, or if the financial instrument is an impaired financial asset that has been purchased or originated. However, if the credit risk of a financial instrument has not increased significantly since initial recognition, the Group shall measure the loss allowance for the financial instrument in an amount equal to the expected credit losses from a default event in the following 12 months (12-month expected credit losses).

The Group adopts the simplified method for measuring the loss allowance for trade receivables by estimating the expected losses over the life of the receivable, also using a Group procedure that also requires a customer-by-customer analysis of past due doubtful debts.

The Group derecognizes all or a portion of its financial assets when:

- the contractual rights attributable to these assets have expired;
- it transfers the risks and rewards of ownership of the asset or does not transfer or even retain substantially all the risks and rewards, but transfers control of these assets;
- Receivables transferred as a result of factoring transactions are eliminated from the statement of financial position only if they are transferred without recourse, and if substantially all the risks inherent in the receivable are transferred.

Receivables assigned with recourse, or in any case without the transfer of all risks, remain recorded in the financial statements and a financial liability of equal amount is recorded under liabilities against the advance received.

## Inventory

The purchase cost includes the costs incurred to bring each asset to the storage location and takes account of write-downs related to obsolescence and slow turnover of inventory.

The production cost of finished and semi-finished goods includes the cost of raw materials, direct labour and a portion of general production costs, calculated on the basis of normal plant operations, while financial costs are excluded.

For raw and ancillary materials and consumables, the net realizable value is represented by the replacement cost. For finished and semi-finished goods, the net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the costs necessary to make the sale.

## Cash and cash equivalents

Cash and cash equivalents include cash on hand, bank deposits on demand, and other treasury investments with original expected maturities of three months or less. Overdrafts are considered a means of financing and not a component of cash and cash equivalents. The definition of cash and cash equivalents in the statement of cash flows corresponds to the definition in the statement of financial position.

## Treasury shares

Repurchased treasury shares are recorded at cost and deducted from equity. The purchase, sale or cancellation of treasury shares does not give rise to any profit or loss in the income statement. The difference between the purchase price and the consideration, in the event of re-issue, is recognized in the share premium reserve.

## Provisions for risks and charges

Allocations to provisions for risks and charges are made when the Group must meet a current obligation (legal or implicit) deriving from a past event, the amount of which can be reliably determined, and the fulfilment of which will likely result in the use of resources. Allocations are made on the basis of the best estimate, on the basis of the costs required to fulfil the obligation at the balance sheet date, and are discounted when the effect is significant. In this case, the discounting is determined at a pre-tax discount rate that reflects the current market valuation of the cost of money in relation to time. The discounting effect is recorded under financial expense.

## Employee benefits

As of 1 January 2007, companies with over 50 employees at the date of introduction of the reform are required to pay the new severance indemnity flows into pension funds chosen by the worker or, where the worker has opted to keep the flows within the company, into a treasury account set up with INPS. For the Group, the employee severance indemnity accrued up to 31 December 2006 continues to fall under "defined benefit plans", while the indemnity accrued after such date is treated, for all workers, as a "defined contribution plan", since all the companies' obligations are discharged with the periodic payment of a contribution to third parties. An exception is made for the portions accrued by workers who have opted to keep the severance indemnity within the company, which are classified as a defined benefit plan.

### Defined contribution plans

Defined contribution plans are formalized post-employment benefit programs under which the Group pays fixed contributions to an insurance company or pension fund and will not have a legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior years.

These contributions, paid in exchange for employee service, are recorded as an expense in the period incurred.

### Defined benefit plans

Defined benefit plans are formalized post-employment benefit programs that constitute a future obligation for the Group. The entity is, in substance, underwriting the actuarial and investment risks associated with the plan. Under IAS 19, the Group uses the Projected Unit Credit Method to determine the present value of obligations and the related current service cost.

This actuarial calculation requires the use of objective and compatible actuarial assumptions about demographic (mortality rate, employee turnover rate) and financial (discount rate, future increases in salary levels and medical benefits) variables.

Actuarial gains and losses related to post-employment defined benefit plans may result from both changes in the actuarial assumptions used for the calculation between two consecutive years and changes in the value of the obligation relating to the actuarial assumptions made at the beginning of the year. Actuarial gains and losses are recognized and charged immediately to other comprehensive income.

Net interest expense on defined benefit plans is recognized in financial income/(expense) in the income statement.

### **Loans**

Loans are initially recognized at the fair value of the amount disbursed/received net of ancillary expense directly attributable to the financial asset/liability. After initial recognition, loans are measured at amortized cost using the effective interest method.

### **Trade and other payables**

Trade and other payables are initially recorded at the fair value of the initial consideration received in exchange and subsequently measured at amortized cost.

### **Revenue recognition**

Revenue is measured taking account of the consideration specified in the contract with the customer. The Group recognizes revenue when it transfers control of goods or services.

Revenue recognition is performed by applying a five-step model as outlined below:

- Identification of the contract with the customer;
- Identification of "performance obligations" under the contract;
- Determination of transaction consideration;
- Allocation of consideration to individual "performance obligations";
- Recognition of revenue at the point in time (or over a period of time) of satisfaction of the individual "performance obligation".

Revenue is recognized when the economic benefits associated with the sale of goods or the provision of services will flow to the Group and the amount can be reliably determined. Revenue is recorded at fair value, equal to the consideration received or receivable, taking account of the value of any trade discounts granted and volume rebates.

With regard to the sale of goods, revenue is recognized when the company has transferred the significant risks and benefits associated with the ownership of the goods to the purchaser. Contracts with customers generally include a single performance obligation. A performance obligation is satisfied upon delivery of the asset.

## Costs

Costs are recorded on an accruals basis and in accordance with the relevance principle.

## Financial expense and income

Interest income/expense is recognized as financial income/expense following its assessment on an accruals basis and using the effective interest rate method.

## Income tax

Current tax is calculated on the basis of taxable income for the year, applying the tax rates in force at the reporting date. Deferred tax is calculated on all differences arising between the tax base of an asset or liability and the relating carrying amount.

Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which they can be recovered. Deferred tax is determined using the tax rates that are expected to apply in the periods in which the differences are realized or settled. The recoverability of deferred tax assets is reviewed at each end of the period. Deferred tax assets not recognized in the financial statements are re-analyzed at each reporting date and are recognized to the extent that it has become probable that future taxable income will allow the deferred tax asset to be recovered.

Current and deferred tax is recorded in the Income Statement, with the exception of tax relating to items directly debited or credited to equity, in which case the tax effect is recognized directly in equity and in the Consolidated Statement of Comprehensive Income. Tax is offset when levied by the same taxing authority and when there is a legal right to offset it and a settlement of the net balance is expected.

Neodecortech S.p.A. participates as a subsidiary in the national tax consolidation scheme of the Valentini Group, together with the subsidiaries Cartiere di Guarcino S.p.A., Bio Energia Guarcino S.r.l., and Valinvest S.r.l.. In this context, pursuant to Articles 117 et seq. of Presidential Decree 917/86, IRES is determined at the level of Finanziaria Valentini S.p.A. by offsetting the positive and negative taxable amounts of the above companies.

Income-related transactions, responsibilities and mutual obligations among the companies are set out in the regulations for participation in the tax consolidation scheme of the Valentini Group.

## Derivative financial instruments

Derivatives, including embedded derivatives that are separated from the main contract, are initially recognized at fair value.

Derivatives are classified as hedging instruments when the relationship between the derivative and the hedged item is formally documented and the hedge effectiveness, regularly verified, is high.

When hedging derivatives hedge the risk of change in the fair value of the hedged instruments, they are recorded at fair value and the effects are posted to the income statement; accordingly, the hedged instruments are adjusted to reflect the changes in fair value associated with the risk hedged.

When derivatives hedge the risk of fluctuations in the cash flows of the hedged instruments (cash flow hedge), the hedges are designated against the exposure to variability in cash flows attributable to risks that may subsequently affect the Income Statement; these risks are generally associated with an asset or liability recognized in the balance sheet (such as future payments on debts at variable rates). The effective portion of the change in the fair value of the portion of derivative contracts that have been designated as hedges under IFRS 9 is recognized as a component of the Comprehensive Income Statement (hedging reserve); this reserve is then charged to profit or loss in the period in which the hedged transaction affects the Income Statement.

The ineffective portion of the change in fair value, as well as the entire change in fair value of the derivatives that have not been designated as hedging instruments or do not meet the requirements of IFRS 9, is booked directly to the income statement.

When derivative instruments do not meet the requirements to be classified as hedges, gains and losses from fair value fluctuations are recognized in the income statement for the period.

### **Transactions denominated in currencies other than the functional currency**

Transactions denominated in currencies other than the functional currency are initially translated into the functional currency using the exchange rate on the date of the transaction. At the reporting date, monetary assets and liabilities denominated in non-functional currencies are translated into the functional currency at the exchange rate in effect at the reporting date. The resulting exchange rate differences are recorded in the Income Statement.

Non-monetary assets and liabilities denominated in non-functional currencies and measured at cost are translated at the exchange rate on the date of the transaction, while those measured at fair value are translated at the exchange rate on the date such value is determined.

### **Earnings/(loss) per share**

Earnings per share are calculated by dividing the Group's net profit or loss by the weighted average number of shares outstanding during the relevant period, excluding treasury shares. Diluted earnings are calculated by dividing the Group's profit or loss adjusted to take account of any effects, net of tax for the year, of any rights with diluted effects by the weighted average number of shares outstanding during the relevant period, excluding treasury shares and equivalent securities (options) with dilutive effect.

### **Environmental impact**

The Group considers climate-related issues in its estimates and assumptions when necessary. This assessment includes a broad spectrum of possible impacts to the Group from both physical and transitional risks. Although the Group believes that its business model and products will still be appealing as a result of the transition to a low-emission economy, climate-related issues increase the uncertainty of estimates and assumptions affecting many elements or items in the financial statements.

While climate-related risks may not have a significant impact on measurement to date, the Group is closely monitoring developments and changes, such as new climate-related regulations and standards.

### **Business Combinations - 100% Acquisition of Lamitex S.r.l.**

During the year, 100% of Lamitex S.r.l. (formerly Lamitex S.p.A.) was acquired.

On 28 November 2025, Neodecortech S.p.A. acquired 100% of Lamitex S.r.l.'s share capital, an Italian-law company operating since 2001 that manufactures highly innovative decorative laminates combining technical and aesthetic features, suitable for cladding any vertical surface and meeting any design requirement in design, furniture, and interior architecture.

The total acquisition price, not subject to adjustment systems, amounts to € 8.38 million and is paid as follows: i) € 3.5 million paid at closing; ii) € 0.88 million through the transfer of no. 189,247 Neodecortech treasury shares, valued at € 4.65 each; iii) the remaining consideration of € 4.0 million is deferred and will be paid in two equal tranches 6 months and 12 months after closing, respectively, with the execution of a specific escrow agreement to protect the Group's rights.

The purchase of the shares, carried out using the acquisition method, based on the preliminary estimate of the transaction cost versus the fair value of the assets acquired and liabilities assumed, led to the determination of a positive difference between the purchase price and the value of the net identifiable assets acquired, allocated, as permitted by IFRS 3, to the trademark in the amount of € 6.4 million, resulting from the difference between the total consideration (€ 8.38 million) and the net value of the assets and liabilities of Lamitex S.r.l., as summarized in the table below:

Figures (Euro thousands)	28/11/2025 Fair Value Lamitex S.r.l.(*)
Intangible fixed assets	256
Tangible fixed assets	4,360
Financial fixed assets	1
Non-current financial receivables	6
Inventory	3,964
Trade receivables	1,513
Other current assets	180
Cash funds	1,110
Provisions for risks and charges	(17)
Deferred tax assets/deferred tax liabilities	161
Post-employment benefits	(212)
Non-current/current financial liabilities	(4,560)
Trade payables	(1,263)
Other current payables	(1,786)
<b>"Fair Value" net assets</b>	<b>3,713</b>
Trademarks	6,474
Deferred liabilities on trademarks	(1,807)
<b>Overall consideration</b>	<b>8,380</b>

\*unless otherwise indicated, fair value aligned with carrying amount

As shown in the table below, net cash flow from the acquisition totaled € 11.8 million.

(Euro thousands)	28/11/2025 Fair Value Lamitex S.r.l.
Cash funds	1,110
Financial receivables	6
Financial payables	(4,560)
<b>Net financial debt acquired</b>	<b>(3,444)</b>
Cash consideration	(3,500)
Consideration contributed through sale of treasury shares	(880)
Deferred consideration to be settled	(4,000)
<b>Net cash flow from the acquisition</b>	<b>(11,824)</b>

Transaction costs, totaling € 0.2 million and incurred by Neodecortech S.p.A., were recognized in the income statement under general and administrative costs and included in cash flow from operations in the statement of cash flows for the period.

The consolidated income statement includes Lamitex's results from the acquisition date to 31 December 2025. For clarity, had the acquisition been completed on 1 January 2025, the Group's pro forma consolidated revenue and EBITDA for the year would have totaled € 12,430 thousand and € 2,502 thousand, respectively.

## Segment reporting

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The Group's areas of operation, which constitute the segment reporting under IFRS 8, are as follows and correspond to the activities carried out by the Parent Company and its subsidiaries, respectively:

- Printed Decorative Paper Division - Neodecortech S.p.A. and Lamitex S.r.l.
- Decorative Paper Division - Cartiere di Guarcino S.p.A.
- Energy Division - Bio Energia Guarcino S.r.l.
- China Division - Changzhou NDT new material technology company Ltd

The Group's management and organizational structure reflects the segment reporting by business activity as described above. Operating segments are identified on the basis of the elements that the Group's highest decision-making level uses to make its decisions regarding the allocation of resources and the assessment of results.

The table below shows the segment figures relating to revenue and income and results at 31 December 2025 and, below, at 31 December 2024:

## 31 December 2025

(Euro thousands)	Printed Decorative Paper Division	% on Reve- nue	Decorative Paper Division	% on Reve- nue	Guarcino Energy Division	% on Reve- nue	Casoli Energy Division	% on Reve- nue	NDT China Division	% on Reve- nue	Aggregate	Eliminations and consolidation entries	Consoli- dated	% on Reve- nue
<b>Revenue from sales and services</b>	<b>68,643</b>	<b>100%</b>	<b>69,462</b>	<b>100%</b>	<b>62,879</b>	<b>100%</b>	<b>0</b>	<b>0%</b>	<b>437</b>	<b>100%</b>	<b>201,421</b>	<b>17,349</b>	<b>184,072</b>	<b>100%</b>
Changes in work in progress, semi-finished and finished products	1,018	1%	646	1%	0	0%	0	0%	0	0%	1,664	0	1,664	1%
Other revenue	2,742	4%	1,934	3%	(24)	0%	0	0%	7	2%	4,659	874	3,785	2%
<b>Value of Production</b>	<b>72,402</b>	<b>105%</b>	<b>72,042</b>	<b>104%</b>	<b>62,855</b>	<b>100%</b>	<b>0</b>	<b>0%</b>	<b>444</b>	<b>102%</b>	<b>207,743</b>	<b>18,222</b>	<b>189,521</b>	<b>103%</b>
Raw and ancillary materials and consumables	(42,685)	-62%	(43,633)	-63%	(47,558)	-76%	0	0%	(289)	-66%	(134,165)	(15,193)	(118,972)	-65%
Other operating expense	(12,011)	-17%	(13,054)	-19%	(4,521)	-7%	(53)	0%	(109)	-25%	(29,748)	(2,673)	(27,075)	-15%
<b>Value Added</b>	<b>17,707</b>	<b>26%</b>	<b>15,355</b>	<b>22%</b>	<b>10,776</b>	<b>17%</b>	<b>(53)</b>	<b>0%</b>	<b>46</b>	<b>11%</b>	<b>43,831</b>	<b>357</b>	<b>43,474</b>	<b>24%</b>
Personnel expense	(12,468)	-18%	(9,839)	-14%	(493)	-1%	0	0%	(86)	-20%	(22,886)	(280)	(22,606)	-12%
<b>EBITDA</b>	<b>5,239</b>	<b>8%</b>	<b>5,516</b>	<b>8%</b>	<b>10,283</b>	<b>16%</b>	<b>(53)</b>	<b>0%</b>	<b>(40)</b>	<b>-9%</b>	<b>20,945</b>	<b>77</b>	<b>20,868</b>	<b>11%</b>
Amortization and depreciation	(3,777)	-6%	(3,013)	-4%	(3,298)	-5%	0	0%	(44)	-10%	(10,132)	280	(10,412)	-6%
Allocations	(38)	0%	(32)	0%	0	0%	0	0%	0	0%	(70)	0	(70)	0%
<b>EBIT</b>	<b>1,424</b>	<b>2%</b>	<b>2,471</b>	<b>4%</b>	<b>6,985</b>	<b>11%</b>	<b>(53)</b>	<b>0%</b>	<b>(84)</b>	<b>-19%</b>	<b>10,743</b>	<b>357</b>	<b>10,386</b>	<b>6%</b>
Financial expense	(655)	-1%	(1,319)	-2%	(475)	-1%	0	0%	(19)	-4%	(2,468)	(178)	(2,290)	-1%
Financial income	6,809	10%	5,860	8%	8	0%	0	0%	0	0%	12,677	12,494	183	0%
<b>Profit/(loss) before tax</b>	<b>7,578</b>	<b>11%</b>	<b>7,012</b>	<b>10%</b>	<b>6,518</b>	<b>10%</b>	<b>(53)</b>	<b>0%</b>	<b>(103)</b>	<b>-24%</b>	<b>20,952</b>	<b>12,673</b>	<b>8,279</b>	<b>4%</b>
Income tax	(83)	0%	(367)	-1%	(626)	-1%	0	0%	0	0%	(1,076)	(91)	(985)	-1%
<b>Profit/(loss) for the year</b>	<b>7,495</b>	<b>11%</b>	<b>6,645</b>	<b>10%</b>	<b>5,892</b>	<b>9%</b>	<b>(53)</b>	<b>0%</b>	<b>(103)</b>	<b>-24%</b>	<b>19,876</b>	<b>12,582</b>	<b>7,294</b>	<b>4%</b>

## 31 December 2024

(Euro thousands)	Printed Decorative Paper Division	% on Reve- nue	Decorative Paper Division	% on Reve- nue	Guarcino Energy Division	% on Reve- nue	Casoli Energy Division	% on Reve- nue	NDT China Division	% on Reve- nue	Aggregate	Eliminations and consolidation entries	Consoli- dated	% on Reve- nue
<b>Revenue from sales and services</b>	<b>64,134</b>	<b>100%</b>	<b>71,227</b>	<b>100%</b>	<b>50,695</b>	<b>100%</b>	<b>0</b>	<b>0%</b>	<b>171</b>	<b>100%</b>	<b>186,227</b>	<b>17,652</b>	<b>168,575</b>	<b>100%</b>
Changes in work in progress, semi-finished and finished products	(37)	0%	(908)	-1%	0	0%	0	0%	0	0%	(945)	0	(945)	-1%
Other revenue	1,742	3%	2,558	4%	877	2%	0	0%	0	0%	5,177	1,069	4,108	2%
<b>Value of Production</b>	<b>65,839</b>	<b>103%</b>	<b>72,877</b>	<b>102%</b>	<b>51,572</b>	<b>102%</b>	<b>0</b>	<b>0%</b>	<b>171</b>	<b>100%</b>	<b>190,459</b>	<b>18,721</b>	<b>171,738</b>	<b>102%</b>
Raw and ancillary materials and consumables	(38,745)	-60%	(46,289)	-65%	(37,622)	-74%	0	0%	(115)	-67%	(122,771)	(15,544)	(107,227)	-64%
Other operating expense	(11,316)	-18%	(12,556)	-18%	(5,205)	-10%	(37)	0%	(228)	-133%	(29,342)	(2,791)	(26,551)	-16%
<b>Value Added</b>	<b>15,778</b>	<b>25%</b>	<b>14,032</b>	<b>20%</b>	<b>8,745</b>	<b>17%</b>	<b>(37)</b>	<b>0%</b>	<b>(172)</b>	<b>-101%</b>	<b>38,346</b>	<b>386</b>	<b>37,960</b>	<b>23%</b>
Personnel expense	(11,753)	-18%	(9,289)	-13%	(566)	-1%	0	0%	(81)	-47%	(21,689)	(362)	(21,327)	-13%
<b>EBITDA</b>	<b>4,025</b>	<b>6%</b>	<b>4,743</b>	<b>7%</b>	<b>8,179</b>	<b>16%</b>	<b>(37)</b>	<b>0%</b>	<b>(253)</b>	<b>-148%</b>	<b>16,657</b>	<b>24</b>	<b>16,633</b>	<b>10%</b>
Amortization and depreciation	(3,286)	-5%	(2,782)	-4%	(2,788)	-5%	0	0%	(14)	-8%	(8,870)	226	(9,096)	-5%
Allocations	0	0%	(53)	0%	0	0%	0	0%	0	0%	(53)	0	(53)	0%
<b>EBIT</b>	<b>739</b>	<b>1%</b>	<b>1,908</b>	<b>3%</b>	<b>5,391</b>	<b>11%</b>	<b>(37)</b>	<b>0%</b>	<b>(267)</b>	<b>-156%</b>	<b>7,734</b>	<b>250</b>	<b>7,484</b>	<b>4%</b>
Financial expense	(985)	-2%	(1,648)	-2%	(858)	-2%	0	0%	0	0%	(3,491)	(751)	(2,740)	-2%
Financial income	4,370	7%	3,850	5%	6	0%	1	0%	2	1%	8,229	7,796	433	0%
<b>Profit/(loss) before tax</b>	<b>4,124</b>	<b>6%</b>	<b>4,110</b>	<b>6%</b>	<b>4,539</b>	<b>9%</b>	<b>(36)</b>	<b>0%</b>	<b>(265)</b>	<b>-155%</b>	<b>12,472</b>	<b>7,295</b>	<b>5,177</b>	<b>3%</b>
Income tax	(13)	0%	(245)	0%	(999)	-2%	0	0%	0	0%	(1,257)	(57)	(1,200)	-1%
<b>Profit/(loss) for the year</b>	<b>4,111</b>	<b>6%</b>	<b>3,865</b>	<b>5%</b>	<b>3,540</b>	<b>7%</b>	<b>(36)</b>	<b>0%</b>	<b>(265)</b>	<b>-155%</b>	<b>11,215</b>	<b>7,238</b>	<b>3,977</b>	<b>2%</b>

At 31 December 2025, the table below shows revenue broken down by type of business.

(Euro thousands)	Printed Decorative Paper Division	Decorative Paper Division	Guarcino Energy Division	NDT China Division	Aggregate
Revenue from the sale of goods	62,224	67,599	-	437	130,260
Revenue from services	6,419	1,863	-	-	8,282
Revenue from the sale of electricity and steam	-	-	14,580	-	14,580
Revenue from ordinary incentives	-	-	4,598	-	4,598
Guaranteed Minimum Prices	-	-	43,701	-	43,701
<b>Total by segment</b>	<b>68,643</b>	<b>69,462</b>	<b>62,879</b>	<b>437</b>	<b>201,421</b>

The table below shows segment balance sheet and financial position figures at 31 December 2025 and, below, at 31 December 2024:

### 31 December 2025

(Euro thousands)	Printed Decorative Paper Division	Decorative Paper Division	Guarcino Energy Division	Casoli Energy Division	NDT China Division	Aggregate	Eliminations and consolida- tion entries	Consolidated
Intangible assets	2,217	1,039	99	0	85	3,440	6,322	9,762
Tangible assets	36,113	40,587	404	25	189	77,318	0	77,318
Investments	59,707	11,585	0	0	0	71,292	(71,290)	2
Other non-current assets/financial receivables	64	467	0	0	0	531	0	531
Deferred tax assets	772	202	733	0	0	1,707	43	1,750
<b>Non-current assets</b>	<b>98,873</b>	<b>53,880</b>	<b>1,236</b>	<b>25</b>	<b>274</b>	<b>154,288</b>	<b>(64,925)</b>	<b>89,363</b>
Inventory	15,044	27,492	2,816	0	0	45,352	(156)	45,196
Trade receivables	10,184	6,599	1,289	0	68	18,140	(505)	17,635
Receivables from tax consolidation	0	0	0	0	0	0	0	0
Tax receivables	703	181	3,357	23	1	4,265	0	4,265
Current financial receivables	28	0	10	0	0	38	(38)	0
Other receivables	1,231	1,489	10,766	0	0	13,486	(174)	13,312
Cash funds	7,631	3,872	2,859	78	590	15,030	0	15,030
<b>Current assets</b>	<b>34,821</b>	<b>39,633</b>	<b>21,097</b>	<b>101</b>	<b>659</b>	<b>96,311</b>	<b>(873)</b>	<b>95,438</b>
<b>Assets</b>	<b>133,694</b>	<b>93,513</b>	<b>22,333</b>	<b>126</b>	<b>933</b>	<b>250,599</b>	<b>(65,798)</b>	<b>184,801</b>
<b>Equity</b>	<b>90,742</b>	<b>51,244</b>	<b>11,585</b>	<b>108</b>	<b>(166)</b>	<b>153,513</b>	<b>(66,746)</b>	<b>86,767</b>
Provisions for risks and charges	390	542	20	0	0	952	(126)	826
Deferred tax	2,328	2,936	1	0	0	5,265	1,787	7,052
Post-employment benefits	750	1,300	37	0	0	2,087	0	2,087
Non-current financial liabilities	12,972	8,480	0	0	0	21,452	1	21,453
<b>Non-current liabilities</b>	<b>16,440</b>	<b>13,258</b>	<b>58</b>	<b>0</b>	<b>0</b>	<b>29,756</b>	<b>1,662</b>	<b>31,418</b>
Trade payables	8,095	13,077	8,174	17	392	29,755	(508)	29,247
Payables from tax consolidation	37	226	552	0	0	815	0	815
Tax payables	652	299	164	1	0	1,116	0	1,116
Current financial liabilities	9,888	12,989	1,659	0	0	24,536	(36)	24,500
Other current payables	7,840	2,420	141	0	707	11,108	(170)	10,938
<b>Current liabilities</b>	<b>26,512</b>	<b>29,011</b>	<b>10,690</b>	<b>18</b>	<b>1,099</b>	<b>67,330</b>	<b>(714)</b>	<b>66,688</b>
<b>Equity and liabilities</b>	<b>133,694</b>	<b>93,513</b>	<b>22,333</b>	<b>126</b>	<b>933</b>	<b>250,599</b>	<b>(65,798)</b>	<b>184,801</b>

**31 December 2024**

(Euro thousands)	Printed Decorative Paper Division	Decorative Paper Division	Guarcino Energy Division	Casoli Energy Division	NDT China Division	Aggregate	Eliminations and con- solidation entries	Consolidated
Intangible assets	2,093	1,083	141	0	54	3,371	(54)	3,317
Tangible assets	32,339	38,136	3,635	25	118	74,253	227	74,480
Investments	46,727	10,353	0	0	0	57,080	(57,080)	0
Other non-current assets/financial receivables	404	467	0	0	0	871	(1)	870
Deferred tax assets	520	198	302	0	0	1,020	35	1,055
<b>Non-current assets</b>	<b>82,083</b>	<b>50,237</b>	<b>4,078</b>	<b>25</b>	<b>172</b>	<b>136,595</b>	<b>(56,873)</b>	<b>79,722</b>
Inventory	9,455	27,356	3,365	0	0	40,176	(127)	40,049
Trade receivables	11,718	6,626	18,714	0	6	37,064	(1,351)	35,713
Receivables from tax consolidation	13	0	335	0	0	348	0	348
Tax receivables	530	31	1,406	17	5	1,989	0	1,989
Current financial receivables	4,216	6,090	0	0	0	10,306	(10,225)	81
Other receivables	430	945	1,781	0	0	3,156	(75)	3,081
Cash funds	1,629	8,927	1,714	84	129	12,483	0	12,483
<b>Current assets</b>	<b>27,991</b>	<b>49,975</b>	<b>27,315</b>	<b>101</b>	<b>140</b>	<b>105,522</b>	<b>(11,778)</b>	<b>93,744</b>
<b>Assets</b>	<b>110,074</b>	<b>100,212</b>	<b>31,393</b>	<b>126</b>	<b>312</b>	<b>242,117</b>	<b>(68,651)</b>	<b>173,466</b>
<b>Equity</b>	<b>80,818</b>	<b>46,707</b>	<b>10,192</b>	<b>111</b>	<b>(126)</b>	<b>137,702</b>	<b>(56,977)</b>	<b>80,725</b>
Provisions for risks and charges	296	542	20	0	0	858	(87)	771
Deferred tax	2,346	2,968	155	0	0	5,469	65	5,534
Post-employment benefits	693	1,362	36	0	0	2,091	0	2,091
Non-current financial liabilities	7,334	12,634	0	0	0	19,968	0	19,968
<b>Non-current liabilities</b>	<b>10,669</b>	<b>17,506</b>	<b>211</b>	<b>0</b>	<b>0</b>	<b>28,386</b>	<b>(22)</b>	<b>28,364</b>
Trade payables	7,264	14,378	9,376	14	272	31,304	(1,353)	29,951
Payables from tax consolidation	0	31	0	0	0	31	0	31
Tax payables	645	335	263	1	0	1,244	0	1,244
Current financial liabilities	5,722	18,962	11,230	0	0	35,914	(10,225)	25,689
Other current payables	4,956	2,293	121	0	166	7,536	(74)	7,462
<b>Current liabilities</b>	<b>18,587</b>	<b>35,999</b>	<b>20,990</b>	<b>15</b>	<b>438</b>	<b>76,029</b>	<b>(11,652)</b>	<b>64,377</b>
<b>Equity and liabilities</b>	<b>110,074</b>	<b>100,212</b>	<b>31,393</b>	<b>126</b>	<b>312</b>	<b>242,117</b>	<b>(68,651)</b>	<b>173,466</b>

## Management of financial risks

The Board of Directors of Neodecortech S.p.A. adopts a consistent policy with a view to reducing the financial risks the Neodecortech Group is exposed to in the course of business.

As the Group's activities are essentially industrial, the use of instruments is limited to transactions to hedge the risks connected with its operations, thus excluding speculative policies or policies that pursue purely financial profit objectives.

The financial instruments applicable to the sector are only those that allow for the funding and use of the financial means required to carry out operations. Therefore, the amounts, terms and maturities of the financial instruments must be appropriate to the transactions they are linked to.

## Liquidity risk

In connection to its debt position, the Group is exposed to liquidity risk, namely the risk of being unable to raise the funds required to service and repay existing loans.

In order to minimize this risk, the Treasury and Credit area puts these activities in place:

- ongoing assessment of forecast financial requirements in order to put in place the necessary actions in a timely manner;
- negotiation of appropriate credit facilities;
- the correct composition of net financial debt, i.e. to finance capital expenditure using medium/long-term debt (in addition to equity), while covering net working capital requirements using short-term lines of credit;
- inclusion of Group companies in loan agreements in order to optimize any excess liquidity among companies.

Reference should be made to Note 25 "Non-current financial liabilities" and "Current financial liabilities" for further details of the loans taken out.

At 31 December 2025, the Group has an outstanding loan agreement containing covenants tied to compliance with financial or capital ratios.

## Credit risk

The Group is subject to credit risk relating to the sales of products in its core markets. The policies set out the criteria for establishing customer creditworthiness, credit facilities and related risk containment measures. The policies also envisage the assignment of responsibilities for approving any breaches of such limits and for preparing management reports.

The review of overdue receivables provides the following analysis by due date (including allocations for invoices to issue and credit notes to issue):

<i>Trade receivables</i>	Overall total	Total falling due	Total past due	Past due 0 - 30	Past due 31 - 60	Past due 61 - 90	Past due 91 - 120	Past due over 120
31 DECEMBER 2025	18,270	14,376	3,894	2,791	154	5	53	891
31 DECEMBER 2024	36,322	31,464	4,858	3,831	213	(22)	6	830

As the Group's exposure to customers is represented mainly by receivables from companies in the furniture and flooring sector, it is reasonable to estimate that there are no noteworthy solvency risks. Special cases are systematically reviewed and, where deemed necessary, a specific provision for impairment is made.

Also included in past dues between 0-30 days are mainly collection of cash orders paid on 31 December 2025, but credited by the bank on the first day of 2026.

The general risk associated with overall exposure to customers is assessed on a statistical basis, by reviewing the historical series of insolvencies and realized losses per year, to which average percentages of probable uncollectability are associated, in connection to the age of the receivable.

Changes in the provision for doubtful accounts at 31 December 2025 are shown below:

<i>(Euro thousands)</i>	Provision for doubtful accounts					31 DECEMBER 2025
	31 DECEMBER 2024	Allocations	Utilization	Release	Lamitex acquisition	
Changes in Provision for Doubtful Accounts	609	32	0	(23)	17	635
<b>Total provision for doubtful accounts</b>	<b>609</b>	<b>32</b>	<b>0</b>	<b>(23)</b>	<b>17</b>	<b>635</b>

Actions aimed at limiting risk include the continued controls made in the year to assess and analyze the higher risk situations on a monthly basis, and the implementation of credit insurance policies at Neodecortech S.p.A. and Cartiere di Guarmino S.p.A. in the manner deemed appropriate.

### Exchange rate risk

By focusing its sales on the Italian and European markets of the Euro zone, the Group is exposed to the risk of fluctuations in exchange rates to a limited extent and primarily in relation to the purchase of certain raw materials (pulp and titanium), whose transactions are partly denominated in currencies other than the Euro, primarily in US dollars.

In this regard, the subsidiary Cartiere di Guarmino S.p.A., in order to mitigate the risk, enters into derivative contracts for the forward purchase of U.S. dollars when necessary; at 31 December 2025, open derivative contracts totaled € 3,495 thousand (fair value € -268 thousand), while at 31 December 2024, open derivative contracts totaled € 4,156 thousand (fair value € +81 thousand).

### Interest rate risk

The risk is represented by the likelihood that the value or future cash-flows of a financial instrument - in particular, current account overdrafts, bank advances and loans - may vary parallel to changes in interest rates. Total medium/long-term loans at 31 December 2025 amounted to € 30,127 thousand, of which approximately 76% are at floating rate not hedged by derivative contracts.

To mitigate the above risk, the Parent Company entered into an Interest Rate Swap contract relating to the outstanding mortgage loan with BPM, with a notional value of € 2,158 thousand and a positive fair value of € 24 thousand at 31 December 2025 (positive € 67 thousand at 31 December 2024).

### Fair value hierarchy and classes of financial instruments

Different measurement techniques:

- Level 1: the data used in the measurements are represented by quoted prices on markets where assets and liabilities identical to those being measured are traded;
- Level 2: the data used in the measurements, other than the quoted prices referred to in Level 1, are observable for the financial asset or liability, either directly (prices) or indirectly (derived from prices);
- Level 3: non-observable data; if observable data are unavailable and, therefore, there is a modest or non-existent market activity for the assets and liabilities being measured.

It should be noted that in choosing the measurement techniques to use, the Group has followed the following hierarchy:

- use of prices recorded in markets (even if not active) of identical (Recent Transactions) or similar instruments (Comparable Approach);
- measurement techniques based primarily on observable market inputs;
- measurement techniques based primarily on unobservable inputs corroborated by market data.

At 31 December 2025, the Group measured the fair value of derivative financial instruments using inputs that resulted in the financial instruments being categorized in Level 2 of the fair value hierarchy. No changes were reported during the period in the different levels of fair value.

With regard to the classes of financial instruments, at 31 December 2025 - as at 31 December 2024 - the derivatives indicated above represent the only category of financial instruments measured at fair value. Other financial assets and liabilities are measured using the amortized cost method.

### **Information on the fair value of derivative financial instruments**

The following information is provided on the fair value of derivative financial instruments in place at 31 December 2025:

- Currency Rate - Contract hedging the risk of fluctuation of the U.S. dollar where necessary concluded by Cartiere di Guarcino S.p.A. - open derivative contracts totalled € 3,495 thousand at 31 December 2025 (fair value € -268 thousand), while at 31 December 2024, open derivative contracts totalled € 4,156 thousand (fair value € +81 thousand).
- Interest Rate Swap - Contract hedging the risk of interest rate fluctuations concluded by Neodecortech S.p.A. - Notional value at 31 December 2025 € 2,157,594 - Fair value at 31 December 2025 € +24,339 (€ +66,767 at 31 December 2024).

In 2020, five loan agreements were also concluded for a total of € 10,000 thousand, underlying which there are embedded derivatives (floor at zero on Euribor rate). For four of these, totaling € 8,000 thousand, the embedded derivatives were active at 31 December 2025, so they were unbundled and measured and, at 31 December 2025, had a zero fair value (negative fair value of € 0.1 thousand at 31 December 2024).

## Consolidated income statement

### 1. REVENUE FROM SALES AND SERVICES

The table below details the item in question with regard to the period ended 31 December 2025 and 2024:

(Euro thousands)	Revenue from sales and services					
	31 DECEMBER 2025		31 DECEMBER 2024		Chg.	% Chg.
		%		%		
Revenue from sales	177,018	96.2	160,415	95.2	16,603	10.4
Services	7,054	3.8	8,160	4.8	(1,106)	(13.6)
<b>Total revenue from sales and services</b>	<b>184,072</b>	<b>100.0</b>	<b>168,575</b>	<b>100.0</b>	<b>15,497</b>	<b>9.2</b>

In order to provide adequate disclosure of the nature and characteristics of revenue, see the comments appearing in the Directors' Report on Operations.

It should be noted that services consist mainly of the item "Impregnation under contract work" of the Parent Company for the amount of approximately € 7,054 thousand at 31 December 2025 (€ 7,240 thousand at 31 December 2024).

2025 revenue includes revenue related to Lamitex of € 823 thousand.

### 2. CHANGES IN SEMI-FINISHED AND FINISHED PRODUCTS

The change in inventory had a positive impact in 2025 of € 1,664 thousand versus the negative change in the prior year of € 945 thousand. This increase is attributable to inventory of finished products sold in early 2026.

### 3. OTHER REVENUE AND INCOME

(Euro thousands)	Other revenue and income					
	31 DECEMBER 2025		31 DECEMBER 2024		Chg.	% Chg.
		%		%		
Contingent assets	0	0.0	855	20.8	(855)	(100.0)
Sale of raw materials and packaging	18	0.5	32	0.8	(14)	(43.8)
Exchange rate gains	270	7.1	144	3.5	126	87.5
Gains	30	0.8	10	0.2	20	200.0
Insurance reimbursements	299	7.9	16	0.4	283	1,768.8
Other revenue	3,168	83.7	3,051	74.3	117	3.8
<b>Total other revenue and income</b>	<b>3,785</b>	<b>100.0</b>	<b>4,108</b>	<b>100.0</b>	<b>(323)</b>	<b>(7.9)</b>

*Other revenue and income* refers primarily to Neodecortech S.p.A. for € 1,647 thousand and to Cartiera di Guarcino for € 1,625 thousand.

The following are the main items:

- With regard to Neodecortech S.p.A., the main item is € 981 thousand relating to plant grants, for the portion pertaining to 4.0 and 5.0 expenditure carried to the income statement based on the asset's useful life, and operating grants of € 552 thousand, in addition to charge-backs to customers and suppliers of approximately € 194 thousand;
- With regard to Cartiere di Guarcino S.p.A., *Other Revenue* includes the following main items:
  - i) € 1,246 thousand in statutory incentives, relating to the non-repayable grant disbursed in August 2024 under the SIMEST Support Ukraine Fund measure 394.81.2023 (charged pro rata for the investments made), the aid obtained from the Fund for Energy Transition in the Industrial Sector, the ENERGY RELEASE 2.0 project, and the portion of 4.0 expenditure carried to the income statement based on the useful life of the asset;
  - ii) € 197 thousand for an internal plant order, with a corresponding inventory deduction for the spare parts used;
  - iii) € 265 thousand in realized foreign exchange gains; (iv) € 89 thousand from the sale of CO2 allowances, VCUs certificates, CERs certificates.

#### 4. RAW AND ANCILLARY MATERIALS AND CONSUMABLES

Raw and ancillary materials and consumables						
<i>(Euro thousands)</i>	31 DECEMBER 2025		31 DECEMBER 2024		Chg.	% Chg.
		%		%		
Raw and ancillary materials and consumables	117,149	98.5	105,414	98.3	11,735	11.1
Packaging materials	1,823	1.5	1,813	1.7	10	0.6
<b>Total raw materials</b>	<b>118,972</b>	<b>100.0</b>	<b>107,227</b>	<b>100.0</b>	<b>11,745</b>	<b>11.0</b>

With regard to the decrease in "Raw and ancillary materials and consumables", reference should be made to the Directors' Report on Operations.

2025 costs include those related to Lamitex amounting to € 377 thousand.

## 5. OTHER OPERATING EXPENSE

Other operating expense						
(Euro thousands)	31 DECEMBER 2025	%	31 DECEMBER 2024	%	Chg.	% Chg.
Utilities	8,149	30.1	6,899	26.0	1,250	18.1
Sundry industrial services	4,635	17.1	4,910	18.5	(275)	(5.6)
Transport	3,393	12.5	4,126	15.5	(733)	(17.8)
Other services	2,420	8.9	1,712	6.4	708	41.4
Consultancy	2,298	8.5	2,326	8.8	(28)	(1.2)
Fees to Directors and Board of Statutory Auditors	1,246	4.6	1,216	4.6	30	2.5
Insurance	1,228	4.5	1,406	5.3	(178)	(12.7)
Bonuses and commissions	1,042	3.8	1,024	3.9	18	1.8
Tax and duties	800	3.0	806	3.0	(6)	(0.7)
Advertising and marketing	588	2.2	445	1.7	143	32.1
Bank commissions	328	1.2	384	1.4	(56)	(14.6)
Travel expense	308	1.1	214	0.8	94	43.9
Exchange rate losses	203	0.7	26	0.1	177	680.8
Rentals and other	192	0.7	316	1.2	(124)	(39.2)
External processing	157	0.6	39	0.1	118	302.6
Other operating expense	23	0.1	77	0.3	(54)	(70.1)
Gifts	23	0.1	1	0.0	22	2,200.0
Rental expense	20	0.1	21	0.1	(1)	(4.8)
Reimbursements to employees	12	0.0	33	0.1	(21)	(63.6)
Capital losses	10	0.0	34	0.1	(24)	(70.6)
Contingent liabilities	0	0.0	536	2.0	(536)	(100.0)
<b>Total Other Operating Expense</b>	<b>27,075</b>	<b>100.0</b>	<b>26,551</b>	<b>100.0</b>	<b>523</b>	<b>2.0</b>

Part of the increase versus the prior year relates to Lamitex's share, which came to € 117 thousand.

## 6. PERSONNEL EXPENSE

Personnel expense						
(Euro thousands)	31 DECEMBER 2025	%	31 DECEMBER 2024	%	Chg.	% Chg.
Wages and salaries	16,448	72.8	15,312	71.8	1,136	7.4
Social security charges	4,839	21.4	4,725	22.2	114	2.4
Post-employment benefits	1,093	4.8	1,075	5.0	18	1.7
Other personnel expense	226	1.0	215	1.0	11	5.1
<b>Total personnel expense</b>	<b>22,606</b>	<b>100.0</b>	<b>21,327</b>	<b>100.0</b>	<b>1,279</b>	<b>6.0</b>

Personnel expense at 31 December 2025 increased by € 1,279 thousand versus the prior year, of which € 157 thousand related to Lamitex. As a percentage of revenue, it decreased from 12.7% to 12.3%.

Versus the prior year, the use of the layoff fund (CIGO) differed and totaled 36,852 hours versus 52,305 hours in the prior year, of which NDT 1,643, CDG 34,961, and Lamitex 248 hours versus CDG 47,813 and NDT 4,492.

## 7. AMORTIZATION AND DEPRECIATION

<i>(Euro thousands)</i>	Amortization and depreciation					
	31 DECEMBER 2025		31 DECEMBER 2024		Chg.	% Chg.
Other intangible assets	864	8.3	319	3.5	545	170.8
Buildings	712	6.8	694	7.6	18	2.5
Leasehold improvements	1,439	13.8	1,392	15.3	47	3.3
Plant and equipment	4,985	47.9	5,487	60.3	(502)	(9.1)
Trademarks	652	6.3	733	8.1	(81)	(11.1)
Equipment	67	0.6	0	0.0	67	0.0
Other	534	5.1	471	5.2	63	13.4
<b>Total amortization and depreciation</b>	<b>9,252</b>	<b>88.9</b>	<b>9,096</b>	<b>100.0</b>	<b>156</b>	<b>1.7</b>
Buildings	970	9.3	0	0.0	9.7	0.0
Leasehold improvements	189	1.8	0	0.0	189	0.0
<b>Total write-downs</b>	<b>1,160</b>	<b>11.1</b>	<b>0</b>	<b>0.0</b>	<b>1,160</b>	<b>0.0</b>
<b>Total amortization, depreciation and write-downs</b>	<b>10,412</b>	<b>100.0</b>	<b>9,096</b>	<b>100.0</b>	<b>1,316</b>	<b>14.5</b>

Amortization and depreciation for the year increased versus 31 December 2024, in line with the amount of expenditure, which remained stable over the years. The amortization/depreciation charge on Lamitex expenditure amounts to € 61 thousand.

Bio Energia Guarcino identified impairment indicators at 31 December 2025 regarding the recoverability of the carrying amount of tangible fixed assets under IAS 36; the enactment of the Energy Law Decree mitigated these indicators, but, absent the ARERA implementing resolution, the remaining uncertainties persisted, therefore the Company deemed it appropriate to confirm the impairment of assets in the financial statements at 31 December 2025. The write-down of assets is included under depreciation and came to € 1,160 thousand, reflecting current regulatory uncertainty, requiring a prudent approach when assessing the recoverability of the recorded amounts.

## 8. ALLOCATIONS

<i>(Euro thousands)</i>	Allocations					
	31 DECEMBER 2025		31 DECEMBER 2024		Chg.	% Chg.
Provision for supplementary agents' indemnity	38	54.3	0	0.0	38	0.0
Provision for doubtful accounts	32	45.7	53	100.0	(21)	(39.6)
<b>Total Allocations</b>	<b>70</b>	<b>100.0</b>	<b>53</b>	<b>100.0</b>	<b>17</b>	<b>32.1</b>

For the comments, reference should be made, for the provision for supplementary agents' indemnity and for the provision for risks and charges, to the section on the provision for risks and charges in the Statement of Financial Position, while for the provision for doubtful accounts to the section on trade receivables in the Statement of Financial Position, of the Notes.

## 9. FINANCIAL EXPENSE

<i>(Euro thousands)</i>	Financial expense					
	31 DECEMBER 2025	%	31 DECEMBER 2024	%	Chg.	% Chg.
Interest payable on A/C	270	11.8	658	24.0	(388)	(59.0)
Interest M/L Term Loans	1,086	47.4	1,465	53.5	(379)	(25.9)
Interest from factoring	416	18.2	305	11.1	111	36.4
Interest from application of IAS/IFRS	75	3.3	77	2.8	(2)	(2.6)
Other interest expense	26	1.1	16	0.6	10	62.5
Other expense	5	0.2	50	1.8	(45)	(90.0)
<b>Total interest expense</b>	<b>1,878</b>	<b>82.0</b>	<b>2,571</b>	<b>93.8</b>	<b>(693)</b>	<b>(27.0)</b>
Currency losses	412	18.0	169	6.2	243	143.8
<b>Total financial expense</b>	<b>2,290</b>	<b>100.0</b>	<b>2,740</b>	<b>100.0</b>	<b>(450)</b>	<b>(16.4)</b>

The decrease in interest is attributable to both reduced utilization of credit lines and lower interest rates on floating-rate loans.

## 10. FINANCIAL INCOME

<i>(Euro thousands)</i>	Financial income					
	31 DECEMBER 2025	%	31 DECEMBER 2024	%	Chg.	% Chg.
Interest income	28	15.3	76	17.6	(48)	(63.2)
Other income	47	25.7	186	43.0	(139)	(74.7)
Currency gains	108	59.0	171	39.5	(63)	(36.8)
<b>Total financial income</b>	<b>183</b>	<b>100.0</b>	<b>433</b>	<b>100.0</b>	<b>(250)</b>	<b>(57.7)</b>

Other income includes the recognition of the positive impact of derivatives.

## 11. INCOME TAX

Income tax					
(Euro thousands)	31 DECEMBER 2025		31 DECEMBER 2024		
		%			%
Profit (loss) before tax	8,279		5,177		
IRES for the year	1,892	22.9%	276	5.3%	
Income from tax consolidation	(839)	(10.1%)	(125)	(2.4%)	
<b>IRES net of income from tax consolidation</b>	<b>1,053</b>	<b>12.7%</b>	<b>151</b>	<b>2.9%</b>	
IRAP for the year	747		580		
Deferred tax assets	(524)		805		
Deferred tax	(291)		(380)		
Income tax relating to prior years and benefits	0		44		
<b>Income tax</b>	<b>985</b>		<b>1,200</b>		

Income tax for the period under review is accounted for in accordance with current tax laws.

Income from tax consolidation - as well as the resulting receivables and payables - refer to the National and World Tax Consolidation agreement concluded by the Group companies with the parent company Finanziaria Valentini S.p.A..

## Assets

### 12. INTANGIBLE ASSETS

(Euro thousands)	Balance at 31 DECEMBER 2024	Intangible fixed assets					Other changes	Balance at 31 DECEMBER 2025
		Lamitex Acquisition	Acquisitions	Disposals	Amortiza- tion	Write-back/ Write- downs		
Trademarks	0	3	0	0	(67)	0	6,474	6,410
Other intangible fixed assets	1,037	252	282	0	(864)	0	2,437	3,144
Fixed assets under construction and advances	2,280	0	365	0	0	0	(2,437)	208
<b>Total intangible fixed assets</b>	<b>3,317</b>	<b>255</b>	<b>647</b>	<b>0</b>	<b>(931)</b>	<b>0</b>	<b>6,474</b>	<b>9,762</b>

Intangible assets include increases for the year relating to enhancements to existing IT/management systems and implementation of the new ERP currently in progress and entering service on 1 January 2025.

Included under "other changes" is the allocation to Trademark following the acquisition of Lamitex and the related PPA under IFRS 3. This item was amortized from the acquisition date to 31 December 2025.

### 13. TANGIBLE ASSETS

Tangible assets at 31 December 2025 amounted to € 77,318 thousand versus € 74,480 thousand at 31 December 2024. The breakdown and changes versus the prior year are shown below.

Mention should be made that the table also shows the rights of use arising from existing lease contracts under IFRS 16.

(Euro thousands)	Tangible fixed assets					
	Historical cost 31 DECEMBER 2024	Depreciation provision 31 DECEMBER 2024	NBV at 31 DECEMBER 2024	Historical cost 31 DECEMBER 2025 (*)	Depreciation provision 31 DECEMBER 2025	NBV at 31 DECEMBER 2025
Land	12,487	0	12,487	12,725	0	12,725
Buildings	27,948	(9,616)	18,332	28,222	(10,623)	17,599
Leasehold improvements	11,577	(9,949)	1,628	11,389	(11,388)	1
Plant and equipment	129,999	(94,303)	35,696	142,011	(102,214)	39,797
Equipment	16,409	(14,868)	1,541	17,892	(16,106)	1,786
Other	6,575	(5,175)	1,400	7,504	(6,073)	1,431
Fixed assets under construction and advances	3,396	0	3,396	3,979	0	3,979
<b>Total tangible fixed assets</b>	<b>208,391</b>	<b>(133,911)</b>	<b>74,480</b>	<b>223,722</b>	<b>(146,404)</b>	<b>77,318</b>

(\*) Historical cost includes the write-down made by subsidiary Bio Energia Guarmino.

Below is a breakdown of assets under construction by category.

Tangible fixed assets under construction and advances				
(Euro thousands)	Amount at 31 DECEMBER 2025	Amount at 31 DECEMBER 2024	Chg.	% Chg.
Buildings	795	376	419	111.4
Plant and equipment	3,184	3,020	164	5.4
<b>Total tangible fixed assets under construction and advances</b>	<b>3,979</b>	<b>3,396</b>	<b>582</b>	<b>17.1</b>

Changes in assets and the related right-of-use provision are shown below.

(Euro thousands)	Historical cost 31 DECEMBER 2024	Tangible fixed assets					Historical cost 31 DECEMBER 2025
		LMX acquisition	Acquisitions	Disposals	Write-off	Other	
Land	12,487	238	0	0	0	0	12,725
Buildings	27,948	1,536	85	0	(970)	(377)	28,222
Leasehold improvements	11,577	1	0	0	(189)	0	11,389
Plant and equipment	129,999	5,420	4,223	(15)	0	2,384	142,011
Equipment	16,409	692	798	0	0	(7)	17,892
Other	6,575	764	277	(110)	0	(2)	7,504
Fixed assets under construction and advances	3,396	0	2,584	0	0	(2,001)	3,979
<b>Total historical cost</b>	<b>208,391</b>	<b>8,651</b>	<b>7,967</b>	<b>(125)</b>	<b>(1,159)</b>	<b>(3)</b>	<b>223,722</b>

(Euro thousands)	Depreciation provision 31 DECEMBER 2024					Depreciation provision 31 DECEMBER 2025
		LMX acquisition	Depreciation	Disposals	Other changes	
Land	0	0	0	0	0	0
Buildings	(9,616)	(296)	(712)	0	1	(10,623)
Leasehold improvements	(9,949)	0	(1,439)	0	0	(11,388)
Plant and equipment	(94,303)	(2,928)	(4,985)	9	(7)	(102,214)
Equipment	(14,868)	(594)	(652)	0	8	(16,106)
Other	(5,175)	(475)	(533)	108	2	(6,073)
<b>Total accumulated depreciation</b>	<b>(133,911)</b>	<b>(4,293)</b>	<b>(8,321)</b>	<b>117</b>	<b>4</b>	<b>(146,404)</b>

Capital expenditure in tangible and intangible fixed assets in 2025 amounted to € 7,967 thousand.

€ 2,648 thousand of this expenditure refers to the Parent Company and relates to new plant and machinery and the improvement and efficiency of existing ones, and, with regard to intangible fixed assets, for the change of the ERP system, which became operational on 1 January 2025 across the entire Group.

In 2025, the subsidiary Cartiere di Guarmino invested € 5,202 thousand in tangible and intangible fixed assets, primarily to improve plant operating conditions to increase productivity, plant efficiency and plant yield, reduce the use of materials and resources while encouraging reuse, raise operating safety standards, and expand automation for more efficient operational management, in addition to the new ERP system.

For the subsidiary Bio Energia Guarcino S.r.l., expenditure amounted to € 13 thousand for plant maintenance and the new ERP system.

All of the Group plants are continuing their 4.0 and 5.0 process management actions to further strengthen the production process, with active control of critical variables and plant upgrading.

Below are details of the allocation of the rights of use within the classes of tangible fixed assets.

(Euro thousands)	Rights of Use		
	Historical cost 31 DECEMBER 2025	Depreciation provision 31 DECEMBER 2025	NBV at 31 DECEMBER 2025
Buildings	491	(227)	264
Other	911	(521)	390
<b>Total Rights of Use</b>	<b>1,402</b>	<b>(748)</b>	<b>654</b>

The changes are shown below.

(Euro thousands)	Historical cost 31 DECEMBER 2024	Rights of Use				Historical cost 31 DECEMBER 2025
		LAMITEX acquisition	Acquisitions	Disposals	Other changes	
Buildings	237	185	69	0	0	491
Other	760	74	76	0	0	911
<b>Total Rights of Use</b>	<b>997</b>	<b>259</b>	<b>145</b>	<b>0</b>	<b>0</b>	<b>1,402</b>

(Euro thousands)	Depreciation provision 31 DECEMBER 2024	Rights of Use				Depreciation provision 31 DECEMBER 2025
		LAMITEX acquisition	Depreciation	Disposals	Other changes	
Buildings	(165)	0	(61)	0	0	(227)
Other	(384)	0	(137)	0	0	(521)
<b>Total provision for depreciation of rights of use</b>	<b>(549)</b>	<b>0</b>	<b>(198)</b>	<b>0</b>	<b>0</b>	<b>(748)</b>

The residual rights of use at 31 December 2025 refer to industrial buildings, buildings used by employees or for guesthouse use, long-term rental cars and IT equipment.

Below are details of the properties and tangible assets on which mortgages are held:

- with regard to Neodecortech:
  - in favour of Banco BPM S.p.A., a mortgage of € 24,000 thousand on the loan taken out on 26 May 2017; a mortgage encumbering on the industrial property complex owned by the Issuer located in Filago (BG), Via Provinciale 2.
- with regard to the subsidiary Cartiere di Guarcino:
  - in favour of Monte dei Paschi di Siena S.p.A., a mortgage of € 12,000 thousand on a loan taken out on 30 June 2010; a mortgage on the industrial property complex owned by the company located in Guarcino (FR), Via Madonna di Loreto 2. The above mortgage was cancelled in January 2026.
- with regard to the subsidiary Lamitex:
  - In favour of BCC FINANCIING S.P.A., a mortgage of € 2,632 thousand on the loan taken out on 14 December 2022, encumbering on the Company's property complex in Spilimbergo (PN), Via Zona industriale nord, 54.
  - In favour of BCC FINANCIING S.P.A., a mortgage of € 1,600 thousand on the loan taken out on 28 April 2015, encumbering on the Company's property complex in Spilimbergo (PN), Via Zona industriale nord, 54.

#### 14. OTHER NON-CURRENT ASSETS

At 31 December 2025, other non-current assets amounted to € 62 thousand versus € 358 thousand at 31 December 2024 and consisted predominantly of security deposits paid by Group companies totaling € 59 thousand for various purposes with regard to utilities and property lease agreements for premises housing Group companies' headquarters.

#### 15. CURRENT AND NON-CURRENT FINANCIAL RECEIVABLES

Current and non-current financial receivables						
(Euro thousands)	31 DECEMBER 2025		31 DECEMBER 2024		Chg.	% Chg.
Long-term derivatives	24	5.1	67	11.3	(43)	(64.2)
From the related party Valinvest S.r.l.	0	0.0	0	0.0	0	0,0
From the related party ISFRE	445	94.9	445	75.0	0	0,0
<b>Total non-current financial receivables</b>	<b>469</b>	<b>100</b>	<b>512</b>	<b>86.3</b>	<b>(43)</b>	<b>(8.4)</b>
Short-term derivatives	0	0.0	81	13.7	(81)	(100.0)
<b>Total current financial receivables</b>	<b>0</b>	<b>0.0</b>	<b>81</b>	<b>13.7</b>	<b>(81)</b>	<b>(100.0)</b>
<b>Total current and non-current financial receivables</b>	<b>469</b>	<b>100.0</b>	<b>593</b>	<b>100.0</b>	<b>(124)</b>	<b>(20.9)</b>

The receivable of the subsidiary Cartiere di Guarcino S.p.A. from the related party, ISFRE in liquidation, amounts to € 445 thousand; a specific risk provision was already set aside owing to collection difficulties (reference should be made to the section on provisions for risks and charges in the Explanatory Notes).

#### 16. DEFERRED TAX ASSETS AND LIABILITIES

Deferred tax assets and liabilities						
(Euro thousands)	31 DECEMBER 2025	Change recognized in Income Statement	OCI and other changes	31 DECEMBER 2024	Chg.	% Chg.
Directors' fees approved and not paid	180	67	15	98	82	83.7%
Allocations to provisions for write-downs and risks	475	299	3	173	302	174.6%
Allocation to the provision for inventory obsolescence	194	10	64	120	74	61.7%
Taxation on profit in stock	44	9	0	35	9	25.7%
Misalignment in asset depreciation and goodwill amortization	532	262	77	193	339	175.6%
Prior-year tax losses transferred to the consolidated side	173	0	0	173	0	0.0%
Prior-year tax losses (BEG)	0	(124)	0	124	(124)	(100.0%)
Other	152	2	11	139	13	9.4%
<b>Deferred tax assets</b>	<b>1,750</b>	<b>525</b>	<b>170</b>	<b>1,055</b>	<b>695</b>	<b>65.9%</b>
Deferred tax on statutory revaluations	5,174	(38)	0	5,212	(38)	(0.7%)
Deferred tax on assets (BEG)	0	(65)	0	65	(65)	(100.0%)
Deferred tax on assets (LAMITEX)	1,787	(19)	1,806	0	1,787	0.0%
Finance lease assets	53	(164)	0	217	(164)	(75.6%)
Deferred tax on employee benefits	32	(5)	13	24	8	33.3%
Other	6	0	(10)	16	(10)	62.5%
<b>Deferred tax liabilities</b>	<b>7,052</b>	<b>(291)</b>	<b>1,809</b>	<b>5,534</b>	<b>1,518</b>	<b>27.4%</b>

Management has recognized deferred tax assets up to the value which it considers their recovery likely for. In determining the items, budget results and forecasts for subsequent years were taken into account. Within deferred tax assets, the portion relating to prior tax losses attributable to the subsidiary Bio Energia Guarcino S.r.l. has been fully utilized, while the remainder is attributable mainly to temporary differences between amounts attributed for financial statement purposes and for tax purposes. At 31 December 2025, deferred tax of € 7,052 thousand was recognized, of which € 1,787 thousand related to the portion of the gain allocated to the trademark. Other deferred tax refers mainly to the temporary differences between the statutory value and the fiscal value emerging from the statutory revaluations made at the time on the properties owned.

## 17. INVENTORY FOR RAW MATERIALS AND FINISHED PRODUCTS

(Euro thousands)	Inventory					
	31 DECEMBER 2025		31 DECEMBER 2024		Chg.	% Chg.
		%		%		
Raw and ancillary materials and consumables	25,122	55.6	20,464	51.1	4,658	22.8
Work in progress	926	2.0	172	0.4	754	438.4
Finished products	21,837	48.3	20,562	51.3	1,275	6.2
Provision for inventory obsolescence	(2,689)	(5.9)	(1,149)	(2.9)	(1,540)	134.0
<b>Total inventory</b>	<b>45,196</b>	<b>100.0</b>	<b>40,049</b>	<b>100.0</b>	<b>5,147</b>	<b>12.9</b>

The increase in inventory is attributable mainly to the Lamitex acquisition, which contributed € 4,103 thousand to the rise in inventory. Inventory for raw materials refers mainly to inks, paper and impregnation material for Neodecortech, pulp and Titanium Dioxide for Cartiere di Guarcino and animal by-products for Bio Energia Guarcino. The increase in semi-finished and finished products, net of the Lamitex effect, totals approximately € 1.5 million, resulting mainly from certain sales postponed to 2026.

Changes in the provision for inventory obsolescence for 2025, which was set aside to alleviate the risk associated with the slow turnover of certain specific products, are shown below.

(Euro thousands)	Provision for inventory obsolescence					
	31 DECEMBER 2024	Alloca-tions	Utilization	Release	Lamitex acquisition	31 DECEMBER 2025
Changes in provision for inventory obsolescence	1,149	1,310	0	0	230	2,689
<b>Total provision for inventory obsolescence</b>	<b>1,149</b>	<b>1,310</b>	<b>0</b>	<b>0</b>	<b>230</b>	<b>2,689</b>

## 18. TRADE RECEIVABLES

(Euro thousands)	Trade receivables					
	31 DECEMBER 2025		31 DECEMBER 2024		Chg.	% Chg.
		%		%		
Trade receivables	18,270	103.6	36,322	101.7	(18,052)	(49.7)
Provision for doubtful accounts	(635)	(3.6)	(609)	(1.7)	(26)	4.3
<b>Total trade receivables</b>	<b>17,635</b>	<b>100.0</b>	<b>35,713</b>	<b>100.0</b>	<b>(18,078)</b>	<b>(50.6)</b>

With regard to Bio Energia Guarcino, trade receivables decreased at 31 December 2025 versus the prior year by € 17,425 thousand, attributable mainly to GMP receivables recognized under Other current receivables, whereas in 2024 they were reclassified under trade receivables as invoices to be issued.

Changes in the provision for doubtful accounts are shown below:

(Euro thousands)	Provision for doubtful accounts					31 DECEMBER 2025
	31 DECEMBER 2024	Alloca-tions	Utiliza-tion	Release	Lamitex acquisition	
Changes in Provision for Doubtful Accounts	609	32	0	(23)	17	635
<b>Total provision for doubtful accounts</b>	<b>609</b>	<b>32</b>	<b>0</b>	<b>(23)</b>	<b>17</b>	<b>635</b>

As far as trade receivables are concerned, mention should be made of the assignment without recourse to a factoring company carried out on an ongoing basis.

The provision for doubtful accounts was determined in accordance with IFRS 9 and recorded an allocation of € 32 thousand.

## 19. RECEIVABLES FROM TAX CONSOLIDATION

This item relates to the receivable held by the Group company from Tax Consolidation, which in the current year is zero versus a receivable of € 348 thousand in the prior year.

## 20. TAX RECEIVABLES

(Euro thousands)	Tax receivables					
	31 DECEMBER 2025	%	31 DECEMBER 2024	%	Chg.	% Chg.
IVA	3,913	91.7	1,450	72.9	2,463	169.9
IRAP	14	0.4	26	1.3	(12)	(46.2)
Other tax receivables	338	7.9	513	25.8	(175)	(34.1)
<b>Total tax receivables</b>	<b>4,265</b>	<b>100.0</b>	<b>1,989</b>	<b>100.0</b>	<b>2,276</b>	<b>114.4</b>

The table above shows an increase in the VAT receivable versus 31 December 2025, of which € 3,356 thousand referring to Bio Energia Guarcino S.r.l., which is structurally in credit owing to the fact that energy sold and the incentives have lower or zero rates versus the rates on purchases.

Other tax receivables refer to tax credits ("Art bonus", 4.0 investment) that may be used for offsetting within the next year.

## 21. OTHER CURRENT RECEIVABLES

(Euro thousands)	Other current receivables					
	31 DECEMBER 2025	%	31 DECEMBER 2024	%	Chg.	% Chg.
Advances to suppliers	189	1.4	41	1.3	148	360.9
Accrued income and deferred expense	649	4.9	396	12.9	253	63.9
Other	12,474	93.7	2,644	85.8	9,830	371.8
<b>Total current receivables</b>	<b>13,312</b>	<b>100.0</b>	<b>3,081</b>	<b>100.0</b>	<b>10,231</b>	<b>332.1</b>

"Other" includes € 10.8 million in receivables from social security institutions and the GSE relating to Bio Energia Guarcino, as it recognizes GMP receivables under Other current receivables, whereas in 2024 they were reclassified under trade receivables as invoices to be issued.

## 22. CASH FUNDS

(Euro thousands)	Cash funds					
	31 DECEMBER 2025		31 DECEMBER 2024		Chg.	% Chg.
		%		%		
Bank and post office deposits	15,012	99.9	12,472	99.9	2,540	20.4
Cash and valuables on hand	18	0.1	11	0.1	7	63.6
<b>Total cash funds</b>	<b>15,030</b>	<b>100.0</b>	<b>12,483</b>	<b>100.0</b>	<b>2,547</b>	<b>20.4</b>

This item consists of cash and bank current account deposits. There are no restraints or restrictions on cash funds. Current accounts and postal deposits are classified as current assets, highly liquid and convertible into cash, foreign currency cash has an exchange rate risk that is considered not material.

Reference should be made to the Statement of Cash Flows and the comments on Financial Debt for an analysis of changes in cash funds.

## Liabilities

## 23. PROVISIONS FOR RISKS AND CHARGES

(Euro thousands)	Provision for risks and charges					
	31 DECEMBER 2025		31 DECEMBER 2024		Chg.	% Chg.
		%		%		
Provision for supplementary agents' indemnity	361	43.7	307	39.8	54	0.0
ISFRE	445	53.9	445	57.6	0	0.0
Provision for tax risks	20	2.4	20	2.6	0	0.0
<b>Total provisions for risks and charges</b>	<b>826</b>	<b>100.0</b>	<b>771</b>	<b>100.0</b>	<b>54</b>	<b>7.0</b>

Changes in the provision for supplementary agents' indemnity and the provision for risks and charges are shown below:

(Euro thousands)	Provision for risks and charges					
	31 DECEMBER 2024	Allo- cations	Utilization	Release	Lamitex acquisition	31 DECEMBER 2025
Change in provision for supplementary agents' indemnity	307	34	0	0	20	361
Change in provision for risks and charges	20	0	0	0	0	20
<b>Total provisions for risks and charges</b>	<b>327</b>	<b>34</b>	<b>0</b>	<b>0</b>	<b>20</b>	<b>381</b>

Provisions for risks and charges and the provision for supplementary agents' indemnity for Italian and EU agents are determined to cover specific risks from potential interruptions to agency contracts.

Additionally, the provisions for risks and charges include:

- € 445 thousand referring to a provision for risks set aside to write down the financial receivable due from ISFRE in liquidation owned by Cartiere di Guarcino S.p.A.;
- € 20 thousand referring to the subsidiary Bio Energia Guarcino S.r.l., for tax liabilities with the Revenue Agency.

## 24. POST-EMPLOYMENT BENEFITS

(Euro thousands)	Post-employment benefits						31 DECEMBER 2025
	31 DECEMBER 2024	Transfer	Alloca-tions	Utiliza-tion	Dis-counting	Lamitex acquisition	
Provision for post-employment benefits	2,193	(178)	46	(77)	0	234	2,217
Actuarial valuation of post-employment benefits (IAS 19)	(102)	0	0	0	(6)	(22)	(130)
<b>Total post-employment benefits</b>	<b>2,091</b>	<b>(178)</b>	<b>46</b>	<b>(77)</b>	<b>(6)</b>	<b>212</b>	<b>2,087</b>

The balance refers to the severance indemnity of Neodecortech, Cartiere di Guarcino and Bio Energia di Guarcino. These liabilities qualify as defined benefit plans under IAS 19 and were therefore subject to actuarial calculation by an independent expert.

The defined benefit plans were updated to reflect their market value at 31 December 2025.

With regard to the discounting back of the Employee Severance Indemnity, the relevant actuarial model is based on various demographic and economic assumptions. For some of the assumptions used, where possible, explicit reference has been made to the direct experience of the Company and the Group, for others best practice has been taken into account. The technical and economic bases used are shown below.

	31 DECEMBER 2025
Annual discount rate	3.37%
Annual inflation rate	2.00%
Annual rate of increase in severance termination	3.00%
Annual rate of salary increase	1.00%

The table below shows the technical demographic basis.

Death	ISTAT 2022
Disability	INPS tables by age and gender
Retirement	100% upon meeting AGO requirements

Lastly, the annual turnover frequencies and severance indemnity advances.

	31 DECEMBER 2025
Advances Frequency	3.00%
Turnover Frequency	1.00%

## 25. CURRENT AND NON-CURRENT FINANCIAL LIABILITIES

Current and non-current financial liabilities						
(Euro thousands)	31 DECEMBER 2025	%	31 DECEMBER 2024	%	Chg.	% Chg.
Unsecured loans	18,608	40.5	16,883	37.0	1,725	10.2
Mortgage loans	1,884	4.1	2,155	4.7	(271)	(12.6)
Non-current lease payables	510	1.1	467	1.0	43	9.2
Payables to other lenders	450	0.9	463	1.0	0	0.0
Currency derivatives	0	0.0	0	0.0	0	0.0
<b>Total non-current financial liabilities</b>	<b>21,453</b>	<b>46.7</b>	<b>19,968</b>	<b>43.7</b>	<b>1,485</b>	<b>7.4</b>
Payables to banks A/C	9,922	21.6	15,938	34.9	(6,016)	(37.7)
Current portion of unsecured loans	7,383	16.1	7,446	16.3	(63)	(0.8)
Current portion of mortgage loans	2,252	4.9	1,880	4.1	372	19.8
Accrued interest expense	240	0.5	287	0.6	(47)	(16.4)
Current lease payables	185	0.4	138	0.3	565	409.4
Other financial payables	518	1.1	0	0.0	(518)	100.0
Payables to Lamitex shareholders for the acquisition	4,000	8.7	0	0.0	4,000	0.0
<b>Total current financial liabilities</b>	<b>24,500</b>	<b>53.3</b>	<b>25,689</b>	<b>56.3</b>	<b>(1,189)</b>	<b>(4.6)</b>
<b>Total financial liabilities</b>	<b>45,953</b>	<b>100.0</b>	<b>45,657</b>	<b>100.0</b>	<b>(296)</b>	<b>0.6</b>

The decrease of € -6,016 thousand in A/C bank payables is due to the Group's lower use of short-term borrowing.

Other payables include the portion of € 4 million still payable to former Lamitex shareholders, due in May and November 2026.

Current and non-current lease payables include financial liabilities relating to the rights of use of Group companies, shown in the table below;

(Euro thousands)	Balance at 01 JANUARY 2025	Payments	Lamitex FTA acquisition	Other changes	Balance at 31 DECEMBER 2025
Buildings	77	(19)	186	(28)	216
Other	389	(34)	74	51	480
<b>Total</b>	<b>466</b>	<b>(53)</b>	<b>260</b>	<b>23</b>	<b>696</b>

With regard to unsecured and mortgage loans, the change is directly attributable to the repayment of installments and new loans taken out. Below are the details of the Group's loans:

### Neodecortech S.p.A.

With regard to unsecured and mortgage loans, below are the details of Neodecortech S.p.A.'s loans.

- Original BPM mortgage loan of € 12,000 thousand, with a residual balance of € 2,155 thousand at 31 December 2025 divided into current and non-current portions;

**Unsecured loans:**

- BPM S.p.A. € 2,500 thousand, for 72 months (quarterly installments) and a residual balance at 31 December 2025 of € 326 thousand divided into current and non-current portions - loan granted against closure of the short-term BPM loan of € 2,000 thousand granted in April 2020 - 80% FGPMI guarantee;
- BPM S.p.A. € 2,500 thousand, for 72 months (quarterly installments) and a residual balance at 31 December 2025 of € 329 thousand divided into current and non-current portions - 90% FGPMI guarantee;
- BANCA POPOLARE DI SONDRIO € 5,000 thousand, for 60 months (monthly installments) and a residual balance at 31 December 2025 of € 2,902 thousand divided into current and non-current portions;
- BPER € 2,000 thousand, for 36 months (quarterly installments) and a residual balance at 31 December 2025 of € 860 thousand divided into current and non-current portions;
- SIMEST - facility measure "Support for Italian exporting companies sourcing from Ukraine and/or Russia and/or Belarus" of € 600 thousand, for 72 months (six-month installments), with a residual balance of € 600 thousand at 31 December 2025 (portion classified as low-interest loan);
- BANCA POPOLARE DI SONDRIO € 7,000 thousand guaranteed by SACE Convenzione GROWTH, for 84 months (quarterly installments) and a residual balance at 31 December 2025 of € 7,000 thousand divided into current and non-current portions.

The nominal value of unsecured and mortgage loans amounted to € 12,247 thousand, with an adjustment from the measurement at amortized cost equal to € -74 thousand.

**Cartiere di Guarcino S.p.A.**

The following is a breakdown of Cartiere di Guarcino S.p.A.'s loans:

- Original MPS mortgage loan of € 6,000 thousand repaid on 31 December 2025;
- Medio Credito Centrale unsecured loan of € 1,128 thousand, with a residual balance of € 145 thousand at 31 December 2025, only current portion;
- Medio Credito Centrale unsecured loan of € 182 thousand, with a residual balance of € 25 thousand at 31 December 2025, only current portion;
- Medio Credito Centrale unsecured loan of € 146 thousand, with a residual balance of € 25 thousand at 31 December 2025, only current portion;
- Banca Popolare di Sondrio unsecured loan of € 2,000 thousand - 12-month grace period - FGPMI 90% guarantee - residual balance at 31 December 2025 of € 344 thousand, only current portion;
- Banco di Desio e della Brianza unsecured loan of € 1,000 thousand - 12-month grace period - MCC 90% guarantee - residual balance at 31 December 2025 of € 186 thousand, only current portion;
- Unsecured loan approved in 2021 by Simest as part of the Capitalization Call to improve and safeguard the financial solidity of exporting companies, amounting to € 360 thousand, with a grace period of 24 months and a residual balance at 31 December 2025 of € 180 thousand, divided into current and non-current portions;
- Banca MPS Capital Services unsecured loan of € 10,000 thousand - 12-month grace period - Sace guarantee under the Supportitalia measure, residual balance at 31 December 2025 of € 6,875 thousand divided into current and non-current portions;

- Banca Popolare di Sondrio unsecured loan resolved in 2024 of € 4,500 thousand, residual balance of € 3,193 thousand at 31 December 2025 divided into current and non-current portions;
- SIMEST unsecured loan disbursed in 2024, facility measure "Support for Italian exporting companies sourcing from Ukraine and/or Russia and/or Belarus" of € 1,500 thousand, for 72 months (six-month installments), with a residual balance of € 1,500 thousand at 31 December 2025, divided into current and non-current portions (classified as low-interest loan).

Collateral required for the loan taken out with Monte dei Paschi di Siena S.p.A., cancelled in January 2026, as specified under "Commitments and guarantees" below.

### **Bio Energia Guarcino S.r.l.**

- The BPER unsecured loan of € 2,000 thousand, with a 12-month grace period and an MCC 90% guarantee, was repaid in 2025.

### **Lamitex S.r.l.**

Below is a breakdown of Lamitex S.r.l.'s loans:

- UniCredit Banca loan, unsecured loan for 72 months (monthly installments), original amount € 250 thousand. Residual balance at 31 December 2025 amounting to € 37 thousand, current portion;
- Mediocredito FVG Frie loan, mortgage loan for 18 years (six-month installments), original amount € 1,000 thousand. Residual balance of € 500 thousand at 31 December 2025 divided into current and non-current portions;
- Mediocredito FVG loan, unsecured loan for 60 months (six-month installments), original amount € 300 thousand. Residual balance at 31 December 2025 amounting to € 34 thousand, current portion;
- Mediocredito FVG loan, mortgage loan for 16 years (six-month installments), original amount € 1,645 thousand. Residual balance of € 1,480 thousand at 31 December 2025 divided into current and non-current portions;
- Friulovest Banca mortgage, unsecured loan for 72 months (monthly installments), original amount € 700 thousand. Residual balance of € 265 thousand at 31 December 2025 divided into current and non-current portions;
- Banca360 Cred. Cooperativo (Sabatini) loan, unsecured loan for 72 months (monthly installments), original amount € 275 thousand. Residual balance of € 224 thousand at 31 December 2025 divided into current and non-current portions;
- SIMEST loan, unsecured loan for 9 years (six-month installments), original amount € 400 thousand. Residual balance at 31 December 2025 amounting to € 80 thousand, current portion;
- SIMEST loan, unsecured loan for 60 months (six-month installments), original amount € 271 thousand. Residual balance at 31 December 2025 amounting to € 15 thousand, current portion;
- Primacassa loan, unsecured loan for 10 years (monthly installments), original amount € 1,300 thousand. Residual balance of € 1,049 thousand at 31 December 2025 divided into current and non-current portions;
- Primacassa loan, unsecured loan for 12 months (one installment), original amount € 500 thousand. Residual balance at 31 December 2025 amounting to € 500 thousand, current portion.

With regard to unsecured and mortgage loans, the table below shows the maturity bands:

(Euro thousands)	31 DECEMBER 2025		31 DECEMBER 2024	
		%		%
Due within 1 year	9,635	32.0	9,326	32.9
Due within 5 years	18,282	60.7	18,663	65.8
Due beyond 5 years	2,210	7.3	375	1.3
<b>Total</b>	<b>30,127</b>	<b>100.0</b>	<b>28,364</b>	<b>100.0</b>

Neodecortech S.p.A. hedged the interest rate risk on the BPM loan by subscribing an interest rate swap (IRS). The fair value of this instrument, reclassified under "Non-current financial receivables" at 31 December 2025 came to a positive € 24 thousand (€ 67 thousand at 31 December 2024).

The loan agreements shown above do not contain financial covenants, with the exception of the m/l term loan granted in December 2022 to Cartiere di Guarcino S.p.A. by MPS Capital Services S.p.A. of € 10 million - with Sace guarantee under the SupportItalia measure - which has a covenant on financial debt (debt/EBITDA ≤ 3.5) at 31 December 2025 that has been met.

From 1 January 2025 to 31 December 2025, interest rate movements had no material impact on the fair value of the Group's loans.

## 26. TRADE PAYABLES

Trade payables at 31 December 2025 amounted to € 29,247 thousand (€ 29,951 thousand at 31 December 2024). The decrease of € -704 thousand is related to the procurement policy; for details, reference is made to the Directors' Report on Operations. Additionally, the Company did not request or obtain any extension or deferment of payments with its suppliers.

There are no trade payables due beyond 12 months.

The Directors believe that the book value of trade payables approximates their fair value.

## 27. PAYABLE FROM TAX CONSOLIDATION

The IRES payable at 31 December 2025 to be paid to tax consolidation amounts to € 815 thousand. The balance relates to Neodecortech S.p.A. for € 36 thousand, to CDG for € 226 thousand, and to BEG for € 552 thousand. See the paragraph "Income tax" in the Notes.

## 28. TAX PAYABLES

(Euro thousands)	Tax payables		Tax payables		Chg.	% Chg.
	31 DECEMBER 2025	%	31 DECEMBER 2024	%		
VAT	0	0.0	192	15.4	(192)	100.0
IRES	133	11.2	0	0.0	133	100.0
IRAP	193	16.2	279	22.4	(86)	(30.8)
Withholdings a/c	791	66.6	737	59.2	54	7.3
Other tax payables	0	6.0	36	2.9	(36)	(100.0)
<b>Total tax payables</b>	<b>1,116</b>	<b>100.0</b>	<b>1,244</b>	<b>100.0</b>	<b>(128)</b>	<b>(10.3)</b>

## 29. OTHER CURRENT PAYABLES

<i>(Euro thousands)</i>	Other current payables					
	31 DECEMBER 2025	%	31 DECEMBER 2024	%	Chg.	% Chg.
Payables to social security institutions	2,083	19.0	1,656	22.2	427	25.8
Payables to employees	2,708	24.8	2,092	28.0	616	29.4
Advances received from customers	1,827	16.7	680	9.1	1,147	168.7
Accrued expense and deferred income	3,332	30.5	2,455	32.9	877	35.7
Other	988	9.0	579	7.8	409	70.6
<b>Total other current payables</b>	<b>10,938</b>	<b>100.0</b>	<b>7,462</b>	<b>100.0</b>	<b>3,476</b>	<b>46.6</b>

"Other" is due mainly to the fixed and variable fees to directors.

## 30. EQUITY

### Capital increases

There were no share capital increases in 2025.

### Share Capital

At 31 December 2025, the share capital of Neodecortech S.p.A. amounted to € 18,804,209.37 and is divided into no. 14,218,021 ordinary shares with no par value.

### Dividend payout

The shareholders' meeting of 29 April 2025 of the Parent Company Neodecortech S.p.A. approved the Financial Statements at 31 December 2024 and resolved to distribute a unit dividend - also taking into account the dividend related to the company's treasury shares - of 15 Euro cents for each ordinary share entitled to receive it, specifying that any change in the number of treasury shares held by the company at the time of distribution would not affect the unit dividend as determined above, but would instead increase or decrease the amount allocated to the extraordinary reserve.

On 21 May 2025, Neodecortech S.p.A. paid out dividends of € 2,038,353.15 (net of the portion related to treasury shares held at the time of distribution).

## Details of other reserves

<i>(Euro thousands)</i>	31 DECEMBER 2025	31 DECEMBER 2024
Share capital	18,804	18,804
Share premium reserve	19,188	18,864
Treasury shares	(1,248)	(1,688)
Translation reserve	13	(1)
Other reserves and accumulated profit (loss), including profit (loss) for the year:		
<i>Legal reserve</i>	2,991	2,785
<i>Reserve for fair value adjustments of hedging derivatives</i>	17	51
<i>Revaluation reserves (including investments measured at equity)</i>	26,392	22,489
<i>Reserve for re-measurement of defined benefit plans for employees (IAS 19)</i>	12	6
<i>Stock grant reserve</i>	0	0
<i>Miscellaneous reserves and accumulated profit (loss), including profit (loss) for the year</i>	20,652	19,452
<b>Total equity</b>	<b>86,821</b>	<b>80,762</b>
Share capital and reserves, including non-controlling interests' profit (loss) for the period	(54)	(37)
<b>Total equity</b>	<b>86,767</b>	<b>80,725</b>

## Treasury shares

At 31 December 2025, the Company holds no. 399,753 treasury shares for a value of € 1,247,526.

A total of 187,000 shares were purchased in 2025, 125,000 were sold, and 189,247 were sold as partial consideration for the purchase price of Lamitex S.r.l.

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.

## Earnings per share

Basic earnings per share are calculated by dividing the consolidated profit or loss for the year by the weighted average number of ordinary shares outstanding during the year. Therefore, treasury shares held by the Group are excluded from the denominator.

<i>Earnings per share</i>	31 DECEMBER 2025	31 DECEMBER 2024
Net profit attributable to the shareholders (Euro thousands)	7,325	4,057
Weighted average number of shares outstanding (n./000)	13,611	13,796
<b>Basic earnings per share</b>	<b>0.54</b>	<b>0.29</b>

<i>Diluted earnings per share</i>	31 DECEMBER 2025	31 DECEMBER 2024
Net profit attributable to the shareholders (Euro thousands)	7,325	4,057
Weighted average number of shares outstanding (n./000)	13,611	13,796
Weighted average number of shares outstanding adjusted for dilution effect (n./000)	13,611	13,796
<b>Diluted earnings per share (*)</b>	<b>0.54</b>	<b>0.29</b>

\* The Company has no potentially dilutive financial instruments and therefore the two indicators match.

### 31. COMMENTS ON THE MAIN ITEMS OF THE STATEMENT OF CASH FLOWS

The increase in cash generated during the year amounted to € +1,437 thousand (versus an increase of € +326 thousand in the prior year), resulting in cash funds of € 15,030 thousand. The acquisition of Lamitex generated acquired cash relating to the change in consolidation scope of € 1,110 thousand.

Starting from a profit before tax, interest, dividends, amortization and depreciation, provisions, gains/losses on disposals and other non-cash changes of € 19,134 thousand (€ 15,976 thousand at 31 December 2024), the changes in cash flows are related mainly to the events below.

The sales and business trends described in the Directors' Report on Operations, together with Bio Energia Guarcino S.r.l.'s monetization of GMP receivables, resulted in a € -6,911 thousand decrease in trade receivables and other receivables, partly offset by higher inventory and lower payables to suppliers and other liabilities; the combined effect generated positive NWC cash flow of € +4,046 thousand.

Capital expenditure, net of disposals, made during the year generated cash flow from investing activities of € -14,781 thousand. During the year, Lamitex was acquired for € 8.38 million, leading to the recognition of trademarks of € 6,474 thousand under IFRS 3.

New loans amounted to € +7,000 thousand, while repayment of loans and leases amounted to € -9,401 thousand. Together with other changes in short-term bank borrowings, down by € -5,853 thousand, in financial receivables, and in financial payables, of which the increase of € +4,000 thousand related to the debt to Lamitex shareholders, loan capital generated negative cash flow of € -4,346 thousand.

Monetary changes in equity include the sale of treasury shares amounting to € 440 thousand, the dividend distribution, and the increase in the share premium reserve attributable mainly to the capital gain from the sale of treasury shares in 2025.

### 32. CONTINGENT LIABILITIES

Under the provisions of IAS 34:15B, the Group's contingent liabilities are shown below: there are no further contingent liabilities, except for those that generated allocations to "provisions for risks", described above.

### 33. 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. 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 December 2025 are shown.

In accordance with the provisions of IAS 24, the following entities are considered Related Parties: (a) companies that directly or indirectly through one or more intermediate companies, control, or are controlled by, or are under common control with, the reporting entity; (b) associates; (c) natural persons who directly or indirectly have voting power in the reporting entity that gives them a dominant influence over the company and their immediate family members; (d) Key management personnel, i.e. those who have the power and responsibility for planning, directing and controlling the activities of the reporting entity, including directors and officers of the company and the immediate family members of such persons; (e) companies in which significant voting power is held, directly or indirectly, by any natural person described under c) or d) or over which such natural person can exercise significant influence. Case e) includes undertakings owned by the directors or major shareholders of the reporting entity and undertakings which have a key management personnel in common with the reporting entity.

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.

Specifically, it should be noted that at 31 December 2025, the outstanding transactions with these companies can be summarized in the tables below:

(Euro thousands)	Trade receivables 31 DECEMBER 2025	Financial receivables 31 DECEMBER 2025	Trade payables 31 DECEMBER 2025	Financial payables 31 DECEMBER 2025
Finanziaria Valentini S.p.A.	0	0	0	815
ISRFE S.r.l. in liquid.	0	445	0	0
BonelliErede	0	0	0	0
Loma S.r.l.	130	0	0	0
<b>Totale</b>	<b>130</b>	<b>445</b>	<b>0</b>	<b>815</b>

(Euro thousands)	Revenue and income 31 DECEMBER 2025	Costs and expense 31 DECEMBER 2025
Finanziaria Valentini S.p.A.	839	0
BonelliErede	0	90
Loma S.r.l.	186	0
<b>Totale</b>	<b>1,025</b>	<b>90</b>

With regard to "Financial Receivables", € 445 thousand relates to 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 was set up owing to collection difficulties.

With regard to "Financial Payables" totaling € 815 thousand, they consist of Neodecortech's tax consolidation payable of € 36 thousand, the subsidiary Cartiere di Guarcino S.p.A.'s payable of € 226 thousand, and the subsidiary Bio Energia Guarcino's payable of € 552 thousand.

Income from tax consolidation for the three Group companies amounted to € 839 thousand.

Trade receivables include receivables from the business agreement between Neodecortech S.p.A. and Loma S.r.l., for the distribution of the Parent Company's products and the sale of base decorative paper by Cartiere di Guarcino S.p.A.; Loma S.r.l. became a related party following appointment of one of the Parent Company's executives as a "key management personnel".

The following table shows the fees to the Group's directors, statutory auditors and key management personnel for 2025:

Subjects (Euro thousands)	Fees 31 DECEMBER 2025	Fees payable 31 DECEMBER 2025
Luigi Cologni	627	403
Massimo Giorgilli	476	305
Luca Peli	34	0
Gianluca Valentini	151	6
Adriano Carlo Bianchi	11	0
Sara Bertolini	10	0
Ida Altimare	11	0
Cinzia Morelli	35	0
Vittoria Giustiniani	31	0
Monica Girardi	22	0
Francesco Megali	26	0
Pietro Zanini	22	6
Stefano Santucci	32	0
Federica Menichetti	26	0
Edda Delon	26	0
Turchi Marco	12	12
Pannone Francesco	5	4
Fallacara Francesco	5	5
Cancellieri Antonio	1	1
Bellucci Giancarlo	6	0
Andreutti Luciano Luigi	4	4
Key management personnel	835	294
<b>Total</b>	<b>2,407</b>	<b>1,038</b>

### 34. SEASONALITY

The Group's industrial sectors are not significantly affected by seasonality.

### 35. INFORMATION PURSUANT TO ART. 1, PARAGRAPH 125, OF LAW NO. 124 OF 4 AUGUST 2017

With regard to the provisions of Article 1, paragraph 125, of Law 124/2017, regarding the obligation to provide evidence in the notes to the financial statements of any amounts of money received during the year by way of grants, contributions, paid assignments and in any case economic advantages of any kind from public administrations and from the persons referred to in paragraph 125 of the same article, mention should be made, for the situation at 31 December 2025, of the following:

<i>Paying entity</i>	Amount collected/taken	Collection/availability date	Description of reason
<b>NDT</b>			
I.N.P.S.	1,467.20	16/01/2025	Eson.ass/trasf.a1 c10 L.178/20
I.N.P.S.	1,000.00	16/01/2025	Eson.ass/trasf.a1 c10 L.178/20
Gestore dei Servizi energetici GSE S.p.A.	70.81	22/01/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	556.64	22/01/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	292.97	22/01/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	334.48	22/01/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	41.31	22/01/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	586.14	22/01/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	426.33	22/01/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	426.33	22/01/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	2,215.27	22/01/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	2,215.27	22/01/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	2,215.27	22/01/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	2,215.27	22/01/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	122.98	22/01/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	2,092.29	22/01/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	1,886.90	22/01/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	1,886.90	22/01/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	-627.45	22/01/2025	Electricity production incentive
Fondimpresa	4,650.00	13/02/2025	Training plan refund
I.N.P.S.	3,500.00	16/02/2025	Eson.ass/trasf.a1 c10 L.178/20
I.N.P.S.	12,000.00	16/02/2025	Eson.ass/trasf.a1 c10 L.178/20
Gestore dei Servizi energetici GSE S.p.A.	1,886.90	17/02/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	426.33	17/02/2025	Electricity production incentive
I.N.P.S.	500.00	16/03/2025	Eson.ass/trasf.a1 c10 L.178/20
I.N.P.S.	1,000.00	16/03/2025	Eson.ass/trasf.a1 c10 L.178/20
Gestore dei Servizi energetici GSE S.p.A.	1,925.19	18/03/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	414.41	18/03/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	1,925.19	15/04/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	414.41	15/04/2025	Electricity production incentive
I.N.P.S.	500.00	16/04/2025	Eson.ass/trasf.a1 c10 L.178/20
I.N.P.S.	1,000.00	16/04/2025	Eson.ass/trasf.a1 c10 L.178/20
I.N.P.S.	500.00	16/05/2025	Eson.ass/trasf.a1 c10 L.178/20
I.N.P.S.	1,000.00	16/05/2025	Eson.ass/trasf.a1 c10 L.178/20
Gestore dei Servizi energetici GSE S.p.A.	322.01	19/05/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	1,603.18	19/05/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	414.41	29/05/2025	Electricity production incentive
I.N.P.S.	500.00	16/06/2025	Eson.ass/trasf.a1 c10 L.178/20
I.N.P.S.	1,000.00	16/06/2025	Eson.ass/trasf.a1 c10 L.178/20
Gestore dei Servizi energetici GSE S.p.A.	2,035.49	19/06/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	429.78	19/06/2025	Electricity production incentive
Fondimpresa	3,659.00	04/07/2025	Training plan refund
I.N.P.S.	500.00	16/07/2025	Eson.ass/trasf.a1 c10 L.178/20
I.N.P.S.	1,000.00	16/07/2025	Eson.ass/trasf.a1 c10 L.178/20
Gestore dei Servizi energetici GSE S.p.A.	2,035.49	17/07/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	1,160.69	17/07/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	174.61	17/07/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	429.78	17/07/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	429.78	11/08/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	2,035.49	11/08/2025	Electricity production incentive

Gestore dei Servizi energetici GSE S.p.A.	11,485.73	11/08/2025	Electricity production incentive
I.N.P.S.	500.00	16/08/2025	Eson.ass/trasf.a1 c10 L.178/20
I.N.P.S.	1,000.00	16/08/2025	Eson.ass/trasf.a1 c10 L.178/20
I.N.P.S.	1,000.00	16/09/2025	Eson.ass/trasf.a1 c10 L.178/20
Gestore dei Servizi energetici GSE S.p.A.	2,104.47	17/09/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	451.48	17/09/2025	Electricity production incentive
Fondimpresa	9,250.00	06/10/2025	Training plan refund
I.N.P.S.	1,000.00	16/10/2025	Eson.ass/trasf.a1 c10 L.178/20
Gestore dei Servizi energetici GSE S.p.A.	2,104.47	20/10/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	451.48	20/10/2025	Electricity production incentive
I.N.P.S.	1,000.00	16/11/2025	Eson.ass/trasf.a1 c10 L.178/20
Fondimpresa	10,804.50	24/11/2025	Training plan refund
I.N.P.S.	1,000.00	16/12/2025	Eson.ass/trasf.a1 c10 L.178/20
<b>Total 2025</b>	<b>110,949.18</b>		
<b>CDG</b>			
Gestore dei Servizi Energetici S.p.A.	834,251	12/02/2026	ENERGY RELEASE 2.0 - Differential Price MD 268 of 23 July 2024 contract: ER200287
Energy and Environmental Services Fund	84,164	03/06/2025	Energy-intensive companies 2023
<b>Total 2025</b>	<b>918,415</b>		
<b>BEG</b>			
GSE	762,144	31/01/2025	former CV incentive
GSE	796,282	28/02/2025	former CV incentive
GSE	923,554	31/03/2025	former CV incentive
GSE	801,708	30/04/2025	former CV incentive
GSE	938,559	31/05/2025	former CV incentive
GSE	947,638	30/06/2025	former CV incentive
GSE	975,652	31/07/2025	former CV incentive
GSE	12,004,130	31/01/2026	PMG
GSE	4,900,280	28/02/2026	PMG
GSE	10,568,937	18/03/2026	PMG
GSE	971,084	30/04/2025	PMG
GSE	4,092,748	30/05/2025	PMG
GSE	2,220,150	30/06/2025	PMG
GSE	2,387,406	31/07/2025	PMG
GSE	2,929,618	29/08/2025	PMG
GSE	8,236,015	30/09/2025	PMG
GSE	8,779,461	31/10/2025	PMG
GSE	4,002,692	28/11/2025	PMG
<b>Total 2025</b>	<b>71,016,836</b>		
<b>Overall total 2025</b>	<b>72,073,200.18</b>		

With regard to the simplification introduced by Article 3-quater, paragraph 2, of LD 135/2018, concerning economic benefits already published in the National State Aid Register, reference is made to the information published in the Register available at: [//www.rna.gov.it/sites/PortaleRNA/it\\_IT/trasparenza](http://www.rna.gov.it/sites/PortaleRNA/it_IT/trasparenza).

## Other supplementary information

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### 36. GUARANTEES GIVEN

#### Guarantees given by Neodecortech S.p.A.

Guarantees issued in favour of the subsidiaries, Cartiere di Guarcino S.p.A. and Bio Energia Guarcino S.r.l., up to a maximum of € 26,360,000 for short-term lines of credit for mixed use and export finance, granted to the latter by BPM, BPER, Popolare di Sondrio, and Monte dei Paschi di Siena, via "umbrella" credit facilities.

On 10 November 2020, Neodecortech S.p.A. issued a Letter of Patronage to Banco di Desio e Brianza S.p.A., extended until 8 November 2024, in favour of the subsidiary Cartiere di Guarcino S.p.A. to guarantee various lines of credit up to a maximum of € 2,650,000 granted by the bank to the subsidiary.

On 19 January 2021, Banco Popolare BPM S.p.A. issued a first-demand bank guarantee, in favour of Sonae Industria de Rivestimentos SA, for € 250 thousand, expiring on 30 April 2026, to guarantee the balance relating to the purchase of the new laminating machine for the production plant in Casoli d'Atri (TE), to be paid within 5 years, based on the business agreements, residual guarantee at 31 December 2025 of € 110,875.

On 16 June 2023, Neodecortech S.p.A. issued a Letter of Patronage to ITALPREFABBRICATI S.p.A. - Industria Italiana di Prefabbricati in favour of the subsidiary NDT energy S.r.l., to guarantee the payment of sums due from the contract for the supply of prefabricated structure on site (€ 154,000).

On 28 May 2025, Neodecortech S.p.A. issued a Letter of Patronage in favour of BPER Banca S.p.A. for a total of € 1,400 thousand with regard to credit lines granted to Cartiere di Guarcino S.p.A. (083/5120260 and 421/5332599) for the investment program related to Circular Economy funding (CUP C89J25000040005).

On 25 November 2025, as part of the LAMITEX acquisition process, Neodecortech S.p.A. signed no. 4 sureties in favour of former shareholders totaling € 2 thousand due 28 June 2026.

#### Guarantees given by Cartiere di Guarcino S.p.A.

On 17 June 2025, Banca Popolare di Sondrio issued a first-demand bank guarantee of € 45 thousand in favour of Lazio Innova S.p.A., domiciled in Rome, Via Marco Aurelio 26/a - 00184, for the project entitled "Renovation and energy efficiency of the building named "Uffici Villa", filed under protocol no. A0786-2024-086464 dated 19/11/2024, pursuant to the Public Notice "Energy Efficiency and Renewable Energy for Enterprises" approved by Resolution no. G09059 dated 08/07/2024 under the POR FESR LAZIO 2021-2027 framework; by Resolution no. G03545 dated 21/03/2025, published in BURL no. 24 dated 25/03/2025, the Director of the Regional Directorate for Economic Development, Productive Activities and Research approved the grant application for € 103,184.22, pursuant to the Deed of Commitment signed on 11/04/2025, CUP F84E25000100007.

#### Guarantees given by Bio Energia Guarcino

On 11 October 2018, BPER issued a guarantee in the interest of Bio Energia Guarcino S.r.l. in favour of Gatti up to a principal amount of € 400 thousand, extended until 28 February 2026.

On 17 October 2022, Compagnie Française d'Assurance pour le Commerce Extérieur S.A., issued, in the interest of Bio Energia Guarcino S.r.l., a guarantee of € 3,107 thousand in favour of the Customs and Monopolies Agency - FROSINONE Office, extended until 17/10/2025, with the object of: creation of an all-inclusive guarantee under Article 89, paragraph 5 of the Union Customs Code (UCC) to cover customs obligations related to multiple operations (import of palm oil), declarations or customs procedures put in place by BEG. The surety in question was reduced to € 150 thousand, valid until 24/11/2026.

#### Guarantees given by Lamitex

Following BCC FINANCING S.P.A.'s granting of a mortgage loan of € 1,645 thousand from the F.R.I.E. fund, NEAFIDI S.C.P.A. issued a first-risk decreasing guarantee of € 250 thousand in favour of the bank, to remain in place until sufficient principal repayments are made for its full settlement.

### 37. EVENTS AFTER YEAR END

Reference should be made to the Directors' Report on Operations, specifically to the section "Significant events after 31 December 2025".

### 38. INFORMATION ON AGREEMENTS NOT RESULTING FROM THE STATEMENT OF FINANCIAL POSITION

Pursuant to Article 2427, point 22-ter, mention should be made that there are no agreements not shown in the statement of financial position that have significant risks or benefits and that are necessary to assess the Group's financial position, results of operations and cash flows.

### 39. INFORMATION ON ASSETS AND LOANS FOR A SPECIFIC TRANSACTION

With regard to the requirements of Articles 2447-bis to 2447-decies of the Italian Civil Code, it should be that during the year the Group allocated assets or loans for the establishment on 19 October 2022 of NDT Energy S.r.l., with registered office in Filago (BG) and operating offices in Casoli di Atri (TE). The Company has a fully paid-up capital of € 100 thousand, is 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.

### 40. INFORMATION ON THE FEES TO THE BOARD OF DIRECTORS AND BOARD OF STATUTORY AUDITORS

In accordance with the law, the table below shows the total fees to the Directors and the Board of Statutory Auditors.

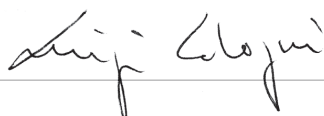
Qualification (in units of Euro)	31 DECEMBER 2025	31 DECEMBER 2024
Directors	911,220	935,316
Board of Statutory Auditors	99,565	102,217

### 41. INFORMATION ON THE FEES TO THE INDEPENDENT AUDITORS

Details are provided below of the fees paid in 2025 by the Neodecortech Group to the independent auditors, BDO Audit Services S.r.l. and the companies belonging to its network, as required by CONSOB Resolution no. 11971 of 14 May 1999, Article 149-duodecies, paragraph 1:

(in units of euro)	31 DECEMBER 2025	31 DECEMBER 2024
Auditing services	116,648	107,894
Provision of other activities with issuance of certification	35,725	53,225
Provision of other non-auditing services	2,500	2,520

Filago (BG), 13 March 2026  
For the Board of Directors  
The Chief Executive Officer

A handwritten signature in black ink, appearing to read "Luigi Cologni", written over a horizontal line.

(Luigi Cologni)

Parent Company Financial Statements  
at 31 December 2025

## Income statement at 31 December 2025

<i>(Euro thousands)</i>	Notes	31 DECEMBER 2025	%	31 DECEMBER 2024	%	Chg.	% Chg.
<b>Revenue from sales and services</b>	1	<b>67,819</b>	<b>100.0%</b>	<b>64,134</b>	<b>100.0%</b>	<b>3,685</b>	<b>5.7%</b>
Changes in work in progress, semi-finished and finished products	2	969	1.4%	(37)	(0.1%)	1,006	(>100.0%)
Other revenue	3	2,712	4.0%	1,742	2.7%	970	55.7%
<b>Value of Production</b>		<b>71,500</b>	<b>105.4%</b>	<b>65,839</b>	<b>102.7%</b>	<b>5,661</b>	<b>8.6%</b>
Raw and ancillary materials and consum.	4	(42,307)	(62.4%)	(38,745)	(60.4%)	(3,562)	9.2%
Other operating expense	5	(11,890)	(17.5%)	(11,316)	(17.6%)	(574)	5.1%
<b>Value Added</b>		<b>17,303</b>	<b>25.5%</b>	<b>15,778</b>	<b>24.6%</b>	<b>1,525</b>	<b>9.7%</b>
Personnel expense	6	(12,311)	(18.2%)	(11,753)	(18.3%)	(558)	4.7%
<b>EBITDA</b>		<b>4,992</b>	<b>7.4%</b>	<b>4,025</b>	<b>6.3%</b>	<b>967</b>	<b>24.0%</b>
Amortization and depreciation	7	(3,709)	(5.5%)	(3,286)	(5.1%)	(423)	12.9%
Allocations	8	(35)	(0.1%)	0	0.0%	(35)	-
<b>EBIT</b>		<b>1,248</b>	<b>1.8%</b>	<b>739</b>	<b>1.2%</b>	<b>509</b>	<b>68.9%</b>
Financial expense	9	(649)	(1.0%)	(985)	(1.5%)	336	(34.1%)
Financial income	10	6,810	10.0%	4,370	6.8%	2,440	55.8%
<b>Profit/(loss) before tax</b>		<b>7,409</b>	<b>10.9%</b>	<b>4,124</b>	<b>6.4%</b>	<b>3,285</b>	<b>79.7%</b>
Income tax	11	(49)	(0.1%)	(13)	(0.0%)	(36)	>100.0%
<b>Profit/(loss) for the year</b>		<b>7,360</b>	<b>10.9%</b>	<b>4,111</b>	<b>6.4%</b>	<b>3,249</b>	<b>79.0%</b>

## Statement of comprehensive income at 31 December 2025

<i>(Euro thousands)</i>	31 DECEMBER 2025	31 DECEMBER 2024
<b>Profit/(loss) for the year</b>	<b>7,360</b>	<b>4,111</b>
<b>Other items of the comprehensive income statement</b>		
Actuarial gains (losses) net of tax effect	2	(10)
<b>Total items that will not be reclassified in the income statement for the year</b>	<b>2</b>	<b>(10)</b>
Gains/(losses) on cash flow hedging instruments	(32)	(80)
<b>Total items that will or may be reclassified in the income statement for the year</b>	<b>(32)</b>	<b>(80)</b>
<b>Total other items of the comprehensive income statement</b>	<b>(30)</b>	<b>(90)</b>
<b>Comprehensive income (loss) for the year</b>	<b>7,330</b>	<b>4,021</b>
Profit for the year attributable to:		
Shareholders of the Parent	7,330	4,021
Non-controlling interests		
<b>Earnings per share (in Euro):</b>		
Basic	0.54	0.30
Diluted	0.54	0.30

## Statement of financial position at 31 December 2025

Assets (Euro thousands)	Notes	31 DECEMBER 2025	%	31 DECEMBER 2024	%	Chg.	% Chg.
Intangible assets	12	1,967	1.6%	2,093	1.9%	(126)	(6.0%)
Tangible assets	13	31,814	26.0%	32,339	29.4%	(525)	(1.6%)
Investments	14	59,706	48.8%	46,726	42.5%	12,980	27.8%
Other non-current assets	15	34	0.0%	337	0.3%	(303)	(89.9%)
Non-current financial receivables	16	24	0.0%	67	0.1%	(43)	(64.2%)
Deferred tax assets	17	605	0.5%	520	0.5%	85	16.3%
<b>Non-current assets</b>		<b>94,150</b>	<b>77.0%</b>	<b>82,082</b>	<b>74.6%</b>	<b>12,068</b>	<b>14.7%</b>
Inventory	18	10,940	8.9%	9,455	8.6%	1,485	15.7%
Trade receivables	19	9,041	7.4%	11,717	10.6%	(2,676)	(22.8%)
Receivables from tax consolidation		0	0.0%	13	0.0%	(13)	(100.0%)
Tax receivables	20	674	0.6%	530	0.5%	144	27.2%
Current financial receivables	16	28	0.0%	4,217	3.8%	(4,189)	(99.3%)
Other current receivables	21	955	0.8%	430	0.4%	525	122.1%
Cash funds	22	6,467	5.3%	1,629	1.5%	4,838	297.0%
<b>Current assets</b>		<b>28,105</b>	<b>23.0%</b>	<b>27,991</b>	<b>25.4%</b>	<b>114</b>	<b>0.4%</b>
<b>Total assets</b>		<b>122,255</b>	<b>100.0%</b>	<b>110,073</b>	<b>100.0%</b>	<b>12,182</b>	<b>11.1%</b>

Equity and liabilities (Euro thousands)	Notes	31 DECEMBER 2025	%	31 DECEMBER 2024	%	Chg.	% Chg.
Share capital		18,804	15.4%	18,804	17.1%	0	0.0%
Share premium reserve		19,188	15.7%	18,864	17.1%	324	1.7%
Treasury shares		(1,248)	(1.0%)	(1,688)	(1.5%)	440	(26.1%)
Other reserves		34,029	27.9%	31,966	29.0%	2,063	6.5%
Prior years' profit (loss)		8,761	7.2%	8,761	8.0%	0	0.0%
Profit (loss) for the year		7,360	6.0%	4,111	3.7%	3,249	79.0%
<b>Equity</b>	<b>30</b>	<b>86,894</b>	<b>71.1%</b>	<b>80,818</b>	<b>73.4%</b>	<b>6,076</b>	<b>7.5%</b>
Provisions for risks and charges	23	370	0.3%	296	0.3%	74	25.0%
Deferred tax	17	2,323	1.9%	2,346	2.1%	(23)	(1.0%)
Post-employment benefits	24	532	0.4%	693	0.6%	(161)	(23.2%)
Non-current financial liabilities	25	9,800	8.0%	7,334	6.7%	2,466	33.6%
<b>Non-current liabilities</b>		<b>13,025</b>	<b>10.7%</b>	<b>10,669</b>	<b>9.7%</b>	<b>2,356</b>	<b>22.1%</b>
Trade payables	26	6,832	5.6%	7,264	6.6%	(432)	(5.9%)
Payables from tax consolidation	27	36	0.0%	0	0.0%	36	-
Tax payables	28	387	0.3%	645	0.6%	(258)	(40.0%)
Current financial liabilities	25	8,598	7.0%	5,722	5.2%	2,876	50.3%
Other current payables	29	6,483	5.3%	4,955	4.5%	1,528	30.8%
<b>Current liabilities</b>		<b>22,336</b>	<b>18.3%</b>	<b>18,586</b>	<b>16.9%</b>	<b>3,750</b>	<b>20.2%</b>
<b>Total equity and liabilities</b>		<b>122,255</b>	<b>100.0%</b>	<b>110,073</b>	<b>100.0%</b>	<b>12,182</b>	<b>11.1%</b>

## Statement of changes in equity at 31 December 2025

(Euro thousands)	Note	Attributable to the shareholders of the parent						Total Equity
		Share Capital	Hedging and Translation Reserves	Equity Reserves	Other Reserves	Treasury Shares	Profit (Loss) for the year	
<b>Balance at 01/01/2024</b>	<b>30</b>	<b>18,804</b>	<b>131</b>	<b>18,864</b>	<b>37,800</b>	<b>(986)</b>	<b>2,848</b>	<b>77,461</b>
Other items of the comprehensive income statement		-	(80)	-	27	-	-	(53)
Profit for the year		-	-	-	-	-	(2,848)	(2,848)
<b>Total comprehensive income/ loss for the year</b>		-	<b>(80)</b>	-	<b>27</b>	-	<b>(2,848)</b>	<b>(2,901)</b>
Allocation of prior year's profit (loss)		-	-	-	2,848	-	4,111	6,959
Other changes		-	-	-	-	(701)	-	(701)
<b>Balance at 31/12/2024</b>	<b>30</b>	<b>18,804</b>	<b>51</b>	<b>18,864</b>	<b>40,675</b>	<b>(1,687)</b>	<b>4,111</b>	<b>80,818</b>
<b>Balance at 01/01/2024</b>	<b>30</b>	<b>18,804</b>	<b>51</b>	<b>18,864</b>	<b>40,675</b>	<b>(1,687)</b>	<b>4,111</b>	<b>80,818</b>
Other items of the comprehensive income statement		-	(32)	-	23	-	-	(9)
Profit for the year		-	-	-	-	-	(4,111)	(4,111)
<b>Total comprehensive income/ loss for the year</b>		-	<b>(32)</b>	-	<b>23</b>	-	<b>(4,111)</b>	<b>(4,120)</b>
Dividend distribution		-	-	-	(2,038)	-	-	(2,038)
Allocation of prior year's profit (loss)		-	-	-	4,111	-	7,360	11,471
Other changes		-	-	324	-	440	-	764
<b>Balance at 31/12/2024</b>	<b>30</b>	<b>18,804</b>	<b>19</b>	<b>19,188</b>	<b>42,772</b>	<b>(1,248)</b>	<b>7,360</b>	<b>86,895</b>

## Statement of cash flows at 31 December 2025

<i>(Euro thousands)</i>	31 DECEMBER 2025	31 DECEMBER 2024
Profit (loss) for the year	7,360	4,111
Income tax	148	91
Deferred/(prepaid) tax	(98)	(77)
Interest expense/(interest income)	549	501
(Gains)/losses from disposal of assets	(23)	24
<b>1 Profit (loss) for the year before income tax, interest, dividends and gains/losses from disposals</b>	<b>7,936</b>	<b>4,650</b>
Adjustments for non-monetary items that had no balancing entry in net working capital:		
Allocation to post-employment benefits	16	113
Allocations to other provisions	115	46
Amortization and depreciation of fixed assets	3,709	3,286
Other adjustments for non-monetary items	(6,739)	(4,034)
<b>2 Cash flow before changes in NWC</b>	<b>5,037</b>	<b>4,061</b>
Changes in net working capital:		
Decrease/(increase) in receivables from customers	1,924	(578)
Decrease/(increase) in receivables from customers - Intercompany	774	(1,078)
Decrease/(increase) in inventory	(1,528)	(264)
Increase/(decrease) in payables to suppliers	(402)	(1,397)
Increase/(decrease) in payables to suppliers - Intercompany	(106)	75
Decrease/(increase) in other receivables	(738)	39
Increase/(decrease) in other payables	1,355	828
<b>3 Cash flow after changes in NWC</b>	<b>6,316</b>	<b>1,686</b>
Other adjustments:		
Interest received/(paid)	(447)	(382)
(Income tax paid)	(91)	(172)
Dividends received	2,130	0
(Utilization of provisions)	(23)	71
(Utilization of provisions for post-employment benefits)	(177)	(70)
<b>4 Cash flow after other adjustments</b>	<b>7,709</b>	<b>1,133</b>
<b>A Cash flow from operations</b>	<b>7,709</b>	<b>1,133</b>
Tangible fixed assets	(2,644)	(3,803)
(Purchase)	(2,648)	(3,957)
Disposal	4	154
Intangible fixed assets	(414)	(1,881)
(Purchase)	(414)	(1,881)
Financial fixed assets	(8,100)	(87)
(Purchase)	(8,100)	(87)
Proceeds from disposal of assets	23	(25)

<b>B Cash flow from investing activities</b>	<b>(11,135)</b>	<b>(5,796)</b>
<b>Free Cash Flow</b>	<b>(3,427)</b>	<b>(4,663)</b>
<b>Liabilities</b>	<b>9,547</b>	<b>770</b>
Increase (decrease) in short-term bank payables	(1,462)	1,466
New loans	7,000	2,000
Repayment of loan	(4,150)	(3,507)
Financial liabilities to other lenders	3,929	0
Change in financial receivables from other lenders	42	0
Change in financial receivables - Intercompany	4,188	811
<b>Equity</b>	<b>(1,282)</b>	<b>(702)</b>
Sale (purchase) of treasury shares	440	(702)
Other changes in equity	(1,722)	0
<b>C Cash flow from financing activities</b>	<b>8,265</b>	<b>68</b>
<b>Increase (decrease) in cash funds (A ± B ± C)</b>	<b>4,838</b>	<b>(4,595)</b>
Cash funds at 1 January	1,629	6,224
Cash funds at 31 December	6,467	1,629

Notes to the  
Parent Company Financial Statements

## Entity preparing the financial statements

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Neodecortech S.p.A. (hereinafter also the "Company", the "Parent Company" or the "Controlling Company") is a company incorporated under Italian law, with registered office in Filago (BG), Strada Provinciale 2, at the head of the Neodecortech Group (hereinafter also the "Group"). The Company's website is: [www.neodecortech.it](http://www.neodecortech.it).

The Company is active in the production and marketing of decorative papers for the industrial sectors of wood and furnishing accessories.

Following the provision of Borsa Italiana for admission to the STAR segment dated 5 March 2021, trading of the Company's ordinary shares and warrants began on 15 March 2021 on the STAR segment of Euronext Milan organized and managed by Borsa Italiana.

The publication of these financial statements was authorized by the Directors on 13 March 2026; they will be submitted to the Shareholders' Meeting for approval and subsequent filing, within the time limits of law. The Shareholders' Meeting is empowered to make changes to these Financial Statements.

BDO Audit Services S.r.l. is in charge of the statutory audit.

## General criteria for the preparation of the financial statements

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### Statement of compliance with IAS-IFRS

These financial statements were prepared in compliance with the IAS-IFRS international accounting standards in force at 31 December 2025, as adopted by the European Union, as well as with the provisions issued in implementation of Article 9 of Legislative Decree no. 38/2005. The IAS-IFRS also include all the revised international accounting standards (IAS) and all the interpretations issued by the IFRS Interpretation Committee (formerly IFRIC), previously known as SIC. The rules of national legislation implementing EU Directive 2013/34 also apply, provided they are consistent, to companies that prepare their financial statements in accordance with IAS-IFRS. Therefore, the financial statements implement the relevant provisions of the articles of the Italian Civil Code and the corresponding provisions of the TUF for listed companies concerning the Directors' Report on Operations, the Independent Auditors' Report and the publication of the financial statements. The financial statements and the notes thereto also include the details and additional information required by the articles of the Italian Civil Code concerning financial statements, insofar as they do not conflict with the provisions of IAS-IFRS, as well as the other CONSOB regulations and instructions concerning financial statements.

The financial statements were prepared on a going concern basis. The Company has assessed that there are no significant uncertainties surrounding its ability to continue operations, due also to its financial structure and the actions already identified and included in the 2024-2026 Business Plan and the 2026 Budget, as explained in the "Directors' Report on Operations".

### Preparation criteria and functional currency

The financial statements are prepared in accordance with the cost principle, with the exception of derivative financial instruments and financial assets, which are measured at fair value.

The presentation currency used in the financial statements is the Euro, which is the functional currency of Neodecortech S.p.A.. All the amounts contained in the financial statements and the notes are rounded to the nearest Euro unit, unless otherwise indicated.

### Financial statements and presentation criteria

The financial statements consist of the income statement, statement of comprehensive income, statement of financial position, statement of changes in equity, and statement of cash flows, as well as the notes to the financial statements for the year ended 31 December 2025.

With regard to the presentation of the financial statements, the Company has made the following decisions:

- current and non-current assets and current and non-current liabilities are shown separately in the statement of financial position. Current assets, which include cash and cash equivalents, are those intended to be realized, sold or consumed in the Company's normal operating cycle; current liabilities are those expected to be settled in the Company's normal operating cycle or in the twelve months following the end of the period;
- for the income statement, the analysis of costs is carried out based on the nature of the costs;
- for the statement of comprehensive income, the Company has chosen to present two statements: the first shows the traditional income statement components with the result for the period, while the second, starting from this result, shows in detail the other components, i.e. (i) changes in fair value of derivative financial instruments designated as hedge accounting, and (ii) the effects of the remeasurement of defined benefit plans;
- the statement of cash flows was prepared using the indirect method.

The financial statements provide comparative information for the prior year.

### **New accounting standards, interpretations and amendments adopted by the Group**

The Group has applied for the first time a number of standards or amendments that are effective as of January 1, 2025. The Group has not adopted in advance any new standards, interpretations or amendments issued but not yet in force. Below are the new standards applied as of 1 January 2025:

- The Effects of Changes in Foreign Exchange Rates - Amendments to IAS 21.

The financial statements provide comparative information for the prior year.

### **Standards issued but not yet in force**

Standards and interpretations that had already been issued but were not yet in force at the date of preparation of the Group's consolidated financial statements are explained below. The Group intends to adopt these standards and interpretations, if applicable, when they come into effect.

- IFRS 18 Presentation and Disclosure in Financial Statements: In April 2024, the IASB issued IFRS 18, which supersedes IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for the presentation of the income statement, including specific totals and subtotals. Additionally, entities will need to classify all expense and revenue in the income statement into four categories: operating, investing, financing, and income tax, as well as discontinued operations, with the first three categories being new. The standard also requires disclosures based on the new definition of management-defined performance measures (MPMs), subtotals of costs and revenue, and includes new provisions for aggregating and disaggregating financial information based on the identified roles of "primary" financial statements (PFS) and notes. Additionally, changes have been made to IAS 7 Statement of Cash Flows, which include modifying the starting point for determining cash flows from operations based on the indirect method - shifting from profit or loss to operating profit or loss - and removing the option to classify cash flows from dividends and interest. Additionally, consequential changes were made to multiple other accounting standards. IFRS 18, and the amendments to other standards, are effective for financial periods beginning on or after 1 January 2027, but early application is permitted subject to disclosure. IFRS 18 will be applied retrospectively. The Company is currently working to identify the impacts that the amendments will have on its financial statements and notes to the financial statements.
- IFRS 19 Subsidiaries without Public Accountability: Disclosures. In May 2024, the IASB issued IFRS 19, which allows eligible entities to opt for a reduction in their disclosure requirements while continuing to apply the recognition, measurement and presentation requirements in the other IFRS accounting standards. To be eligible, at year-end, an entity must be a subsidiary as defined within IFRS 19, cannot have "public accountability" and must have a parent (either ultimate or intermediate) that prepares consolidated financial statements, available to the public, in accordance with IFRS accounting standards. IFRS 19 will become effective for financial periods beginning on or after 1 January 2027, but early application is permitted; as the Company's shares are publicly traded, the Company is not eligible to apply IFRS 19.

- Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7: In May 2024, the IASB issued amendments to IFRS 9 and IFRS 7 entitled Amendments to the Classification and Measurement of Financial Instruments (the "Amendments"). The Amendments include:
  - a clarification that a financial liability is derecognized on the "settlement date" and the introduction of an accounting policy option (provided that specific conditions are met) to derecognize financial liabilities settled through electronic payment systems before the settlement date;
  - additional guidance on evaluating contractual cash flows for financial assets with environmental, social, and governance (ESG) or similar characteristics;
  - clarification of the characteristics of a "non-recourse" instrument (non-recourse feature) and of contractually linked instruments;
  - the introduction of disclosure requirements for financial instruments with contingent characteristics and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI).
  - The Amendments are effective for annual periods beginning on or after 1 January 2026, with early adoption permitted solely for the classification of financial assets and related disclosures.

The Company does not expect these changes to have a material effect on the financial statements.

- Annual Improvements to IFRS Accounting Standards-Volume 11. In July 2024, the IASB issued nine limited-scope amendments as part of the periodic maintenance of IFRSs. The amendments include clarifications, simplifications, corrections, or changes to improve consistency across the following standards: IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial Instruments: Disclosures and related guidance on implementing IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IAS 7 Statement of Cash Flows. The amendments will take effect for administrative periods beginning on or after 1 January 2026. Early adoption is permitted, provided that adequate disclosure is given. These amendments are not expected to materially affect the Company's financial statements.
- Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7: In December 2024, the IASB issued amendments to IFRS 9 and IFRS 7, Contracts Referencing Nature-dependent Electricity. The amendments apply solely to contracts relating to this type of electricity and:
  - clarify the application of own-use requirements for contracts within the scope;
  - change the designation requirements of a hedged item in a cash flow hedging relationship for these contracts;
  - introduce new disclosure requirements enabling investors to understand the effects of such contracts on a company's financial performance and cash flows.

The amendments will take effect for years beginning on or after 1 January 2026. Early adoption is permitted, provided that adequate disclosure is given.

Amendments related to the own-use exception should be applied retrospectively, while amendments in hedge accounting should be applied prospectively to newly designated hedging relationships from the date of first application. Additionally, the IFRS 7 disclosure amendments must be implemented in conjunction with the IFRS 9 amendments. If an entity does not restate comparative information, it will not be permitted to submit comparative disclosures.

The Company does not expect these changes to have a material impact on its financial statements.

## Subjective evaluations and use of estimates

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The preparation of the financial statements and the notes thereto, in application of the IAS-IFRS, requires Management to make estimates and assumptions that affect the carrying amounts of assets and liabilities and disclosures on contingent assets and liabilities as of the reporting date, as well as the amount of revenue and costs in the reporting period presented. Estimates and assumptions used are based on experience and on other factors considered significant. Actual results may differ from these estimates. Estimates and assumptions are reviewed regularly and the effects of each variation therein are recognized in profit and loss in the period in which the estimate was revised. The effects of such revisions are reflected in the periods on which they have effect, i.e. both in the current period, and in future periods, if relevant.

To provide a better understanding of the Financial Statements, the following are the most significant estimates adopted in the process of preparing the Financial Statements, as they involve a high level of subjective judgments, assumptions and estimates relating to issues that are by their nature uncertain. Changes in the conditions underlying the judgments and assumptions made could have a material impact on subsequent results.

- *Measurement of receivables*: receivables from clients are adjusted by the related allowance for doubtful accounts to take account of their recoverable value. The determination of the amount of the write-downs requires the directors to perform subjective evaluations based on past experience for similar receivables or current and historical past dues, closing rates, losses and collections, and to carefully monitor credit quality;
- *Measurement of inventory*: obsolescent inventory is periodically measured and written down if the net realizable value is lower than the carrying amount. Write-downs are calculated on the basis of Management's assumptions and estimates, based on their experience and sales forecasts;
- *Measurement of deferred tax assets*: deferred tax assets - whose recovery in future years is considered highly probable - are measured on the basis of the expected taxable income in future years. The measurement of such expected taxable income depends on factors that may vary over time and have significant effects on the measurement of deferred tax assets;
- *Income tax*: the calculation of the Company's tax liability requires Management to measure transactions whose tax implications are not certain at the balance sheet date;
- *Impairment of intangible and tangible assets with finite useful life*: these assets undergo an impairment test to ascertain whether there has been an impairment, which must be recognized by means of a write-down, when there are indications of a difficulty in recovering the related net book value through use. Ascertainment of the existence of the above indicators requires the Directors to make subjective assessments based on information available within the Company and from the market, as well as statistics. Additionally, if it is determined that a potential impairment may have occurred, the Company determines it using appropriate measurement techniques. The proper identification of the elements pointing to the existence of a potential impairment, as well as the estimates used to determine them, depend on factors that may change over time and that are subject to uncertainties and the use of estimates (growth rates, rates of return on assets, and financial projections affected by external, non-controllable variables) that affect the valuations and estimates made by the Directors;
- *Measurement of intangible and tangible assets with finite useful life*: tangible and intangible assets with finite useful life are depreciated/amortized over the estimated useful life of the related assets. The useful life of the assets is determined by the Directors at the time the asset is acquired; it is based on historical experience for similar fixed assets, market conditions and anticipations of future events that could have an impact on the useful life. Therefore, the actual useful life may differ from the estimated useful life. The Company regularly assesses technological and industry changes to update the remaining useful life. This regular update could lead to a change in the amortization/depreciation period and therefore also in the amortization/depreciation charge for future years.
- *Pension plans*: the present value of the liability for pension benefits depends on a number of factors that are determined by actuarial methods using certain assumptions. The assumptions regard the discount rate, the expected return on the assets servicing the plan, the rates of future salary increases, and the mortality and resignation rates. Any change in the above assumptions could have significant effects on the liability for pension benefits;

- *Valuation of risk provisions:* the Company is subject to legal and tax lawsuits that may arise from complex and difficult issues, which are subject to a varying degree of uncertainty, including facts and circumstances underlying each case, jurisdiction and different applicable laws. Given the uncertainties underlying these issues, it is difficult to accurately predict the outlay that could arise from such disputes. Accordingly, after hearing the opinion of their legal and tax advisors and experts, the Directors recognize a liability from such disputes when they consider it probable that a financial outlay will occur and when the amount of the resulting losses can be reasonably estimated. This estimate implies the adoption of assumptions that depend on factors that may change over time and which could therefore have significant effects over the current estimates made by the Directors in preparing the Company's financial statements;
- *Determination of fair value:* the fair value of certain financial assets that are not listed on active markets is determined using measurement techniques. The Company uses measurement techniques that use inputs that are directly or indirectly observable in the market at year end, related to the assets being measured. While the estimates of the above mentioned fair values are deemed reasonable, possible changes in the estimation factors on which the calculation of these values is based may produce different valuations.

## Accounting policies

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### Tangible assets

These are recorded at purchase, production or transfer cost, including any ancillary expense and direct costs required to make the asset available for use, less subsequent accumulated depreciation and write-downs for impairment. All other costs and financial expense are recognized in the income statement in the year to which they refer.

If an item of property, plant and equipment consists of several components with different useful lives, these components are accounted for separately (if they are significant components).

Leasehold improvements are classified as tangible fixed assets, on the basis of the cost incurred. In such cases, the depreciation period corresponds to the lower of the residual useful life of the tangible asset and the residual term of the lease contract.

Assets under construction are recorded at cost under "Assets under construction" until they are available for use; at the time of their availability for use, the cost is classified under the relevant item and depreciated.

The gain or loss on the disposal of property, plant, machinery, equipment and other assets is determined as the difference between the net sale proceeds and the net residual value of the asset, and is recognized in the income statement for the year in which the asset is derecognized.

Costs incurred after the purchase of the assets and the cost of replacing certain parts of the assets recorded in this category are added to the carrying amount of the item to which they refer and capitalized only if they increase the future economic benefits inherent in the asset itself and are therefore depreciated on the basis of the residual possibility of use of the asset. All other costs are recognized in the income statement when incurred.

When the cost of replacing certain parts of the assets is capitalized, the residual amount of the parts replaced is charged to the income statement.

Gains and losses arising from the sale or disposal of assets are determined as the difference between the sale proceeds and the net carrying amount of the asset and are recognized in the income statement for the year.

Depreciation is generally calculated on a straight-line basis over the estimated useful lives of the individual components into which property, plant and equipment are divided. Land is not depreciated. Below are the rates applied for each category:

Category	Rates %
Industrial buildings	2%
Lightweight constructions	10%
Temporary and kindred constructions	10%
Plant and equipment	9%
Purification plants	12%
Miscellaneous production equipment / laboratory	30%
Production equipment (printing cylinders)	20%
Furniture and ordinary office equipment	12%
Electronic office equipment	20%
Internal means of transport	16%
Cars and motor vehicles	25%

The useful life of tangible assets and their residual value are reviewed and updated, where necessary, at least at the end of each financial period.

Tangible assets are also tested for impairment annually or whenever there is an indication that the asset may be impaired. Reference should be made to the section below "Impairment of tangible and intangible assets and investments" for the criteria used to determine any write-downs.

## Leases

The Company must evaluate whether the contract is, or contains a lease, as at the date it is entered into. The Company recognizes the Right of Use and related Lease Liability for all leases in which it acts as lessee, except for short-term leases (leases of 12 months or less) and leases related to low-value assets (i.e., assets valued at less than € 5,000 when new). Contracts for which the latter exemption has been applied fall primarily within the following categories: computers, phones and tablets; printers, other electronic devices; and furniture and fixtures.

With regard to these exemptions, the Company records the related payments as operating expense recognized on a straight-line basis over the life of the contract.

The lease liability is initially recorded at the present value of future payments at the effective date of the contract. Since most of the lease agreements entered into by the Company do not contain an implicit interest rate, the discount rate to be applied to future lease payments was determined as the risk-free rate, with maturities commensurate with the term of the specific lease, increased by the specific credit spread of the company entering into the agreement.

Lease payments included in the value of the lease Liability include:

- the fixed component of lease payments, net of any incentives received;
- variable lease payments based on an index or rate, initially measured using the index or rate on the effective date of the contract;
- the amount of collateral for the residual value that the lessee expects to pay;
- the exercise price of the purchase option, which must only be included if the exercise of such option is considered reasonably certain;
- penalties for early termination of the contract, if the lease term envisages the option to exercise termination of the lease and the exercise thereof is estimated to be reasonably certain.

Subsequent to initial recognition, the carrying amount of the lease liability increases due to interest accrued (using the effective interest method) and decreases to take account of payments made under the lease agreement.

The Company restates the value of the Lease Liabilities (and adjusts the value of the corresponding Right of Use) if:

- the lease term changes or there is a change in the valuation of the exercise of the option right; in this case, the lease liability is restated by discounting the new lease payments at the revised discount rate.
- the value of lease payments changes as a result of changes in indices or rates, in such cases the Lease Liability is restated by discounting the new lease payments at the initial discount rate (unless the payments due under the lease change as a result of fluctuations in interest rates, in which case a revised discount rate must be used).
- A lease has been amended and the amendment does not fall within the cases for separate lease recognition. In such cases, the lease liability is restated by discounting the new lease payments at the revised interest rate.
- The Company did not recognize any of the above changes in the period, availing itself, however, of the possibility of early application of the amendment to IFRS 16 - COVID-19 Related Rent Concessions, which allowed it to account for the effects of reductions in lease payments directly in the income statement at the effective date of the reduction, without having to assess, through the analysis of contracts, whether the definition of lease modification in IFRS 16 is met.

The Company did not recognize any of the above changes during the period.

The Right of Use asset includes the initial calculation of the lease Liability, lease payments made prior to or on the effective date of the contract, plus any other initial direct costs. The Right of Use is recorded in the financial statements net of depreciation and any impairment losses. Lease-related incentives (e.g., free lease periods) are recognized as part of the initial value of the right of use and lease liability over the contract period.

The Right of Use is amortized/depreciated on a systematic basis to the lower of the lease term and the remaining useful life of the underlying asset. If the lease agreement transfers ownership of the related asset or the cost of the right of use reflects the Company's wish to exercise the purchase option, the related right of use is amortized over the useful life of the asset in question. The beginning of amortization starts from the effective date of the lease.

The Right of Use is included under "Tangible assets" in the consolidated statement of financial position.

The Company applies IAS 36 Impairment of Assets in order to identify the presence of any impairment losses.

In the statement of cash flows, the Company divides the total amount paid between principal (recognized in the cash flow from financing activities) and interest (recognized in the cash flow from operations).

## Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance, controllable and capable of generating future economic benefits. These items are recorded at purchase and/or production cost, including directly attributable expense for preparing the asset for use, net of accumulated amortization and any impairment losses.

Amortization begins from when the asset is available for use, in accordance with Management's intentions, and is systematically allocated in relation to the residual possibility of use of the asset, or on the basis of its estimated useful life.

The costs of software licenses, including expense incurred to make the software ready for use, are amortized on a straight-line basis over the relevant period of time (5 years), while the costs relating to the maintenance of software programs are charged to the Income Statement at the time they are incurred.

Below are the rates applied for each category:

Category	Rates %
Patents and use of intellectual property	20%
Other intangible fixed assets	20%
Other intangible fixed assets - customer list	7 years

Intangible fixed assets with finite useful life are also tested for impairment whenever there is an indication that the asset may be impaired. Reference should be made to the section below "Impairment of tangible and intangible assets and investments" for the criteria used to determine any write-downs.

## Subsidiaries

Subsidiaries are those entities in which the company is exposed to variable returns, or holds rights to those returns, arising from its relationship with those entities and at the same time has the ability to affect those returns by exercising its power.

The company assesses entity control through the presence of three elements:

- current ability of the company, deriving from substantive rights, to direct the relevant activities of the businesses that significantly affect the entity's returns;
- the company's exposure to variability in the returns of the investee;
- correlation between power and returns, the company has the ability to exercise its power to affect the returns from such relationship.

Generally, control is assumed when the company owns, directly or indirectly, more than half of the voting rights in the ordinary shareholders' meeting, including any potential rights to vote resulting from convertible securities.

Investments in subsidiaries are measured at equity. Under this method, investments are initially recognized at cost, subsequently adjusted to reflect changes in the value of the Company's share of the associate's equity. The Company's share of the profits or losses of its subsidiaries is accounted for in a specific item in the income statement from the date on which control is exercised until the moment it ceases.

Investments are subject to impairment testing, where indicators of impairment have been identified. Whenever there is evidence that such investments have incurred an impairment loss, the impairment loss is recognized in profit and loss. Whenever an impairment loss is reduced or ceases to exist, the loss is reversed up to the carrying amount through profit and loss.

## Cost of a business combination

Under IFRS 3, the cost of an acquisition is the acquisition-date fair value of the consideration transferred, plus the amount of any non-controlling interest held. For each business combination, any non-controlling interest in the acquiree must be measured at fair value or in proportion to the non-controlling interest's share of the acquiree's identifiable net assets.

IFRS 3 requires that acquisition-related costs be considered as expense in the periods in which such costs are incurred and the services are received.

## Allocating the cost of a business combination

Goodwill is determined as the excess between, on the one hand:

- the sum of the fair value of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value, at the acquisition date, of any interest in the acquiree previously held; and, on the other hand,
- the net fair value of the identifiable assets and liabilities at the date of acquisition.

If the difference is negative, it is recorded directly in the income statement. If the initial recognition of a business combination can only be determined provisionally, the adjustments to the amounts assigned are recorded within twelve months of the acquisition date (valuation period).

## Impairment of tangible and intangible assets and investments

At each balance sheet date, an assessment is made to ascertain whether there are any indications that tangible and intangible assets (including rights of use, the reduction in value of which is connected with the emergence of conditions for using the asset on the basis of an onerous contract pursuant to IAS 37) and investments may have suffered impairment. Both internal and external sources of information are considered for this purpose. With regard to the former (internal sources), the following are considered: obsolescence or physical deterioration of the asset, any significant changes in the use of the asset, and the economic performance of the asset and the investment compared to estimated performance. With regard to external sources, the following are considered: trends in the market prices of assets, any technological, market or regulatory discontinuities, trends in market interest rates or the cost of capital used to value investments.

If such indicators are identified, the recoverable amount of said assets is estimated (impairment test), posting any write-down against the related carrying amount to the Income Statement. The recoverable value of an asset is represented by the greater of its fair value, less ancillary costs to sell, and its value in use, i.e. the current value of the future cash flows estimated for this asset. In determining the value in use, the expected future cash flows are discounted using a discount rate that reflects current market assessments of the time value of money, in relation to the period of the investment and the risks specific to the asset. For an asset that does not generate cash flows that are largely independent, the recoverable amount is determined in relation to the cash generating unit (CGU) to which such asset belongs.

An impairment loss is recognized in the Income Statement if the carrying amount of the asset, or of its cash generating unit, is higher than its recoverable value. Impairment losses of the cash generating unit are recognized as a reduction in assets, in proportion to their book value and within the limits of the relating recoverable value, including rights of use. If the conditions for a previous write-down no longer apply, the carrying amount of the asset is reinstated with an entry in profit and loss, up to the net carrying amount that the asset in question would have had if the write-down had not been made and, for tangible and intangible assets, the related amortization/depreciation had been carried out.

## Financial assets

All financial assets are initially recognized, at the trading date, at cost, which corresponds to the fair value increased by the expense directly attributable to the purchase, with the exception of financial assets held for trading (fair value in the income statement).

All financial assets must be subsequently recognized at amortized cost or fair value based on the entity's business model for managing financial assets and the characteristics related to the contractual cash flows of the financial asset. Specifically:

- Debt instruments held as part of a business model whose objective is to hold financial assets for the purpose of collecting contractual cash flows, and which have cash flows represented solely by principal payments and interest on the amount of principal to be repaid, are subsequently measured at amortized cost;
- Debt instruments held as part of a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and which have cash flows represented solely by principal payments and interest on the amount of principal to be repaid, are subsequently measured at fair value with changes recognized in other comprehensive income (FVTOCI);
- All other debt instruments and investments in equity instruments are subsequently measured at fair value, with changes recognized in net profit (loss) for the year (FVTPL).

When an investment in a debt instrument measured as FVTOCI is derecognized, the cumulative gain (loss) previously recognized in other comprehensive income is reclassified from equity to net profit (loss) through a reclassification adjustment. Conversely, when an investment in an equity instrument designated as FVTOCI rated is derecognized, the cumulative gain (loss) previously recognized in other comprehensive income is subsequently transferred to retained earnings without passing through the income statement. Dividends received from investments in equity instruments are recognized in the income statement.

Debt instruments subsequently measured at amortized cost or FVTOCI are subject to financial asset impairment. With regard to the impairment of financial assets, the Company has applied a model based on expected losses on receivables, with reference to trade receivables. Specifically, the Company measures the loss allowance on a financial asset at an amount equal to the lifetime expected credit losses (ECL) if the credit risk on that financial asset has significantly increased since initial recognition, or if the financial instrument is an impaired financial asset that has been purchased or originated. However, if the credit risk of a financial instrument has not increased significantly since initial recognition, the Company shall measure the loss allowance for the financial instrument in an amount equal to the expected credit losses from a default event in the following 12 months (12-month expected credit losses).

The Company adopts the simplified method for measuring the loss allowance for trade receivables by estimating the expected losses over the life of the receivable, also using a procedure that also requires a customer-by-customer analysis of past due doubtful debts.

The Company derecognizes all or a portion of its financial assets when:

- the contractual rights attributable to these assets have expired;
- it transfers the risks and rewards of ownership of the asset or does not transfer or even retain substantially all the risks and rewards, but transfers control of these assets;
- receivables transferred as a result of factoring transactions are eliminated from the statement of financial position only if they are transferred without recourse, and if substantially all the risks inherent in the receivable are transferred.

Receivables assigned with recourse, or in any case without the transfer of all risks, remain recorded in the financial statements and a financial liability of equal amount is recorded under liabilities against the advance received.

## **Inventory**

The purchase cost includes the costs incurred to bring each asset to the storage location and takes account of write-downs related to obsolescence and slow turnover of inventory.

The production cost of finished and semi-finished goods includes the cost of raw materials, direct labour and a portion of general production costs, calculated on the basis of normal plant operations, while financial costs are excluded.

For raw and ancillary materials and consumables, the net realizable value is represented by the replacement cost. For finished and semi-finished goods, the net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the costs necessary to make the sale.

## **Cash and cash equivalents**

Cash and cash equivalents include cash on hand, bank deposits on demand, and other treasury investments with original expected maturities of three months or less. Overdrafts are considered a means of financing and not a component of cash and cash equivalents. The definition of cash and cash equivalents in the statement of cash flows corresponds solely to the definition in the statement of financial position.

## **Treasury shares**

Repurchased treasury shares are recorded at cost and deducted from equity. The purchase, sale or cancellation of treasury shares does not give rise to any profit or loss in the income statement. The difference between the purchase price and the consideration, in the event of re-issue, is recognized in the share premium reserve.

## **Provisions for risks and charges**

Allocations to provisions for risks and charges are made when the Company must meet a current obligation (legal or implicit) deriving from a past event, the amount of which can be reliably determined, and the fulfilment of which will likely result in the use of resources. Allocations are made on the basis of the best estimate, on the basis of the costs required to fulfil the obligation at the balance sheet date, and are discounted when the effect is significant. In this case, the discounting is determined at a pre-tax discount rate that reflects the current market valuation of the cost of money in relation to time. The discounting effect is recorded under financial expense.

## **Employee benefits**

As of 1 January 2007, companies with over 50 employees at the date of introduction of the reform are required to pay the new severance indemnity flows into pension funds chosen by the worker or, where the worker has opted to keep the flows within the company, into a treasury account set up with INPS. For the Company, the employee severance indemnity accrued up to 31 December 2006 continues to fall under "defined benefit plans", while the indemnity accrued after such date is treated, for all workers, as a "defined contribution plan", since all the company's obligations are discharged with the periodic payment of a contribution to third parties. An exception is made for the portions accrued by workers who have opted to keep the severance indemnity within the company, which are classified as a defined benefit plan.

### Defined contribution plans

Defined contribution plans are formalized post-employment benefit programs under which the Company pays fixed contributions to an insurance company or pension fund and will not have a legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior years.

These contributions, paid in exchange for employee service, are recorded as an expense in the period incurred.

### Defined benefit plans

Defined benefit plans are formalized post-employment benefit programs that constitute a future obligation for the Company. The entity is, in substance, underwriting the actuarial and investment risks associated with the plan. Under IAS 19, the Company uses the Projected Unit Credit Method to determine the present value of obligations and the related current service cost.

This actuarial calculation requires the use of objective and compatible actuarial assumptions about demographic (mortality rate, employee turnover rate) and financial (discount rate, future increases in salary levels and medical benefits) variables.

Actuarial gains and losses related to post-employment defined benefit plans may result from both changes in the actuarial assumptions used for the calculation between two consecutive years and changes in the value of the obligation relating to the actuarial assumptions made at the beginning of the year. Actuarial gains and losses are recognized and charged immediately to other comprehensive income. Net interest expense on defined benefit plans is recognized in financial income/(expense) in the income statement.

## **Loans**

Loans are initially recognized at the fair value of the amount disbursed/received net of ancillary expense directly attributable to the financial asset/liability. After initial recognition, loans are measured at amortized cost using the effective interest method.

## **Trade and other payables**

Trade and other payables are initially recorded at the fair value of the initial consideration received in exchange and subsequently measured at amortized cost.

## **Revenue recognition**

Revenue is measured taking account of the consideration specified in the contract with the customer. The Company recognizes revenue when it transfers control of goods or services.

Revenue recognition is performed by applying a five-step model as outlined below:

- Identification of the contract with the customer;
- Identification of "performance obligations" under the contract;
- Determination of transaction consideration;
- Allocation of consideration to individual "performance obligations";
- Recognition of revenue at the point in time (or over a period of time) of satisfaction of the individual "performance obligation".

Revenue is recognized when the economic benefits associated with the sale of goods or the provision of services will flow to the Company and the amount can be reliably determined. Revenue is recorded at fair value, equal to the consideration received or receivable, taking account of the value of any trade discounts granted and volume rebates.

With regard to the sale of goods, revenue is recognized when the company has transferred the significant risks and benefits associated with the ownership of the goods to the purchaser. Contracts with customers generally include a single performance obligation. A performance obligation is satisfied upon delivery of the asset.

### **Costs**

Costs are recorded on an accruals basis and in accordance with the relevance principle.

### **Financial expense and income**

Interest income/expense is recognized as financial income/expense following its assessment on an accruals basis and using the effective interest rate method.

### **Dividends**

Dividends are recognized when the shareholders' right to receive payment arises, in accordance with current legislation, and are classified under "Financial income" and reversed as part of the entries to adjust Investments to the equity method.

### **Income tax**

Current tax is calculated on the basis of taxable income for the year, applying the tax rates in force at the reporting date. Deferred tax is calculated on all differences arising between the tax base of an asset or liability and the relating carrying amount.

Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which they can be recovered. Deferred tax is determined using the tax rates that are expected to apply in the periods in which the differences are realized or settled. The recoverability of deferred tax assets is reviewed at each end of the period. Deferred tax assets not recognized in the financial statements are re-analyzed at each reporting date and are recognized to the extent that it has become probable that future taxable income will allow the deferred tax asset to be recovered.

Current and deferred tax is recorded in the Income Statement, with the exception of tax relating to items directly debited or credited to equity, in which case the tax effect is recognized directly in equity and in the Consolidated Statement of Comprehensive Income. Tax is offset when levied by the same taxing authority and when there is a legal right to offset it and a settlement of the net balance is expected.

Neodecortech S.p.A. participates as a subsidiary in the national tax consolidation scheme of the Valentini Group, together with the subsidiaries Cartiere di Guarcino S.p.A., Bio Energia Guarcino S.r.l., and Valinvest S.r.l.. In this context, pursuant to Articles 117 et seq. of Presidential Decree 917/86, IRES is determined at the level of Finanziaria Valentini S.p.A. by offsetting the positive and negative taxable amounts of the above companies.

Income-related transactions, responsibilities and mutual obligations among the companies are set out in the regulations for participation in the tax consolidation scheme of the Valentini Group.

## Derivative financial instruments

Derivatives, including embedded derivatives that are separated from the main contract, are initially recognized at fair value.

Derivatives are classified as hedging instruments when the relationship between the derivative and the hedged item is formally documented and the hedge effectiveness, regularly verified, is high.

When hedging derivatives hedge the risk of change in the fair value of the hedged instruments, they are recorded at fair value and the effects are posted to the income statement; accordingly, the hedged instruments are adjusted to reflect the changes in fair value associated with the risk hedged.

When derivatives hedge the risk of fluctuations in the cash flows of the hedged instruments (cash flow hedge), the hedges are designated against the exposure to variability in cash flows attributable to risks that may subsequently affect the Income Statement; these risks are generally associated with an asset or liability recognized in the balance sheet (such as future payments on debts at variable rates). The effective portion of the change in the fair value of the portion of derivative contracts that have been designated as hedges under IFRS 9 is recognized as a component of the Comprehensive Income Statement (hedging reserve); this reserve is then charged to profit or loss in the period in which the hedged transaction affects the Income Statement. The ineffective portion of the change in fair value, as well as the entire change in fair value of the derivatives that have not been designated as hedging instruments or do not meet the requirements of IFRS 9, is booked directly to the income statement.

When derivative instruments do not meet the requirements to be classified as hedges, gains and losses from fair value fluctuations are recognized in the income statement for the period.

## Transactions denominated in currencies other than the functional currency

Transactions denominated in currencies other than the functional currency are initially translated into the functional currency using the exchange rate on the date of the transaction. At the reporting date, monetary assets and liabilities denominated in non-functional currencies are translated into the functional currency at the exchange rate in effect at the reporting date. The resulting exchange rate differences are recorded in the Income Statement.

Non-monetary assets and liabilities denominated in non-functional currencies and measured at cost are translated at the exchange rate on the date of the transaction, while those measured at fair value are translated at the exchange rate on the date such value is determined.

## Earnings/(loss) per share

Earnings per share are calculated by dividing the Company's net profit or loss by the weighted average number of shares outstanding during the relevant period, excluding treasury shares. Diluted earnings are calculated by dividing the Company's profit or loss adjusted to take account of any effects, net of tax for the year, of any rights with diluted effects by the weighted average number of shares outstanding during the relevant period, excluding treasury shares and equivalent securities (options) with dilutive effect.

## Environmental impact

The Company considers climate-related issues in its estimates and assumptions when necessary. This assessment includes a broad spectrum of possible impacts to the Group from both physical and transitional risks. Although the Group believes that its business model and products will still be appealing as a result of the transition to a low-emission economy, climate-related issues increase the uncertainty of estimates and assumptions affecting many elements or items in the financial statements.

While climate-related risks may not have a significant impact on measurement to date, the Group is closely monitoring developments and changes, such as new climate-related regulations and standards.

## Management of financial risks

The Board of Directors of Neodecortech S.p.A. adopts a consistent policy with a view to reducing the financial risks the Neodecortech Group is exposed to in the course of business.

As the Company's activities are industrial, the use of instruments is limited to transactions to hedge the risks connected with its operations, thus excluding speculative policies or policies that pursue purely financial profit objectives.

The financial instruments applicable to the sector are only those that allow for the funding and use of the financial means required to carry out operations. Therefore, the amounts, terms and maturities of the financial instruments must be appropriate to the transactions they are linked to.

## Liquidity risk

In connection to its debt position, the Company is exposed to liquidity risk, namely the risk of being unable to raise the funds required to service and repay existing loans.

In order to minimize this risk, the Treasury and Credit area puts these activities in place:

- ongoing assessment of forecast financial requirements in order to put in place the necessary actions in a timely manner;
- negotiation of appropriate credit facilities;
- the correct composition of net financial debt, i.e. to finance capital expenditure using medium/long-term debt (in addition to equity), while covering net working capital requirements using short-term lines of credit;
- inclusion of Group companies in loan agreements in order to optimize any excess liquidity among companies.

Reference should be made to the Directors' Report on Operations and to Note 25 "Non-current financial liabilities" and "Current financial liabilities" for further details of the loans taken out.

## Credit risk

The Company is subject to credit risk relating to the sales of products in its core markets. The policies set out the criteria for establishing customer creditworthiness, credit facilities and related risk containment measures. The policies also envisage the assignment of responsibilities for approving any breaches of such limits and for preparing management reports.

The review of overdue receivables provides the following analysis by due date (including allocations for invoices to issue and credit notes to issue):

<i>Trade receivables</i>	Overall total	Total falling due	Total past due	Past due 0 - 30	Past due 31 - 60	Past due 61 - 90	Past due 91 - 120	Past due over 120
31 DECEMBER 2025	9,355	6,615	2,740	2,118	61	5	(3)	559
31 DECEMBER 2024	12,054	8,496	3,558	3,184	126	(5)	6	247

As the Company's exposure to customers is represented mainly by receivables from companies in the furniture and flooring sector, it is reasonable to estimate that there are no noteworthy solvency risks. Special cases are systematically reviewed and, where deemed necessary, a specific provision for impairment is made.

Also included in past dues between 0-30 days are mainly collection of cash orders paid on 31 December 2025, but credited by the bank on the first day of 2026.

The general risk associated with overall exposure to customers is assessed on a statistical basis, by reviewing the historical series of insolvencies and realized losses per year, to which average percentages of probable uncollectability are associated, in connection to the age of the receivable.

Changes in the provision for doubtful accounts at 31 December 2025 are shown below:

(Euro thousands)	Provision for doubtful accounts				31 DECEMBER 2025
	31 DECEMBER 2024	Alloca-tions	Utiliza-tion	Release	
Changes in Provision for Doubtful Accounts	337	0	0	(23)	314
<b>Total provision for doubtful accounts</b>	<b>337</b>	<b>0</b>	<b>0</b>	<b>(23)</b>	<b>314</b>

Actions aimed at limiting risk include the continued controls made in the year to assess and analyze the higher risk situations on a monthly basis, and the implementation of credit insurance policies in the manner deemed appropriate.

### Exchange rate risk

By focusing its sales on the Italian and European markets of the Euro zone, the Company is exposed in a marginal way to the risk of fluctuations in exchange rates, considering additionally that transactions in foreign currency to purchase raw materials are equally limited.

### Interest rate risk

The risk is represented by the likelihood that the value or future cash-flows of a financial instrument - in particular, current account overdrafts, bank advances and loans - may vary parallel to changes in interest rates.

To mitigate the above risk, the Company entered into an Interest Rate Swap contract relating to the outstanding mortgage loan with BPM, with a notional value of € 2,158 thousand and a positive fair value of € 24 thousand at 31 December 2025 (positive € 67 thousand at 31 December 2024). At 31 December 2025, total medium/long-term loans taken out by the Company amounted to € 14,173 thousand, 74% of which at floating rate and not covered by derivatives.

### Fair value hierarchy and classes of financial instruments

In order to determine and document the fair value of financial instruments, use was made of the following hierarchy based on different valuation techniques:

- Level 1: the data used in the measurements are represented by quoted prices on markets where assets and liabilities identical to those being measured are traded;
- Level 2: the data used in the measurements, other than the quoted prices referred to in Level 1, are observable for the financial asset or liability, either directly (prices) or indirectly (derived from prices);
- Level 3: non-observable data; if observable data are unavailable and, therefore, there is a modest or non-existent market activity for the assets and liabilities being measured.

It should be noted that in choosing the measurement techniques to use, the Group has followed the following hierarchy:

- use of prices recorded in markets (even if not active) of identical (Recent Transactions) or similar instruments (Comparable Approach);
- measurement techniques based primarily on observable market inputs;
- measurement techniques based primarily on unobservable inputs corroborated by market data.

At 31 December 2025, the Company measured the fair value of derivative financial instruments using inputs that resulted in the financial instruments being categorized in Level 2 of the fair value hierarchy. No changes were reported during the period in the different levels of fair value.

With regard to the classes of financial instruments, at 31 December 2025 - as at 31 December 2024 - the derivatives indicated above represent the only category of financial instruments measured at fair value. Other financial assets and liabilities are measured using the amortized cost method.

### **Information on the fair value of derivative financial instruments**

The following information is provided on the fair value of derivative financial instruments in place at 31 December 2025:

- Interest Rate Swap - Contract hedging the risk of interest rate fluctuations concluded by Neodecortech S.p.A. - Notional value at 31 December 2025 € 2,157,594 - Fair value at 31 December 2025 € +24,339 (€ +66,767 at 31 December 2024);

In 2020, two loan agreements were also concluded for a total of € 5,000 thousand, underlying which there are embedded derivatives (floor at zero on Euribor rate), with a negative fair value of zero at 31 December 2025 (a negative € 0.1 thousand at 31 December 2024).

## Income statement

### 1. REVENUE FROM SALES AND SERVICES

<i>(Euro thousands)</i>	Revenue from sales and services					
	31 DECEMBER 2025		31 DECEMBER 2024		Chg.	% Chg.
		%		%		
Revenue from sales	61,400	90.5	56,840	88.6	4,560	8.0
Services	6,419	9.5	7,294	11.4	(875)	(12.0)
<b>Total revenue from sales and services</b>	<b>67,819</b>	<b>100.0</b>	<b>64,134</b>	<b>100.0</b>	<b>3,685</b>	<b>5.7</b>

In order to provide adequate disclosure of the nature and characteristics of revenue, see the comments appearing in the Directors' Report on Operations.

It should be noted that service revenue refers mainly to impregnation under contract work.

The breakdown of revenue by geographical area is as follows:

<i>(Euro thousands)</i>	31 DECEMBER 2025		31 DECEMBER 2024		Chg.	% Chg.
		%		%		
Italy	31,545	46.5	31,367	48.9	178	0.6
Europe	30,516	45.0	28,760	44.8	1,756	6.1
Asia	3,216	4.7	1,275	2.0	1,941	152.2
Middle East	613	0.9	635	1.0	(22)	(3.5)
America	906	1.3	873	1.4	33	3.8
Africa	1,023	1.5	1,224	1.9	(201)	(16.4)
<b>Total</b>	<b>67,819</b>	<b>100.0</b>	<b>64,134</b>	<b>100.0</b>	<b>3,685</b>	<b>5.7</b>

Revenue increased versus the prior year in Europe and Asia, while the Italian market remained broadly stable.

### 2. CHANGES IN SEMI-FINISHED AND FINISHED PRODUCTS

<i>(Euro thousands)</i>	Changes in work in progress, semi-finished and finished products					
	31 DECEMBER 2025		31 DECEMBER 2024		Chg.	% Chg.
		%		%		
Changes in work in progress, semi-finished and finished products	969	1.4	(37)	(0.1)	1,006	(>100.0)

The change in inventory is positive by € 969 thousand. This increase is attributable to the postponement of certain sales to 2026.

### 3. OTHER REVENUE AND INCOME

Other revenue and income						
(Euro thousands)	31 DECEMBER 2025	%	31 DECEMBER 2024	%	Chg.	% Chg.
Sale of raw materials and packaging	11	0.4	32	1.8	(21)	(65.6)
Exchange rate gains	4	0.1	1	0.1	3	>100.0
Gains	28	1.0	10	0.6	18	>100.0
Insurance reimbursements	251	9.3	16	0.9	235	>100.0
Other revenue	2,418	89.2	1,683	96.6	735	43.7
<b>Total other revenue and income</b>	<b>2,712</b>	<b>100.0</b>	<b>1,742</b>	<b>100.0</b>	<b>970</b>	<b>55.7</b>

The change in "other revenue" relates primarily to operating grants the Company obtained in connection with a project to develop evolutionary systems and digitization (€ 397 thousand), in addition to grants for Energy Realise 2.0 (€ 155 thousand).

"Other revenue" also includes the accrued portion of grants for tax receivables related to expenditure, amounting to € 429 thousand (€ 268 thousand in 2024), and for the remaining part composed mainly of cost charge-backs to customers and intercompany charge-backs for centralized services.

### 4. RAW AND ANCILLARY MATERIALS AND CONSUMABLES

Raw and ancillary materials and consumables						
(Euro thousands)	31 DECEMBER 2025	%	31 DECEMBER 2024	%	Chg.	% Chg.
Raw and ancillary materials and consumables	41,359	97.8	37,686	97.3	3,673	9.7
Packaging materials	948	2.2	1,059	2.7	(111)	(10.5)
<b>Total raw materials</b>	<b>42,307</b>	<b>100.0</b>	<b>38,745</b>	<b>100.0</b>	<b>3,562</b>	<b>9.2</b>

With regard to the increase in "Consumption of raw and ancillary materials and consumables" for € 3,562 thousand, reference should be made to the Directors' Report on Operations. As a percentage of revenue, the ratio rose from 60.4% to 62.4%.

This item also includes changes in the provision for inventory obsolescence, as shown in the table below:

Provision for inventory obsolescence					
(Euro thousands)	31 DECEMBER 2024	Allocations	Utilization	Release	31 DECEMBER 2025
Changes in provision for inventory obsolescence	501	43	0	0	544
<b>Total provision for inventory obsolescence</b>	<b>501</b>	<b>43</b>	<b>0</b>	<b>0</b>	<b>544</b>

## 5. OTHER OPERATING EXPENSE

Other operating expense						
<i>(Euro thousands)</i>	31 DECEMBER 2025	%	31 DECEMBER 2024	%	Chg.	% Chg.
Utilities	3,168	26.6	2,991	26.4	177	5.9
Sundry industrial services	2,010	16.9	2,116	18.7	(106)	(5.0)
Consultancy	1,432	12.0	1,390	12.3	42	3.0
Transport	1,220	10.3	1,171	10.3	49	4.2
Fees to Directors and Board of Statutory Auditors	1,118	9.4	1,019	9.0	99	9.7
Other services	1,082	9.1	820	7.2	262	32.0
Bonuses and commissions	380	3.2	397	3.5	(17)	(4.3)
Insurance	397	3.3	394	3.5	3	0.8
Advertising and marketing	432	3.6	426	3.8	6	1.4
Tax and duties	194	1.6	212	1.9	(18)	(8.5)
Travel expense	134	1.1	134	1.2	0	0.0
Rentals and other	102	0.9	100	0.9	2	2.0
Bank commissions	133	1.1	73	0.6	60	82.2
External processing	62	0.5	32	0.3	30	93.8
Capital losses	5	0.0	34	0.3	(29)	(85.3)
Exchange rate losses	10	0.1	2	0.0	8	>100.0
Gifts	9	0.1	1	0.0	8	>100.0
Rental expense	2	0.0	4	0.0	(2)	(50.0)
<b>Total Other Operating Expense</b>	<b>11,890</b>	<b>100.0</b>	<b>11,316</b>	<b>100.0</b>	<b>574</b>	<b>5.1</b>

The change in "Other services" of € +262 thousand is due mainly to higher external maintenance costs and fees for various services.

## 6. PERSONNEL EXPENSE

Personnel expense						
<i>(Euro thousands)</i>	31 DECEMBER 2025	%	31 DECEMBER 2024	%	Chg.	% Chg.
Wages and salaries	8,770	71.2	8,503	72.3	267	3.1
Social security charges	2,930	23.8	2,649	22.5	281	10.6
Post-employment benefits	586	4.8	566	4.8	20	3.5
Other personnel expense	25	0.2	35	0.3	(10)	(28.6)
<b>Total personnel expense</b>	<b>12,311</b>	<b>100.0</b>	<b>11,753</b>	<b>100.0</b>	<b>558</b>	<b>4.7</b>

Personnel expense increased versus last year (€ +558 thousand; +4.7%). The number of employees increased from 217 to 223, while the cost-to-sales ratio remained broadly stable, at 18.3% in 2024 versus 18.2% in 2025. In 2025, CIGO was utilized for 1,643 hours (4,492 hours in 2024).

The table below shows the changes in personnel in service between 2025 and 2024:

<i>PERSONNEL IN SERVICE</i>	31 DECEMBER 2025	31 DECEMBER 2024	Chg.
Executives	6	6	-
Managers/White collars	57	61	(4)
Blue collars	158	149	9
Trainees	2	1	1
<b>Total</b>	<b>223</b>	<b>217</b>	<b>6</b>

## 7. AMORTIZATION AND DEPRECIATION

Amortization and depreciation						
<i>(Euro thousands)</i>	31 DECEMBER 2025	%	31 DECEMBER 2024	%	Chg.	% Chg.
Other intangible assets	540	14.6	269	8.2	271	100.7
Buildings	365	9.8	369	11.2	(4)	(1.1)
Plant and equipment	1,870	50.4	1,673	50.9	197	11.8
Equipment	529	14.3	626	19.1	(97)	(15.5)
Other	405	10.9	349	10.6	56	16.0
<b>Total amortization and depreciation</b>	<b>3,709</b>	<b>100.0</b>	<b>3,286</b>	<b>100.0</b>	<b>423</b>	<b>12.9</b>

Amortization and depreciation at 31 December 2025 increased versus the prior year, specifically on intangible fixed assets following the commissioning of the new SAP ERP system and on plant and equipment for expenditure executed and completed during the year.

## 8. ALLOCATIONS

Allocations						
<i>(Euro thousands)</i>	31 DECEMBER 2025	%	31 DECEMBER 2024	%	Chg.	% Chg.
Provision for supplementary agents' indemnity	35	100.0	0	0.0	35	(100.0)
<b>Total Allocations</b>	<b>35</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>	<b>35</b>	<b>(100.0)</b>

"Allocations" includes the allocation of € 35 thousand relating to the supplementary agents' indemnity.

With regard to provisions for risks and charges, at 31 December 2025, there are no certain or probable risks of loss requiring any allocations.

## 9. FINANCIAL EXPENSE

<i>(Euro thousands)</i>	Financial expense					
	31 DECEMBER 2025		31 DECEMBER 2024		Chg.	% Chg.
Interest payable on A/C	11	1.7	8	0.8	3	37.5
Interest M/L Term Loans	470	72.4	667	67.7	(197)	(29.5)
Interest from factoring	14	2.2	9	0.9	5	55.6
Interest from application of IAS/IFRS	29	4.5	32	3.2	(3)	(9.4)
Other interest expense	0	0.0	2	0.2	(2)	(100.0)
<b>Total interest expense</b>	<b>524</b>	<b>80.7</b>	<b>718</b>	<b>72.9</b>	<b>(194)</b>	<b>(27.0)</b>
Expense from investments	125	19.3	266	27.0	(141)	(53.0)
Currency losses	0	0.0	1	0.1	(1)	(100.0)
<b>Total financial expense</b>	<b>649</b>	<b>100.0</b>	<b>985</b>	<b>100.0</b>	<b>(336)</b>	<b>(34.1)</b>

In 2025, the decrease in interest expense resulted from the downward trend in interest rates, enabling the Company to reduce it by € 197 thousand.

The change in expense from investments is due to the adjustment of the value of the investment in NDT energy S.r.l. based on the equity method totaling € 53 thousand, and in NDT Changzhou of € 72 thousand.

## 10. FINANCIAL INCOME

<i>(Euro thousands)</i>	Financial income					
	31 DECEMBER 2025		31 DECEMBER 2024		Chg.	% Chg.
Income from investments	6,710	98.5	3,887	88.9	2,823	72.6
Interest income	53	0.8	299	6.8	(246)	(82.3)
Other income	47	0.7	184	4.2	(137)	(74.5)
<b>Total financial income</b>	<b>6,810</b>	<b>100.0</b>	<b>4,370</b>	<b>100.0</b>	<b>2,440</b>	<b>55.8</b>

The change in income from investments is due to the adjustment of the value of the investment in Cartiere di Guarcino S.p.A. based on the equity method totaling € 6,624 thousand.

"Interest income" consists of € 35 thousand of interest paid by subsidiaries to the Parent Company for loans granted to them. At 31 December 2025, all loans to subsidiaries were repaid.

Other income includes € 47 thousand from the positive effects of derivatives.

## 11. INCOME TAX

<i>(Euro thousands)</i>	Income tax			
	31 DECEMBER 2025	%	31 DECEMBER 2024	%
Profit (loss) before tax	7,409		4,124	
Net IRES taxable amount	297		(8)	
Net IRAP taxable amount	2.260		2,262	
IRES for the year	71	0.96%	0	0.00%
Income from tax consolidation	(32)	(0.43%)	(1)	(0.02%)
<b>IRES net of income from tax consolidation</b>	<b>39</b>	<b>0.53%</b>	<b>(1)</b>	<b>(0.02%)</b>
IRAP for the year	108		91	
Deferred tax assets	(84)		(68)	
Deferred tax	(14)		(13)	
Income tax relating to prior years and benefits	0		4	
<b>Income tax</b>	<b>49</b>		<b>13</b>	

Income tax for the period under review is accounted for in accordance with current tax laws.

Income from tax consolidation - as well as the resulting receivables and payables - refer to the National and World Tax Consolidation agreement concluded by the group companies with the parent company Finanziaria Valentini S.p.A..

With regard to the impact of direct tax on profit for the year, the tax rate is zero, in line with the prior year.

## Assets

### 12. INTANGIBLE ASSETS

(Euro thousands)	Balance at 31 DECEMBER 2024	Intangible fixed assets					Balance at 31 DECEMBER 2025
		Acquisitions	Disposals	Amortization	Write-back/ Write-downs	Other changes	
Other intangible fixed assets	906	281	0	(540)	0	1,187	1,834
Fixed assets under construction and advances	1,187	133	0	0	0	(1,187)	133
<b>Total intangible fixed assets</b>	<b>2,093</b>	<b>414</b>	<b>0</b>	<b>(540)</b>	<b>0</b>	<b>0</b>	<b>1,967</b>

Increases during the year relating to "other intangible fixed assets" are attributable mainly to the commissioning, in addition to upgrades to existing IT/management systems and the implementation of the new ERP currently underway, commissioned on 1 January 2025, the "go-live" date, resulting in a decrease in fixed assets under development. "Other intangible fixed assets" also includes the allocation of the higher value paid for the acquisition of the LOMA S.r.l. business unit in 2024, amortized over 7 years, with a residual value of € 598 thousand at 31 December 2025.

### 13. TANGIBLE ASSETS

Tangible assets at 31 December 2025 amounted to € 31,814 thousand versus € 32,339 thousand at 31 December 2024. The breakdown and changes versus the prior year are shown below.

Mention should be made that the table also shows the rights of use arising from existing lease contracts under IFRS 16.

(Euro thousands)	Tangible fixed assets					
	Historical cost* 31 DECEMBER 2024	Depreciation provision 31 DECEMBER 2024	NBV at 31 DECEMBER 2024	Historical cost* 31 DECEMBER 2025	Depreciation provision 31 DECEMBER 2025	NBV at 31 DECEMBER 2025
Land	4,080	0	4,080	4,080	0	4,080
Buildings	16,834	(5,159)	11,675	16,851	(5,524)	11,327
Plant and equipment	56,237	(44,126)	14,495	59,957	(45,986)	13,971
Equipment	14,874	(13,765)	1,109	15,571	(14,294)	1,277
Other	4,664	(3,684)	980	4,769	(4,004)	765
Fixed assets under construction and advances	2,384	0	0	394	0	394
<b>Total tangible fixed assets</b>	<b>99,073</b>	<b>(66,734)</b>	<b>32,339</b>	<b>101,622</b>	<b>(69,808)</b>	<b>31,814</b>

\* Historical cost amounts include write-back totaling € 9,980 thousand.

Below is a breakdown of assets under construction by category.

Tangible fixed assets under construction and advances				
(Euro thousands)	Amount at 31 DECEMBER 2025	Amount at 31 DECEMBER 2024	Chg.	% Chg.
Plant and equipment	394	2,384	(1,990)	(83.47)
<b>Total tangible fixed assets under construction and advances Total tangible fixed assets under construction and advances</b>	<b>394</b>	<b>2,384</b>	<b>(1,990)</b>	<b>(83.47)</b>

Fixed assets under construction at 31 December 2025 include advances for new assets in the process of acquisition, the purchase or installation of which will be completed during 2026.

Changes in assets and the related provision are shown below, including both assets under construction allocated to the pertaining categories and rights of use.

(Euro thousands)	Historical cost 31 DECEMBER 2024	Tangible fixed assets				Historical cost 31 DECEMBER 2025
		Write-back/ Write-down (prior years)	Acquisitions	Divestments	Other changes	
Land	400	3,680	0	0	0	4,080
Buildings	10,566	6,268	17	0	0	16,851
Plant and equipment	56,206	31	1,358	(15)	2,377	59,957
Equipment	14,874	0	697	0	0	15,571
Other	4,663	1	189	(84)	0	4,769
Fixed assets under construction and advances	2,384	0	387	0	(2,377)	394
<b>Total historical cost</b>	<b>89,093</b>	<b>9,980</b>	<b>2,648</b>	<b>(99)</b>	<b>0</b>	<b>101,622</b>

(Euro thousands)	Depreciation provision 31 DECEMBER 2024	Write-back/ Write-down (prior years)	Acquisitions	Divestments	Other changes	Depreciation provision 31 DECEMBER 2025
Buildings	(5,159)	0	(365)	0	0	(5,524)
Plant and equipment	(44,126)	0	(1,869)	9	0	(45,986)
Equipment	(13,765)	0	(529)	0	0	(14,294)
Other	(3,683)	0	(405)	84	0	(4,004)
<b>Total accumulated depreciation</b>	<b>(66,734)</b>	<b>0</b>	<b>(3,168)</b>	<b>93</b>	<b>0</b>	<b>(69,808)</b>

Acquisitions, amounting to € 2,648 thousand, bear witness to the constant process of organic growth made by new plants and improvement and efficiency of the existing ones; all plants are continuing their 4.0 process management actions and, where connected, relating 5.0-wise energy savings, which will further strengthen the production process with active control of critical variables and plant upgrading.

Plant and machinery expenditure for 2025 comprised enhancements and upgrades to existing facilities, including belt rechroming, construction of the new A.P. compressor room, and targeted work in the lamination department, such as revamping the impregnation line, as well as replacing certain boilers. Lastly, equipment includes the purchase and engraving of printing cylinders.

Disposals totaling € 99 thousand, almost fully depreciated, related to certain cars and to the disposal of "no longer in use" cylinder engravings (subsequently re-engraved).

Below are details of the allocation of the rights of use within the classes of tangible fixed assets recorded on the basis of IFRS 16.

(Euro thousands)	Rights of Use		
	Historical cost 31 DECEMBER 2025	Depreciation provision 31 DECEMBER 2025	NBV at 31 DECEMBER 2025
Buildings	67	(59)	8
Other	395	(228)	167
<b>Total Rights of Use</b>	<b>462</b>	<b>(287)</b>	<b>175</b>

The changes are shown below.

(Euro thousands)	Historical cost 31 DECEMBER 2024	Rights of Use				Historical cost 31 DECEMBER 2025
		Write-back/ Write-down (prior years)	Acquisitions	Disposals	Other changes	
Buildings	67	0	0	0	0	67
Other	368	0	27	0	0	395
<b>Total Rights of Use</b>	<b>435</b>	<b>0</b>	<b>27</b>	<b>0</b>	<b>0</b>	<b>462</b>

(Euro thousands)	Depreciation provision 31 DECEMBER 2024	Write-back/ Write-down (prior years)	Acquisitions	Disposals	Other changes	Depreciation provision 31 DECEMBER 2025
Other	(146)	0	(81)	0	0	(228)
<b>Total provision for depreciation of rights of use</b>	<b>(189)</b>	<b>0</b>	<b>(98)</b>	<b>0</b>	<b>0</b>	<b>(287)</b>

The residual rights of use at 31 December 2025 refer to a building used by an employee, in addition to the share of certain company rental cars.

Below are details of the properties and tangible assets on which mortgages are held:

- in favour of Banco BPM S.p.A., a mortgage of € 24,000 thousand on the loan taken out on 26 May 2017; a mortgage encumbering on the industrial property complex owned by the Issuer located in Filago (BG), Via Provinciale 2.

#### 14. INVESTMENTS

At 31 December 2025, the main changes in investments are detailed below and summarized in the table:

- the investment relating to the subsidiary Cartiere di Guarcino S.p.A. stood at € 51,131 thousand, increasing by € 6,624 thousand, attributable mainly to the write-back effect linked to the result for the year after dividends of € 2,130 thousand were distributed to the parent company;
- the investment in NDT energy S.r.l. amounted to € 108 thousand, equal to the fully subscribed and paid-up share capital plus the € 150 thousand payment to cover future losses, of which € 50 thousand paid during 2025, net of the result for the year and prior years;
- the investment in Changzhou NDT new material technology company Ltd, on the other hand, which is zeroed out having negative equity, a special risk provision was set aside to cover it;
- on 28 November 2025, Neodecortech S.p.A. acquired 100% of the capital of Lamitex S.r.l., an Italian-law company operating since 2001, for € 8,380 thousand; the amount was recognized under investments at that value and written back following the equity-method measurement for the period.

NDT Investments	Amount at 01 JANUARY 2025	Acquisitions 2025	Other changes	Write-backs/ Write-downs 2025	Amount at 31 DECEMBER 2025
Cartiere di Guarcino S.p.A.	46,616	0	(2,109)	6,624	51,131
Lamitex S.r.l.	0	8,380	0	86	8,466
NDT Energy S.r.l.	111	0	50	(53)	108
Intellimech Consortium	0	1	0	0	1
<b>Total</b>	<b>46,727</b>	<b>8,381</b>	<b>(2,059)</b>	<b>6,657</b>	<b>59,706</b>

## 15. OTHER NON-CURRENT ASSETS

At 31 December 2025, other non-current assets stood at € 34 thousand (€ 337 thousand at 31 December 2024) and consisted of 4.0 tax receivables offsettable beyond 12 months and security deposits.

## 16. CURRENT AND NON-CURRENT FINANCIAL RECEIVABLES

Current and non-current Financial Receivables						
(Euro thousands)	31 DECEMBER 2025		31 DECEMBER 2024		Chg.	% Chg.
		%		%		
Derivative instruments	24	46.2	67	1.6	(43)	(64.2)
<b>Total non-current financial receivables</b>	<b>24</b>	<b>46.2</b>	<b>67</b>	<b>1.6</b>	<b>(43)</b>	<b>(64.2)</b>
From the subsidiary Cartiere di Guarcino S.p.A.	28	53.8	4,217	98.4	(4,189)	(99.3)
<b>Total current financial receivables</b>	<b>28</b>	<b>53.8</b>	<b>4,217</b>	<b>98.4</b>	<b>(4,189)</b>	<b>(99.3)</b>
<b>Total current and non-current financial receivables</b>	<b>52</b>	<b>100.0</b>	<b>4,284</b>	<b>100.0</b>	<b>(4,232)</b>	<b>(98.8)</b>

"Non-current financial receivables" at 31 December 2025 decreased by € 43 thousand due mainly to the reduction in the receivable arising from recognition of the positive fair value of the IRS derivative.

"Current financial receivables" decreased by € 4,189 thousand due mainly to the reduction to zero of the current account with subsidiary Cartiere di Guarcino S.p.A., which amounted to € 3,310 thousand, and the loan to the subsidiary, which amounted to € 907 thousand. The last installment of the loan to subsidiary Cartiere di Guarcino S.p.A. fell due in July 2025.

## 17. DEFERRED TAX ASSETS AND LIABILITIES

(Euro thousands)	Deferred tax assets and liabilities					
	31 DECEMBER 2025	Change recognized in Income Statement	OCI and other changes	31 DECEMBER 2024	Chg.	% Chg.
Directors' fees approved and not paid	165	67	0	98	67	68.4%
Allocations to provisions for write-downs and risks	46	(5)	0	51	(5)	(9.8%)
Allocation to the provision for inventory obsolescence	130	10	0	120	10	8.3%
Tax recovery on adjustment of plant and machinery depreciation	185	(8)	0	193	(8)	(4.1%)
Other	79	20	0	58	20	34.5%
<b>Deferred tax assets</b>	<b>605</b>	<b>84</b>	<b>0</b>	<b>520</b>	<b>84</b>	<b>16.2%</b>
Deferred tax on statutory revaluations	2,309	(13)	0	2,322	(13)	(0.6%)
Deferred tax on employee benefits	8	(1)	1	8	-	0.0%
Deferred tax on derivatives	6	0	(10)	16	(10)	(62.5%)
<b>Deferred tax liabilities</b>	<b>2,323</b>	<b>(14)</b>	<b>(9)</b>	<b>2,346</b>	<b>(23)</b>	<b>(1.0%)</b>

Management has recognized deferred tax assets up to the value which it considers their recovery likely for. In determining the items, budget results and forecasts for subsequent years were taken into account. Deferred tax assets of € 605 thousand are attributable mainly to temporary differences between the amounts assigned for financial statement and tax purposes. At 31 December 2025, deferred tax of € 2,323 thousand was recorded for temporary differences between the statutory value and the fiscal value emerging from the statutory revaluations made at the time on the properties owned.

## 18. INVENTORY FOR RAW MATERIALS AND FINISHED PRODUCTS

(Euro thousands)	Inventory					
	31 DECEMBER 2025	%	31 DECEMBER 2024	%	Chg.	% Chg.
Raw and ancillary materials and consumables	6,761	61.8	6,086	64.4	675	11.1
Work in progress	678	6.2	172	1.8	506	294.2
Finished products	4,044	37.0	3,698	39.1	346	9.4
Provision for inventory obsolescence	(543)	(5.0)	(501)	(5.3)	(42)	8.4
<b>Total inventory</b>	<b>10,940</b>	<b>100.0</b>	<b>9,455</b>	<b>100.0</b>	<b>1,485</b>	<b>15.7</b>

Inventory for raw materials refers mainly to resins, inks, paper and impregnation material, and was up slightly versus the prior year to meet expected production in first quarter 2026. The increase in work-in-progress and finished goods is attributable to certain production delays near year-end, as well as some postponed sales in early 2026.

Changes in the provision for inventory obsolescence for 2025, which was set aside to alleviate the risk associated with the slow turnover of certain specific products, are shown below.

Provision for inventory obsolescence					
(Euro thousands)	31 DECEMBER 2024	Allocations	Utilization	Release	31 DECEMBER 2025
Changes in provision for inventory obsolescence	501	42	0	0	543
<b>Total provision for inventory obsolescence</b>	<b>501</b>	<b>42</b>	<b>0</b>	<b>0</b>	<b>543</b>

## 19. TRADE RECEIVABLES

Trade receivables						
(Euro thousands)	31 DECEMBER 2025	%	31 DECEMBER 2024	%	Chg.	% Chg.
Trade receivables	9,355	103.5	12,054	102.9	(2,699)	(22.4)
Provision for doubtful accounts	(314)	(3.5)	(337)	(2.9)	23	(6.8)
<b>Total trade receivables</b>	<b>9,041</b>	<b>100.0</b>	<b>11,717</b>	<b>100.0</b>	<b>(2,676)</b>	<b>(22.8)</b>

As far as trade receivables are concerned, in 2025, as in prior years, the company made occasional resort to the assignment without recourse to a factoring company.

Changes in the provision for doubtful accounts are shown below:

Provision for doubtful accounts					
(Euro thousands)	31 DECEMBER 2024	Allocations	Utilization	Release	31 DECEMBER 2025
Changes in Provision for Doubtful Accounts	337	0	0	(23)	314
<b>Total provision for doubtful accounts</b>	<b>337</b>	<b>0</b>	<b>0</b>	<b>(23)</b>	<b>314</b>

The provision for doubtful accounts was determined in accordance with IFRS 9 and recorded a decrease of € 23 thousand.

## 20. TAX RECEIVABLES

Tax receivables						
(Euro thousands)	31 DECEMBER 2025	%	31 DECEMBER 2024	%	Chg.	% Chg.
IVA	347	51.5	0	0.0	347	0.0
IRAP	0	0.0	26	4.9	(26)	(100.0)
Other tax receivables	327	48.5	504	95.1	(177)	(35.1)
<b>Total tax receivables</b>	<b>674</b>	<b>100.0</b>	<b>530</b>	<b>100.0</b>	<b>144</b>	<b>27.2</b>

Other tax receivables refer to accrued tax receivables for the purchase of simple new assets and industry 4.0, used to offset against tax liabilities in the following year.

At 31 December 2025, the Company had a VAT receivable of € 347 thousand to be used as an offset in 2026.

## 21. OTHER CURRENT RECEIVABLES

Other current receivables						
<i>(Euro thousands)</i>	31 DECEMBER 2025	%	31 DECEMBER 2024	%	Chg.	% Chg.
Advances to suppliers	36	3.8	41	9.5	(5)	(12.2)
Accrued income and deferred expense	310	32.5	185	43.0	125	67.6
Other	609	63.8	204	47.4	405	>100.0
<b>Total current receivables</b>	<b>955</b>	<b>100.0</b>	<b>430</b>	<b>100.0</b>	<b>525</b>	<b>122.1</b>

The increase in other receivables is attributable mainly to recognition of the operating grant of € 397 thousand for the innovation and digitization project, 90% of which was collected in January 2026. The item also includes receivables from Inail and Fondimpresa, as well as receivables from INPS pending reimbursement. "Advances to suppliers" is attributable mainly to advances made for activities and/or goods relating to 2026.

Deferred expense relates mainly to the portion of tax receivables simple goods 4.0 and 5.0 charged to the income statement consistently with the useful life of the asset for which it was received.

## 22. CASH FUNDS

Cash funds						
<i>(Euro thousands)</i>	31 DECEMBER 2025	%	31 DECEMBER 2024	%	Chg.	% Chg.
Bank and post office deposits	6,456	99.8	1,622	99.6	4,834	>100.0
Cash and valuables on hand	11	0.2	7	0.4	4	57.1
<b>Total cash funds</b>	<b>6,467</b>	<b>100.0</b>	<b>1,629</b>	<b>100.0</b>	<b>4,838</b>	<b>&gt;100.0</b>

This item consists of cash and bank current account deposits. There are no restraints or restrictions on cash funds. Current accounts and postal deposits are classified as current assets, highly liquid and convertible into cash, foreign currency cash has an exchange rate risk that is considered not material.

See the Statement of Cash Flows for an analysis of changes in cash funds.

## Liabilities

## 23. PROVISIONS FOR RISKS AND CHARGES

Provision for risks and charges						
<i>(Euro thousands)</i>	31 DECEMBER 2025	%	31 DECEMBER 2024	%	Chg.	% Chg.
Provision for supplementary agents' indemnity	245	66.2	209	70.6	36	17.2
Embedded derivatives	0	0.0	1	0.3	(1)	(100.0)
Provision of NDT China investment	125	33.8	86	29.1	39	45.3
<b>Total provisions for risks and charges</b>	<b>370</b>	<b>100.0</b>	<b>296</b>	<b>100.0</b>	<b>74</b>	<b>25.0</b>

Changes in the supplementary agents' indemnity are shown below:

<i>(Euro thousands)</i>	Provision for supplementary agents' indemnity				31 DECEMBER 2025
	31 DECEMBER 2024	Allocations	Utilization	Release	
Movement of provision for supplementary agents' indemnity	209	35	0	0	244
<b>Total Provision for supplementary agents' indemnity</b>	<b>209</b>	<b>35</b>	<b>0</b>	<b>0</b>	<b>244</b>

The provision for supplementary agents' indemnity was set aside to cover specific risks from potential interruptions to agency contracts.

The allowance for impairment of investments of € 125 thousand represents the negative equity share of the subsidiary Changzhou NDT new material technology company Ltd.

#### 24. POST-EMPLOYMENT BENEFITS

<i>(Euro thousands)</i>	Post-employment benefits					31 DECEMBER 2025
	31 DECEMBER 2024	Allocations	Transfer	Utilization	Discounting	
Provision for post-employment benefits	729	15	(178)	0	0	566
Actuarial valuation of post-employment benefits (IAS 19)	(36)	0	0	0	2	(34)
<b>Total post-employment benefits</b>	<b>693</b>	<b>15</b>	<b>(178)</b>	<b>0</b>	<b>2</b>	<b>532</b>

The balance refers to the employee severance indemnity of Neodecortech S.p.A.. This liability qualifies as a defined benefit plan in accordance with IAS 19 and was therefore subject to actuarial calculation by an independent expert.

The defined benefit plan was updated to reflect its market value at 31 December 2025.

With regard to the discounting back of the Employee Severance Indemnity, the relevant actuarial model is based on various demographic and economic assumptions. For some of the assumptions used, where possible, explicit reference was made to the direct experience of the Company, for others best practice was taken into account. The technical and economic bases used are shown below.

Below are the technical economic bases.

	31 DECEMBER 2025
Annual discount rate	3.37%
Annual inflation rate	2.00%
Annual rate of increase in severance termination	3.00%
Annual rate of salary increase	1.00%

The table below shows the technical demographic basis.

Death	ISTAT 2022
Disability	INPS tables by age and gender
Retirement	100% upon meeting AGO requirements

Lastly, the annual turnover frequencies and severance indemnity advances.

	31 DECEMBER 2025
Advances Frequency	3.00%
Turnover Frequency	1.00%

## 25. CURRENT AND NON-CURRENT FINANCIAL LIABILITIES

Current and non-current financial liabilities						
(Euro thousands)	31 DECEMBER 2025	%	31 DECEMBER 2024	%	Chg.	% Chg.
Unsecured loans	8,525	46.3	4,419	33.8	4,106	92.9
Mortgage loans	726	3.9	2,155	16.5	(1,429)	(66.3)
Non-current lease payables	99	0.5	159	1.2	(60)	(37.7)
Other financial payables over	450	2.4	600	4.6	(150)	(25.0)
<b>Total non-current financial liabilities</b>	<b>9,800</b>	<b>53.3</b>	<b>7,333</b>	<b>56.2</b>	<b>2,467</b>	<b>33.6</b>
Payables to banks A/C	0	0.0	1,464	11.2	(1,464)	(100.0)
Current portion of unsecured loans	2,892	15.7	2,723	20.9	169	6.2
Current portion of mortgage loans	1,429	7.8	1,398	10.7	31	2.2
Accrued interest expense	48	0.3	47	0.4	1	2.1
Current lease payables	79	0.4	90	0.7	(11)	(12.2)
Payables to other lenders	4,150	22.6	0	0.0	4,150	0
<b>Total current financial liabilities</b>	<b>8,598</b>	<b>46.7</b>	<b>5,722</b>	<b>43.8</b>	<b>2,876</b>	<b>50.3</b>
<b>Total financial liabilities</b>	<b>18,398</b>	<b>100.0</b>	<b>13,055</b>	<b>100.0</b>	<b>5,343</b>	<b>40.9</b>

"Lease payables" includes the financial liabilities from the rights of use shown in the table below.

(Euro thousands)	Balance at 01 JANUARY 2025	Payments	Other changes	Balance at 31 DECEMBER 2025
Buildings	27	(5)	(13)	9
Other	222	(21)	(32)	169
<b>Total</b>	<b>249</b>	<b>(26)</b>	<b>(45)</b>	<b>178</b>

The change in the period is attributable mainly to:

- recognition under payables to other lenders of the payable to former shareholders of Lamitex S.r.l., totaling € 4,000 million, payable in May 2026 for € 2 million and in November 2026 for the remainder;
- the signing, on 2 July 2025, of a new loan agreement with Banca Popolare di Sondrio for a total of € 7 million, for 84 months (12-month grace period), guaranteed by SACE Convenzione GROWTH and intended to fund the investments set out in the Business Plan;
- repayment of due installments on outstanding loans.

With regard to unsecured and mortgage loans, below are the details of Neodecortech S.p.A.'s loans.

- Original BPM mortgage loan of € 12,000 thousand, with a residual balance of € 2,155 thousand at 31 December 2025 divided into current and non-current portions;

Unsecured loans:

- BPM S.p.A. € 2,500 thousand, for 72 months (quarterly installments) and a residual balance at 31 December 2025 of € 326 thousand divided into current and non-current portions - loan granted against closure of the short-term BPM loan of € 2,000 thousand granted in April 2020 - 80% FGPMI guarantee;
- BPM S.p.A. € 2,500 thousand, for 72 months (quarterly installments) and a residual balance at 31 December 2025 of € 329 thousand divided into current and non-current portions - 90% FGPMI guarantee;
- BANCA POPOLARE DI SONDRIO € 5,000 thousand, for 60 months (monthly installments) and a residual balance at 31 December 2025 of € 2,902 thousand divided into current and non-current portions;
- BPER € 2,000 thousand, for 36 months (quarterly installments) and a residual balance at 31 December 2025 of € 860 thousand divided into current and non-current portions;
- SIMEST - facility measure "Support for Italian exporting companies sourcing from Ukraine and/or Russia and/or Belarus" of € 600 thousand, for 72 months (six-month installments), with a residual balance of € 600 thousand at 31 December 2025 (portion classified as low-interest loan);
- BANCA POPOLARE DI SONDRIO € 7,000 thousand guaranteed by SACE Convenzione GROWTH, for 84 months (quarterly installments) and a residual balance at 31 December 2025 of € 7,000 thousand divided into current and non-current portions..

The nominal value of unsecured and mortgage loans amounted to € 12,247 thousand, with an adjustment from the measurement at amortized cost equal to € -74 thousand.

With regard to unsecured and mortgage loans, the table below shows the maturity bands:

(Euro thousands)	31 DECEMBER 2025		31 DECEMBER 2024	
		%		%
Due within 1 year	4,321	31.8	4,121	38.5
Due within 5 years	8,376	61.7	6,574	61.5
Due beyond 5 years	875	6.4	0	0.0
<b>Total</b>	<b>13,572</b>	<b>100.0</b>	<b>10,695</b>	<b>100.0</b>

The loans taken out by Neodecortech S.p.A. do not require compliance with specific financial parameters (covenants).

The Company hedged the interest rate risk on the BPM mortgage loan by subscribing an interest rate swap (IRS). The fair value of this instrument, reclassified under "Non-current financial receivables" at 31 December 2025 came to a positive € 24 thousand (positive € 67 thousand at 31 December 2024).

From 1 January 2025 to 31 December 2025, interest rate movements had no material impact on the fair value of the Company's loans.

## 26. TRADE PAYABLES

Trade payables at 31 December 2025 amounted to € 6,832 thousand (€ 7,264 thousand at 31 December 2024). The decrease, totaling € 432 thousand, reflects the business volume trend in the last quarter of 2025; for details on the business performance, reference is made to the Directors' Report on Operations. Additionally, the Company did not request or obtain any extension or deferment of payments with its suppliers.

There are no trade payables due beyond 12 months.

The Directors believe that the book value of trade payables approximates their fair value.

## 27. RECEIVABLE AND PAYABLE FROM TAX CONSOLIDATION

At 31 December 2025, payable from tax consolidation amounted to € 36 thousand (receivable of € 13 thousand at 31 December 2024). This item referred to the IRES receivable/payable ratio claimed by Neodecortech S.p.A. from Finanziaria Valentini S.p.A.. For further details, reference should be made to the section "Income tax" of the Notes to the financial statements.

## 28. TAX PAYABLES

<i>(Euro thousands)</i>	Tax payables					
	31 DECEMBER 2025		31 DECEMBER 2024		Chg.	% Chg.
IVA	0	0.0	192	29.8	(192)	(100.0)
IRAP	18	4.7	0	0.0	18	0
Withholdings a/c	369	95.3	418	64.8	(49)	(11.7)
Other tax payables	0	0.0	35	5.4	(35)	(100.0)
<b>Total tax payables</b>	<b>387</b>	<b>100.0</b>	<b>645</b>	<b>100.0</b>	<b>(258)</b>	<b>(40.0)</b>

## 29. OTHER CURRENT PAYABLES

<i>(Euro thousands)</i>	Other current payables					
	31 DECEMBER 2025		31 DECEMBER 2024		Chg.	% Chg.
Payables to social security institutions	1,165	18.0	994	20.1	171	17.2
Payables to employees	1,323	20.4	1,077	21.7	246	22.8
Advances received from customers	917	14.1	522	10.5	395	75.7
Accrued expense and deferred income	2,344	36.2	1,828	36.9	516	28.2
Other	734	11.3	534	10.8	200	37.5
<b>Total other current payables</b>	<b>6,483</b>	<b>100.0</b>	<b>4,955</b>	<b>100.0</b>	<b>1,528</b>	<b>30.8</b>

The increase in payables to social security institutions and employees relates to accrued and unused vacation and leave entitlements, in addition to bonus allocations. The increase in advances relates to certain projects under development with customers, while the change in accruals relates to the allocations of extraordinary revenue accruals linked to the 5.0 investment tax receivable, attributable to the useful life of the subsidized asset.

"Other" is due mainly to the variable fees to directors.

## 30. EQUITY

### Capital increases

There were no share capital increases in 2025.

### Share Capital

At 31 December 2025, the share capital of Neodecortech S.p.A. amounted to € 18,804,209.37 and is divided into no. 14,218,021 ordinary shares with no par value.

### Dividend payout

The shareholders' meeting of 29 April 2025 of the Parent Company Neodecortech S.p.A. approved the Financial Statements at 31 December 2024 and resolved to distribute a unit dividend - also taking into account the dividend related to the company's treasury shares - of 15 Euro cents for each ordinary share entitled to receive it, specifying that any change in the number of treasury shares held by the company at the time of distribution would not affect the unit dividend as determined above, but would instead increase or decrease the amount allocated to the extraordinary reserve.

On 21 May 2025, Neodecortech S.p.A. paid out dividends of € 2,038,353.15 (net of the portion related to treasury shares held at the time of distribution).

### Details and changes in equity reserves

(Euro thousands)	31 DECEMBER 2024	Allocation of profit (loss)		Other changes			Profit (loss) for the years	31 DECEMBER 2025
		Dividend distribution	Other allo- cations	Increase	Decreases	Reclassifi- cation		
Share Capital	18,804	-	-	-	-	-	-	18,804
Legal reserve	2,785	-	206	-	-	-	-	2,991
Share premium reserve	18,864	-	-	324	-	-	-	19,188
Extraordinary reserve	7,939	(2,038)	18	-	-	-	-	5,919
Equity revaluation reserve	16,354	-	3,887	22	-	-	-	20,263
Revaluation reserves	6,152	-	-	-	-	-	-	6,152
Hedging reserve	51	-	-	-	(33)	-	-	18
Retained earnings/(losses carried forward)	8,761	-	-	-	-	-	-	8,761
OCI reserve	(11)	-	-	1	-	-	-	(10)
FTA reserve	(1,303)	-	-	-	-	-	-	(1,303)
Treasury shares reserve	(1,688)	-	-	(541)	981	-	-	(1,248)
Profit/(loss) for the year	4,111	-	(4,111)	-	-	-	7,360	7,360
rounding	(1)	-	-	-	-	-	-	(1)
<b>Company equity</b>	<b>80,818</b>	<b>(2,038)</b>	<b>-</b>	<b>(194)</b>	<b>948</b>	<b>-</b>	<b>7,360</b>	<b>86,894</b>

## Distributability of equity reserves

Description (Euro thousands)	Distributability of equity reserves			
	Amount 31 DECEMBER 2025	Origin/Nature	Eligibility for use	Available Portion
Sh. Cap. In Shares	18,804	Share capital		0
Prov. Sh. Prem. Reserve	19,188	Share capital	A;B;C	18,417
Treasury Shares Reserve	(1,248)	Share capital		0
Legal Reserve	2,991	Profit	B	2,991
Extraordinary Reserve	5,919	Profit	A;B;C	5,919
Revaluation Reserves	26,415	Profit	A;B	6,152
Oci Reserve	(10)	Profit	B	0
Reserve Hedg. Estim. Cash Flows	18	Profit	B	0
IAS Reserves	(1,303)	Profit	B	0
Retained Earnings	8,761	Profit	A;B;C	8,761
<b>Total</b>	<b>79,535</b>			<b>42,240</b>
<b>Distributable portion</b>				<b>30,556</b>

## Treasury shares

At 31 December 2025, the Company holds no. 399,753 treasury shares for a value of € 1,247,526. A total of 187,000 shares were purchased in 2025, 125,000 were sold, and 189,247 were sold as partial consideration for the purchase price of Lamitex S.r.l.

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.

## Earnings per share

Basic earnings per share are calculated by dividing the profit or loss for the year by the weighted average number of ordinary shares outstanding during the year. Therefore, treasury shares held by the Company are excluded from the denominator.

	31 DECEMBER 2025	31 DECEMBER 2024
<i>Earnings per share</i>		
Net profit attributable to the shareholders (Euro thousands)	7,360	4,111
Weighted average number of shares outstanding (n./000)	13,611	13,796
<b>Basic earnings per share</b>	<b>0.54</b>	<b>0.30</b>
<i>Diluted earnings per share</i>		
Net profit attributable to the shareholders (Euro thousands)	7,360	4,111
Weighted average number of shares outstanding (n./000)	13,611	13,796
Weighted average number of shares outstanding adjusted for dilution effect (n./000)	13,611	13,796
<b>Diluted earnings per share (*)</b>	<b>0.54</b>	<b>0.30</b>

\* The Company has no potentially dilutive financial instruments and therefore the two indicators match.

### 31. COMMENTS ON THE MAIN ITEMS OF THE STATEMENT OF CASH FLOWS

In 2025, cash generation amounted to € 4,838 thousand (versus a decrease in cash of € 4,595 thousand in the prior year), leading to cash funds of € 6,467 thousand.

Starting from a profit before tax, interest, dividends, amortization and depreciation, provisions, gains/losses on disposals and other non-cash changes of € +5,037 thousand, the changes in cash flows are related mainly to the events below.

The situation associated with sales trends, business performance and certain sales slippages in 2026 described in the Directors' Report on Operations led to a decrease in customer receivables and an increase in inventory, partly offset by a decrease in payables to suppliers and other receivables, generating NWC cash of € 1,279 thousand.

Capital expenditure in intangible fixed assets and tangible fixed assets, net of disposals, completed during the year generated cash flow from investing activities of € 3,058 thousand.

Capital expenditure in fixed assets of € 8,100 thousand includes the acquisition of Lamitex S.r.l., completed on 28 November 2025.

The repayment of loans amounted to € 4,150 thousand, against the new loan taken out with banks for € 7,000 thousand, while the net change between loan originations and intercompany repayments to subsidiaries was € 4,188 thousand. "Liabilities to other lenders" includes the outstanding payable to former shareholders for the acquisition of Lamitex S.r.l..

Monetary changes in equity include treasury share purchase/sale transactions that generated a positive net cash flow of € 440 thousand, while "other changes" includes the change arising from the dividend payment, in addition to the change in the share premium reserve resulting from the sale of treasury shares.

### 32. CONTINGENT LIABILITIES

In compliance with the provisions of IAS 34:15B, no further contingent liabilities were reported, except for those that generated allocations to "provisions for risks", described above.

### 33. RELATED PARTY TRANSACTIONS

Transactions carried out by Neodecortech S.p.A. with related parties, as identified by IAS 24, including transactions with subsidiaries and associates, are neither atypical nor unusual and fall within the ordinary course of business of the Company. These transactions were carried out on market terms. 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 December 2025 are shown. Additionally, mention should be made that the Parent Company Neodecortech S.p.A. is in turn controlled by Finanziaria Valentini S.p.A..

In accordance with the provisions of IAS 24, the following entities are considered Related Parties: (a) companies that directly or indirectly through one or more intermediate companies, control, or are controlled by, or are under common control with, the reporting entity; (b) associates; (c) natural persons who directly or indirectly have voting power in the reporting entity that gives them a dominant influence over the company and their immediate family members; (d) Key management personnel, i.e. those who have the power and responsibility for planning, directing and controlling the activities of the reporting entity, including directors and officers of the company and the immediate family members of such persons; (e) companies in which significant voting power is held, directly or indirectly, by any natural person described under c) or d) or over which such natural person can exercise significant influence. Case e) includes undertakings owned by the directors or major shareholders of the reporting entity and undertakings which have a key management personnel in common with the reporting entity.

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.

Specifically, at 31 December:

<i>(Euro thousands)</i>	Trade receivables 31 DECEMBER 2025	Financial receivables 31 DECEMBER 2025	Trade payables 31 DECEMBER 2025	Financial payables 31 DECEMBER 2025
Finanziaria Valentini S.p.A.	0	0	0	36
BonelliErede	0	0	0	0
Loma S.r.l.	101	0	0	0
Cartiere di Guarcino S.p.A.	201	27	12	0
Bio Energia Guarcino S.r.l.	0	0	0	0
Lamitex S.r.l.	32	0	13	0
Changzhou NDT new material technology company Ltd	212	0	0	0
<b>Total</b>	<b>546</b>	<b>27</b>	<b>25</b>	<b>36</b>

<i>(Euro thousands)</i>	Revenue and income 31 DECEMBER 2025	Costs and expense 31 DECEMBER 2025
Finanziaria Valentini S.p.A.	32	0
BonelliErede	0	90
Loma S.r.l.	0	147
Cartiere di Guarcino S.p.A.	708	15,016
Bio Energia Guarcino S.r.l.	77	0
Lamitex S.r.l.	19	6
Changzhou NDT new material technology company Ltd	102	0
<b>Total</b>	<b>938</b>	<b>15,253</b>

At 31 December 2025, the following remain outstanding with related parties:

- the tax consolidation agreement with Finanziaria Valentini: financial receivables, amounting to € 36 thousand, represent the receivable from tax consolidation, while income from tax consolidation amounted to € 32 thousand;
- the agreement on the supply of raw materials between the subsidiary Cartiere di Guarcino S.p.A. and the Parent Company;
- agreements for central administrative services, payment of directors' fees and costs for the implementation of the new ERP from the Parent Company to the subsidiaries Cartiere di Guarcino S.p.A., Bio Energia Guarcino S.r.l. and Changzhou NDT new material technology company Ltd;
- Trade receivables include receivables for € 101 thousand from the business agreement between Neodecortech S.p.A. and Loma S.r.l., for the distribution of products of the parent company. Loma S.r.l. became a related party following appointment of one of the Parent Company's executives as "key management personnel".
- The consulting agreement with BonelliErede.

The following table shows the fees and payables to the Company's directors, statutory auditors and key management personnel for 2025:

Subjects (Euro thousands)	Fees 31 DECEMBER 2025	Fees payable 31 DECEMBER 2025
Luigi Cologni	583	398
Massimo Giorgilli	226	291
Luca Peli	31	0
Gianluca Valentini	110	0
Adriano Carlo Bianchi	11	0
Sara Bertolini	10	0
Ida Altimare	11	0
Cinzia Morelli	35	0
Vittoria Giustiniani	31	0
Monica Girardi	22	0
Francesco Megali	26	0
Stefano Santucci	22	0
Federica Menichetti	20	0
Edda Delon	26	0
Key management personnel	595	190
<b>Total</b>	<b>1,759</b>	<b>879</b>

### 34. SEASONALITY

The Company's business performance is not significantly affected by seasonality.

### 35. INFORMATION PURSUANT TO ART. 1, PARAGRAPH 125, OF LAW NO. 124 OF 4 AUGUST 2017

With regard to the provisions of Article 1, paragraph 125, of Law 124/2017, regarding the obligation to provide evidence in the notes to the financial statements of any amounts of money received during the year by way of grants, contributions, paid assignments and in any case economic advantages of any kind from public administrations and from the persons referred to in paragraph 125 of the same article, mention should be made, for the situation updated at 31 December 2025, of the following.

Paying entity	Amount collected/ taken	Collection/availability date	Description of reason
I.N.P.S.	1,467.20	16/01/2025	Eson.ass/trasf.a1 c10 L.178/20
I.N.P.S.	1,000.00	16/01/2025	Eson.ass/trasf.a1 c10 L.178/20
Gestore dei Servizi energetici GSE S.p.A.	70.81	22/01/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	556.64	22/01/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	292.97	22/01/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	334.48	22/01/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	41.31	22/01/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	586.14	22/01/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	426.33	22/01/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	426.33	22/01/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	2,215.27	22/01/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	2,215.27	22/01/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	2,215.27	22/01/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	2,215.27	22/01/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	122.98	22/01/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	2,092.29	22/01/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	1,886.90	22/01/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	1,886.90	22/01/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	-627.45	22/01/2025	Electricity production incentive
Fondimpresa	4,650.00	13/02/2025	Training plan refund
I.N.P.S.	3,500.00	16/02/2025	Eson.ass/trasf.a1 c10 L.178/20
I.N.P.S.	12,000.00	16/02/2025	Eson.ass/trasf.a1 c10 L.178/20
Gestore dei Servizi energetici GSE S.p.A.	1,886.90	17/02/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	426.33	17/02/2025	Electricity production incentive
I.N.P.S.	500.00	16/03/2025	Eson.ass/trasf.a1 c10 L.178/20
I.N.P.S.	1,000.00	16/03/2025	Eson.ass/trasf.a1 c10 L.178/20
Gestore dei Servizi energetici GSE S.p.A.	1,925.19	18/03/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	414.41	18/03/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	1,925.19	15/04/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	414.41	15/04/2025	Electricity production incentive
I.N.P.S.	500.00	16/04/2025	Eson.ass/trasf.a1 c10 L.178/20
I.N.P.S.	1,000.00	16/04/2025	Eson.ass/trasf.a1 c10 L.178/20
I.N.P.S.	500.00	16/05/2025	Eson.ass/trasf.a1 c10 L.178/20
I.N.P.S.	1,000.00	16/05/2025	Eson.ass/trasf.a1 c10 L.178/20
Gestore dei Servizi energetici GSE S.p.A.	322.01	19/05/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	1,603.18	19/05/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	414.41	29/05/2025	Electricity production incentive
I.N.P.S.	500.00	16/06/2025	Eson.ass/trasf.a1 c10 L.178/20
I.N.P.S.	1,000.00	16/06/2025	Eson.ass/trasf.a1 c10 L.178/20

Gestore dei Servizi energetici GSE S.p.A.	2,035.49	19/06/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	429.78	19/06/2025	Electricity production incentive
Fondimpresa	3,659.00	04/07/2025	Training plan refund
I.N.P.S.	500.00	16/07/2025	Eson.ass/trasf.a1 c10 L.178/20
I.N.P.S.	1,000.00	16/07/2025	Eson.ass/trasf.a1 c10 L.178/20
Gestore dei Servizi energetici GSE S.p.A.	2,035.49	17/07/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	1,160.69	17/07/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	174.61	17/07/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	429.78	17/07/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	429.78	11/08/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	2,035.49	11/08/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	11,485.73	11/08/2025	Electricity production incentive
I.N.P.S.	500.00	16/08/2025	Eson.ass/trasf.a1 c10 L.178/20
I.N.P.S.	1,000.00	16/08/2025	Eson.ass/trasf.a1 c10 L.178/20
I.N.P.S.	1,000.00	16/09/2025	Eson.ass/trasf.a1 c10 L.178/20
Gestore dei Servizi energetici GSE S.p.A.	2,104.47	17/09/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	451.48	17/09/2025	Electricity production incentive
Fondimpresa	9,250.00	06/10/2025	Training plan refund
I.N.P.S.	1,000.00	16/10/2025	Eson.ass/trasf.a1 c10 L.178/20
Gestore dei Servizi energetici GSE S.p.A.	2,104.47	20/10/2025	Electricity production incentive
Gestore dei Servizi energetici GSE S.p.A.	451.48	20/10/2025	Electricity production incentive
I.N.P.S.	1,000.00	16/11/2025	Eson.ass/trasf.a1 c10 L.178/20
Fondimpresa	10,804.50	24/11/2025	Training plan refund
I.N.P.S.	1,000.00	16/12/2025	Eson.ass/trasf.a1 c10 L.178/20

With regard to the simplification introduced by Article 3-quater, paragraph 2, of LD 135/2018, concerning economic benefits already published in the National State Aid Register, reference is made to the information published in the Register available at: [www.rna.gov.it/sites/PortaleRNA/it\\_IT/trasparenza](http://www.rna.gov.it/sites/PortaleRNA/it_IT/trasparenza).

## Other supplementary information

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### 36. GUARANTEES GIVEN

Guarantees issued in favour of the subsidiaries, Cartiere di Guarcino S.p.A. and Bio Energia Guarcino S.r.l., up to a maximum of € 26,360,000 for short-term lines of credit for mixed use and export finance, granted to the latter by BPM, BPER, Popolare di Sondrio, and Monte dei Paschi di Siena, via "umbrella" credit facilities.

On 10 November 2020, Neodecortech S.p.A. issued a Letter of Patronage to Banco di Desio e Brianza S.p.A., extended until 8 November 2024, in favour of the subsidiary Cartiere di Guarcino S.p.A. to guarantee various lines of credit up to a maximum of € 2,650,000 granted by the bank to the subsidiary.

On 19 January 2021, Banco Popolare BPM S.p.A. issued a first-demand bank guarantee, in favour of Sonae Industria de Rivestimentos SA, for € 250 thousand, expiring on 30 April 2026, to guarantee the balance relating to the purchase of the new laminating machine for the production plant in Casoli d'Atri (TE), to be paid within 5 years, based on the business agreements, residual guarantee at 31 December 2025 of € 110,875.

On 16 June 2023, Neodecortech S.p.A. issued a Letter of Patronage to ITALPREFABBRICATI S.p.A. - Industria Italiana di Prefabbricati in favour of the subsidiary NDT energy S.r.l., to guarantee the payment of sums due from the contract for the supply of prefabricated structure on site (€ 154,000).

On 28 May 2025, Neodecortech S.p.A. issued a Letter of Patronage in favour of BPER Banca S.p.A. for a total of € 1,400 thousand with regard to credit lines granted to Cartiere di Guarcino S.p.A. (083/5120260 and 421/5332599) for the investment program related to Circular Economy funding (CUP C89J25000040005).

On 25 November 2025, as part of the LAMITEX acquisition process, Neodecortech S.p.A. signed no. 4 sureties in favour of former shareholders totaling € 2 million due 28 June 2026.

### 37. EVENTS AFTER YEAR END

Reference should be made to the Directors' Report on Operations, specifically to the section "Significant events after 31 December 2025".

### 38. INFORMATION ON AGREEMENTS NOT RESULTING FROM THE STATEMENT OF FINANCIAL POSITION

Pursuant to Article 2427, point 22-ter, mention should be made that there are no agreements not shown in the statement of financial position that have significant risks or benefits and that are necessary to assess the Company's financial position, results of operations and cash flows.

### 39. INFORMATION ON ASSETS AND LOANS FOR A SPECIFIC TRANSACTION

With regard to the requirements of Articles 2447-bis to 2447-decies of the Italian Civil Code, it should be that during the year the Group allocated assets or loans for the establishment on 19 October 2022 of NDT Energy S.r.l., with registered office in Filago (BG) and operating offices in Casoli di Atri (TE). The Company has a fully paid-up capital of € 100 thousand, is 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.

#### 40. UNDERTAKINGS THAT PREPARE THE FINANCIAL STATEMENTS OF THE LARGER/SMALLER BODY OF UNDERTAKINGS THEY ARE PART OF AS SUBSIDIARIES

In accordance with Article 2427, numbers 22-quinquies and 22-sexies of the Italian Civil Code, the following table indicates the name and registered office of the undertaking preparing the consolidated financial statements, of the larger or smaller body of undertakings, of which the company is part as a consolidated company. It also indicates the place where the copy of the consolidated financial statements is available:

Larger body	
Company name	Finanziaria Valentini S.p.A.
Place	Rimini
Tax code	3842170403
Place of tax consolidation filing	Rimini

#### 41. INFORMATION ON THE FEES TO THE BOARD OF DIRECTORS, BOARD OF STATUTORY AUDITORS AND INDEPENDENT AUDITORS

In accordance with the law, the table below shows the total fees to the Directors, the Board of Statutory Auditors and the Independent Auditors.

<i>(In units of Euro)</i>	31 DECEMBER 2025	31 DECEMBER 2024
Qualification		
Directors	833,937	770,804
Board of Statutory Auditors	67,565	70,217

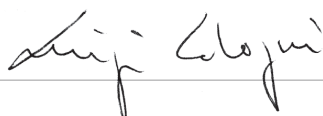
<i>(In units of Euro)</i>	31 DECEMBER 2025	31 DECEMBER 2024
Auditing services	79,881	78,546
Provision of other activities with issuance of certification	26,725	25,725
Provision of other non-auditing services	2,520	2,520

#### 42. ALLOCATION OF THE RESULT FOR THE YEAR

Shareholders, in light of the above considerations and of the information appearing in the Explanatory Notes, we invite you:

- to approve the Financial Statements for the year ended 31 December 2025 together with the Explanatory Notes and this Report thereto;
- to allocate net profit for the year, amounting to € 7,359,879.81, as follows:
  - € 367,993.99 to the legal reserve;
  - € 6,710,220.89 to the non-distributable revaluation reserve for investments recorded pursuant to Legislative Decree no. 38/05 Article 6, paragraph 1;
  - the remaining part of profit amounting to € 281,664.93 to the extraordinary reserve.
- to consider the distribution of dividends for the 14,218,021 outstanding ordinary shares totaling € 2,132,703.15, by drawing the amount from the available profit reserves and, specifically, from the Extraordinary Reserve; and therefore, the distribution of a unit dividend, also in consideration of the distribution of the dividend attributable to treasury shares, of € 0.15 for each entitled ordinary share, without prejudice to the fact that any change in the number of treasury shares in the company's portfolio at the time of distribution will not affect the distribution of the unit dividend as established above, but will increase or decrease the amount allocated to the extraordinary reserve.

Filago (BG), 13 March 2026  
For the Board of Directors  
The Chief Executive Officer

A handwritten signature in black ink, appearing to read "Luigi Cologni", written over a horizontal line.

(Luigi Cologni)



**Certification of the Group's consolidated financial statements at 31 December 2025 pursuant to Article 81-ter of CONSOB Regulation no. 11971 of 14 May 1999 as subsequently amended and supplemented**

1. The undersigned Luigi Cologni, Chief Executive Officer, and Marina Fumagalli, Financial Reporting Manager, of Neodecortech S.p.A., also in compliance with the provisions set out in Article 154-bis, paragraphs 3 and 4, of Legislative Decree no. 58 of 24 February 1998, hereby certify:

- the adequacy in relation to the Company's characteristics, also taking account of the acquisition of Lamitex S.r.l. during the year; and
- the actual application of the administrative and accounting procedures for the preparation of the consolidated financial statements for the period 1 January 2025 - 31 December 2025.

2. No major issues arose in this respect.

3. We also certify that:

3.1 the consolidated financial statements at 31 December 2025:

a) were prepared in accordance with the applicable IFRS endorsed by the European Union pursuant to (EC) Ruling no. 1606/2002 of the European Parliament and Council of 19 July 2002;

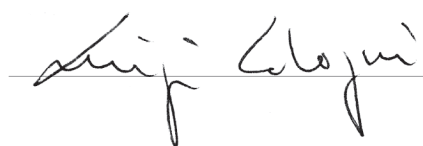
b) correspond to the accounting books and entries;

c) give a true and fair view of the financial position, results of operations and cash flows of the Issuer and of the companies included in the consolidation scope as a whole.

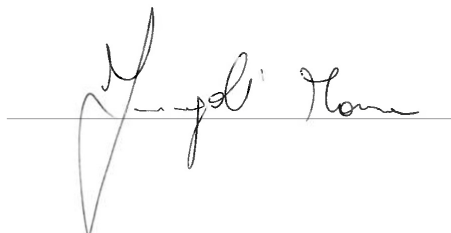
3.2 The Directors' Report on Operations includes a reliable analysis of performance and results of operations of the Issuer, and of the situation of the Issuer and of all the companies included in the consolidation scope, together with a description of the main risks and uncertainties they are exposed to.

Date: 13 March 2026

Signed Chief Executive Officer



Signed Financial Reporting Manager



**Decors and surfaces  
for sustainable living.**

Neodecortech S.p.A. – Via Provinciale 2, 24040 Filago (BG) Italy  
Tel. +39 035996111 – Fax +39 035995225 – [www.neodecortech.it](http://www.neodecortech.it)

Capitale Sociale Euro 18,804,209.37 i.v.  
C.F. e R.I. 00725270151 – P. IVA IT 02833670165 – R.E.A. 193331



**Certification of the financial statements at 31 December 2025 pursuant to Article 81-ter of CONSOB Regulation no. 11971 of 14 May 1999 as subsequently amended and supplemented**

1. The undersigned Luigi Cologni, Chief Executive Officer, and Marina Fumagalli, Financial Reporting Manager, of Neodecortech S.p.A., also in compliance with the provisions set out in Article 154-bis, paragraphs 3 and 4, of Legislative Decree no. 58 of 24 February 1998, hereby certify:

- the adequacy in relation to the Company's characteristics;
- the actual application of the administrative and accounting procedures for the preparation of the financial statements for the period 1 January 2025 - 31 December 2025.

2. No major issues arose in this respect.

3. We also certify that:

3.1 the financial statements at 31 December 2025:

a) were prepared in accordance with the applicable IFRS endorsed by the European Union pursuant to (EC) Ruling no. 1606/2002 of the European Parliament and Council of 19 July 2002;


b) correspond to the accounting books and entries;

c) give a true and fair view of the financial position, results of operations and cash flows of the Issuer and of the companies included in the consolidation scope as a whole.

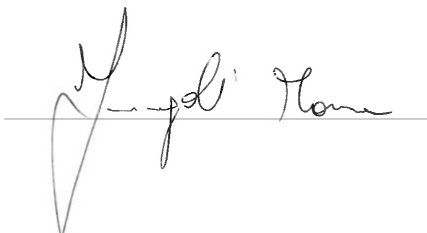
3.2 The Directors' Report on Operations includes a reliable analysis of performance and results of operations of the Issuer, and of the situation of the Issuer and of all the companies included in the consolidation scope, together with a description of the main risks and uncertainties they are exposed to.

Date: 13 March 2026

Signed Chief Executive Officer



Signed Financial Reporting Manager



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**BOARD OF STATUTORY AUDITORS' REPORT TO THE SHAREHOLDERS'  
MEETING OF NEODECORTECH S.p.A.**

*pursuant to Article 153 of Legislative Decree No. 58/1998 and Article 2429, paragraph  
two, of the Italian Civil Code*

Shareholders,

this Report, addressed to you, provides an overview of the supervisory activities carried out by the Board of Statutory Auditors (hereinafter "Board") in 2025. It was prepared in accordance with Article 153 of Legislative Decree No. 58 of 24 February 1998 (hereinafter "TUF"), Article 2429, paragraph two, of the Italian Civil Code, and the recommendations provided by CO.N.SO.B. (hereinafter "CONSOB") in Communication No. DEM/1025564 of 6 April 2001, as subsequently amended.

The Board, as currently composed, was appointed by the Shareholders' Meeting on 27 April 2023, and its term concludes with the Shareholders' Meeting to approve the financial statements for the year ended 31 December 2025.

BDO Audit Services S.r.l. (hereinafter "BDO") conducts the statutory audit assignment as resolved by the Shareholders' Meeting on 9 December 2019, for the years from 31 December 2020 to 31 December 2028. It was also entrusted with the limited audit of the Non-Financial Reporting, voluntarily prepared by the Company.

The Board of Statutory Auditors, acting as the Internal Control and Audit Committee, conducted its supervisory activities in accordance with Article 149, paragraph 1 of the TUF, Article 19, paragraph 1 of Legislative Decree No. 39 of 27 January 2010, as amended by Legislative Decree No. 135 of 17 July 2016, and Legislative Decree No. 125 of 6 September 2024 (also Decree 39/2010), CONSOB provisions on corporate controls, and the guidelines in the Corporate Governance Code, which the Company adhered to by resolution of 20 December 2020. These activities also considered the guidelines in the "Rules of Conduct for

the Board of Statutory Auditors of Listed Companies”, issued by the Italian Association of Public Accountants and Accounting Professionals, last updated in December 2024.

The Board of Statutory Auditors supervised compliance with the law and the bylaws, the principles of correct administration, and specifically, the adequacy of the organizational, administrative, and accounting structure adopted by the Company and its effective operation. It also monitored the implementation of corporate governance rules provided by regulatory provisions, particularly the Corporate Governance Code, and the adequacy of the provisions issued by the Company to its subsidiaries. Additionally, it supervised the regularity and adequacy of the financial reporting process, the process of defining the sustainability report, the effectiveness of the internal control, audit, and risk management systems, the statutory audit activities by the Independent Auditors, and their independence.

In 2025, the Board of Statutory Auditors met 18 times; the average meeting duration was approximately one and a half hours; in 2026, as of today's date, 5 meetings have been held.

The Board also attended, almost always in full, all meetings of the Board of Directors, the Control, Risk and Sustainability Committee, the Related Party Transactions Committee, and the Remuneration and Appointments Committee, as detailed in the “2025 Report on Corporate Governance and Ownership Structure”, to which we refer.

### **Composition and operation of the Board of Statutory Auditors**

In its current composition, the Board of Statutory Auditors consists of the following members:

- Standing Auditors: Edda Delon (Chair) Federica Menichetti, Stefano Santucci;
- Alternate Auditors: Pier Paolo Gori, Riccardo Losi

The Board of Statutory Auditors acknowledges that it complies with the gender diversity provisions introduced by Article 1, paragraphs 302 and 303, Law No. 160 of 27 December

2019 as construed by CONSOB in Communication No. 1/2020 of 30 January 2020 and provided for in Article 30 of the bylaws.

Each member of the Board of Statutory Auditors confirmed, through the end-of-mandate self-assessment for 2025, that the requirements of professionalism, integrity, multiple offices held, and independence continued to be met. The outcome, confirming the Board's adequacy, is set out in the "Self-Assessment Report of the Board of Statutory Auditors of Neodecortech S.p.A.", presented to the Board of Directors at its meeting of 23 March 2026. The Board of Directors' confirmation of the independence requirements was disclosed by press release on the same date and appears in the "2025 Report on Corporate Governance and Ownership Structure".

In this report, the Board of Statutory Auditors outlines the main activities carried out during the year, separately for each supervisory area.

#### **Supervision of compliance with the law, bylaws and corporate governance code.**

The Board of Statutory Auditors constantly acquired from the Directors, during the above meetings, comprehensive and thorough information on the results of operations and the outlook, on the activities carried out and on significant transactions impacting the financial position, results of operations, and cash flows carried out by the Company and/or its subsidiaries, as well as on the progress of the activities and strategic projects undertaken and the underlying risks.

Generally speaking, the Board of Statutory Auditors confirmed that the decisions of the Board of Directors and the resolutions of the Board Committees are made based on an adequate set of information. This information is specifically prepared and made available in advance, in compliance with the provisions outlined in the current "Regulation for the

Operation and Organization of the Board of Directors”, as well as the regulations governing the operation of the Control, Risk and Sustainability Committee, the Remuneration and Appointments Committee, and the Related Party Committee, adopted by resolution of the Board of Directors on 25 June 2020, and most recently amended by resolution on 30 March 2023. Additionally, the discussions and debates held promote a productive and well-organized dialogue.

It is acknowledged that the “2025 Report on Corporate Governance and Ownership Structure” is consistent with the provisions of Article 123 bis Legislative Decree 58/1998, and complies with the guidance for the report on corporate governance and ownership structure provided by Borsa Italiana S.p.A..

With regard to the new rules introduced by Law No. 160 of 27 December 2019 (Budget Law 2020) as subsequently amended, as well as the provisions of Articles 147-ter and 148 TUF, regarding the minimum representation quotas for the least represented gender in the corporate governance bodies of listed companies, the Board notes how they are transposed by Article 20 of the Bylaws and illustrated in detail in the “2025 Report on Corporate Governance and Ownership Structure”, paragraphs 4.3.1 and 11.3; likewise, the genders are also adequately represented in the Board Committees.

At its meeting held on 23 March 2026, the Board of Directors assessed the fulfilment of the independence requirements for each non-executive director, in accordance with Recommendation No. 6 of the Corporate Governance Code.

The assessment was conducted applying the quantitative and qualitative criteria set out in Recommendation No. 7, first paragraph, letters c) and d) of the Corporate Governance Code, as approved by the Board of Directors of the Company on 29 April 2025.

In carrying out its activities, the Board, taking into account “CONSOB’s Warning Notices” as applicable to the Company, within its remit, supervised:

- compliance with the law and the bylaws;
- how the corporate governance rules set forth in the Corporate Governance Code were properly implemented, verifying compliance of the corporate governance system with the recommendations expressed in the abovementioned Code. The related information was provided in the “2025 Report on Corporate Governance and Ownership Structure”, to which we refer, which also took into account the recommendations contained in this regard in the letter sent by the Chairman of the Italian Corporate Governance Committee to all the top bodies of Italian listed companies;
- compliance with the regulations set forth in Regulation (EU) No. 596/2014 of the European Parliament and of the Council of April 16, 2014 (Management and Disclosure of Inside Information, Internal Dealing Disclosures);
- the implementation of the provisions of Legislative Decree 24/2023 (so-called Whistleblowing Directive).

As a result of the activities carried out, the Board of Statutory Auditors did not find any violations of the law, the bylaws, or the Corporate Governance Code, nor any transactions that are manifestly imprudent or risky, manifestly unreasonable and/or uninformed, potentially in conflict of interest, or contrary to the resolutions adopted by the Shareholders' Meeting, or such as to compromise the integrity of the company's assets and its continuity.

**Supervision of compliance with the principles of proper administration.**

The Board supervised compliance with the principles of proper administration through its participation in the meetings of the Board of Directors and Board Committees, as well as

through ongoing dialogue with the Financial Reporting Manager, the Internal Auditor, the Independent Auditors, and the Supervisory Board.

On these occasions, it acquired information on the performance of operations and the outlook, the activities carried out, and the most significant transactions in terms of operating results, capital or financial position.

Regarding intercompany and related party transactions, the Board reviewed the quarterly information flows and the annual report and assessed the proper implementation of the adopted procedure and compliance with regulatory requirements.

The processes that led to the determination of the Company's Remuneration Policy, which will be submitted to the Shareholders' Meeting for approval, were reviewed.

As a result of the activities carried out, there were no observations to report, and based on the information provided, it is confirmed that management decisions adhered to the principles of proper administration and reasonableness. Furthermore, the Directors consistently evaluated the risks and potential impacts of the transactions undertaken on the company.

### **Supervision of the adequacy of the organizational structure**

The Board of Statutory Auditors, without prejudice to the remit of the Board of Directors in defining the organizational structures of the Company, the corporate governance system of the Company and the structure of the Group, the guidelines for the internal control and risk management system and their compatibility and consistency with the strategic objectives, and in conducting the annual assessment of the adequacy and effectiveness of the internal control and risk management system, for a description of which reference is made to the “2025 Report on Corporate Governance and Ownership Structure”, ch. 9.1, assessed the existence of the necessary controls aimed at monitoring the performance of the Company and the Group.

The activity was conducted by collecting information from the heads of the corporate departments, the Independent Auditors, the Supervisory Board, and by reviewing the corporate documents.

Within its remit, the Board of Statutory Auditors, considering the size of the Company, acquired knowledge of and supervised (i) the adequacy and operation of the organizational structure, in terms of structure, procedures, competencies, and responsibilities; (ii) the adequacy and operation of the administrative-accounting system, as well as its reliability in correctly presenting operations. The Board also (iii) made assessments regarding the composition of the Board, its operation, and the fulfillment of the independence requirements of the individual members; (iv) assessed the correct application by the Board of Directors of the procedures adopted to assess the requirements of the Directors; (v) acquired information on the activities carried out pursuant to Legislative Decree 231/2001.

The Board of Statutory Auditors, as a result of the activities carried out, has reasons to believe that the organizational structure as a whole is adequate, also in light of the provisions of Article 2086 of the Italian Civil Code, in relation to the management of the activity carried out and the size of the Company and the Group.

### **Supervision of the adequacy of the Internal Control System**

The main features of the Internal Control and Risk Management System (also “ICRMS”) are described in the “2025 Report on Corporate Governance and Ownership Structure”, to which we refer.

The Board of Statutory Auditors supervised the adequacy of the ICRMS by also carrying out its activities as Internal Control and Audit Committee.

This activity was carried out, *inter alia* by reviewing the periodic reports of the Control, Risk and Sustainability Committee, the Periodic Reports of the Internal Auditor, the 2024-2026

Internal Audit Plan, the report of the Financial Reporting Manager pursuant to Article 154-bis TUF, the periodic reports of the Supervisory Board on the Organizational, Management and Control Model, the updates of the ERM process, as well as the Report on the Remuneration Policy and on Compensation Paid, expressing its opinion where due.

The information obtained underwent thorough analysis not only during Board of Directors and Board Committee meetings but also through dedicated meetings with departmental contacts and other involved parties within the internal control system. These discussions enabled the Board to comprehensively conclude its analysis regarding the internal control and risk management system.

As member of the Supervisory Board, Standing Auditor Federica Menichetti constantly updated the Board of Statutory Auditors on the main activities and facts that came to light during her assignment. The Board of Statutory Auditors also regularly met with the Chairman of the SB.

The Organizational, Management and Control Model under Legislative Decree 231/01 was revised by a resolution approved by the Board of Directors on 13 November 2025, subject to the favourable opinion of the Control, Risk and Sustainability Committee.

It is hereby acknowledged that on 10 March 2026, the Control, Risk and Sustainability Committee issued its favorable opinion on the annual assessment of the adequacy of the Internal Control and Risk Management system, and on 13 March 2026, the Board of Directors assessed, subject to the above opinion and also in light of Article 2086 of the Italian Civil Code and Recommendation No. 1 letter d) of the Corporate Governance Code, the adequacy of the organizational, administrative and accounting structure of the Company and its subsidiaries.

The audits conducted and the information received showed that the Internal Control and Risk Management System is, as a whole, suitable for pursuing risk prevention, as well as ensuring

effective application of the company's rules of conduct. Additionally, the organizational structure of the system ensures coordination between the various parties and departments involved, supported by a continuous flow of information. Therefore, there is no evidence to be presented to the Shareholders' Meeting.

**Supervision of the adequacy of the administrative accounting system, financial reporting process, and statutory auditing.**

The Board of Statutory Auditors, also as the Internal Control and Audit Committee, (i) supervised the adequacy of the administrative accounting system and its reliability in correctly presenting operations. It also (ii) monitored the process and assessed the effectiveness of the Internal Control and Risk Management Systems with regard to financial reporting. Additionally, it acquired continuous information about the activities carried out by the Financial Reporting Manager, who utilized the support of the Internal Audit department for testing activities. This was done with regard to the preparation of corporate documents to assess the operation of the internal control system concerning financial reporting at the Company and the companies included in the consolidation scope, pursuant to L. 262/2005.

The Board supervised compliance with the regulations on the preparation and presentation of the Half-Year Report and Interim Reports on Operations and the proper application of accounting standards.

The Chief Executive Officer and the Financial Reporting Manager certified, through specific reports prepared pursuant to Article 154-bis, paragraph 5 of Legislative Decree No. 58/1998 and Article 81-ter of CONSOB Regulation No. 11971/1999, as subsequently amended, attached to the consolidated and separate financial statements:

- a) the adequacy and effective application of accounting and administrative procedures for the preparation of the separate and consolidated financial statements;

- b) the compliance of the consolidated and separate financial statements with International Financial Reporting Standards;
- c) the consistency of the consolidated and separate financial statements with the results of the accounting books and accounting records;
- d) their suitability to provide a true and fair view of the financial position, results of operations, and cash flows of the Company and of the Group.

In compliance with the provisions of Article 19 of Legislative Decree 39/2010, the Board of Statutory Auditors oversaw the activities carried out by the Independent Auditors with regard to the audit strategy and planning, agreeing on the main "Key Audit Matters", and the approach to the relevant business risks; there was constant exchange of data and information relevant to the performance of the respective tasks, updates on the completion of the audit activities and their outcomes, and no facts or situations arose that need to be highlighted in this report.

The Board supervised the Directors' compliance with the procedural rules regarding the preparation, approval and publication of the separate and consolidated financial statements, assessing their compliance with the law in terms of their formation, structure and proper use of the accounting standards adopted.

As part of the meetings with the Independent Auditors, the Board of Statutory Auditors fulfilled its supervisory duty under Article 19 of Legislative Decree 39/2010 by acquiring from them a description of the audit approach adopted, the key aspects of the Work Plan, the main evidence found in the audits conducted, and information on the use of experts and specialists.

It is acknowledged that the Board of Directors provided the Annual Report at 31 December 2025, which includes the financial statements of Neodecortech S.p.A. for the year ended 31

December 2025, the Group's consolidated financial statements at 31 December 2025, and the Directors' Report on Operations dated 13 March 2026.

The above financial statements were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union pursuant to Article 6 of Regulation (EC) no. 1606/2002 of the European Parliament and the European Council of 19 July 2002 and pursuant to Article 9 of Legislative Decree 38/2005, and are prepared on a going concern basis.

On today's date, the Independent Auditors BDO Audit Services S.r.l. issued its Report, pursuant to Article 14 of Legislative Decree No. 39/2010 and Article 10 of Regulation (EU) No. 537/2014, on the separate financial statements and the consolidated financial statements at 31 December 2025, certifying that:

- both financial statements give a true and fair view of the financial position at 31 December 2025, the results of operations and cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union as well as the measures issued in implementation of Article 9 of Legislative Decree 38/05;
- both financial statements were prepared in HTML format in accordance with the provisions of Delegated Regulation (EU) 537/2014;
- the Directors' Report on Operations and certain specific indications contained in the Report on Corporate Governance and Ownership Structure outlined in Article 123 bis paragraph 4 of Legislative Decree 58/98 are consistent with the financial statements of the Company and the Group and comply with the law;
- regarding the statement under Article 14, paragraph 2, letter e) of Legislative Decree 39/2010 concerning the potential identification of material errors in the Directors' Report on Operations, it stated that there were no findings to report

based on the audit's comprehension and knowledge of the company and its context.

As anticipated during the presentation of the audit plan on the separate and consolidated financial statements, in its reports the Independent Auditors indicated as 'key matters' of the separate financial statements: the 'measurement of investments', and of the consolidated financial statements, with regard to the subsidiary Bio Energia Guarcino S.r.l., the 'estimate of GMP revenue' related to the 'guaranteed minimum price system' pursuant to Legislative Decree 181/23, details of which are provided in the audited annual financial report.

On today's date, the Board of Statutory Auditors also received the Additional Report from the Independent Auditors, as per Article 11 of Regulation (EU) No. 537/2014. This report aligns with the aforementioned judgment, and upon review, no noteworthy aspects emerged that need to be highlighted in this report. The document includes the attached statement pursuant to Article 6 paragraph 2) lett. a) of EU Regulation 537/2014 and as required by paragraph 17, lett. a) of Auditing Standard ISA Italia 260, from which no situations that may compromise its independence emerge.

The Board of Statutory Auditors supervised the independence of the Independent Auditors in accordance with Article 19 of Legislative Decree No. 39/2010, verifying the assignments of the Company and/or Group companies to the Independent Auditors and/or to companies or entities in its network or, in any case, to individuals linked to it by relevant financial relations for services other than the statutory audit.

The section "Information on the fees to the Board of Directors, Board of Statutory Auditors and Independent Auditors" of the Financial Statements, pursuant to Article 149 *duodecies* of the Issuer Regulation, presents the summary statement of fees to the Independent Auditors and the companies belonging to its network for auditing, certification and other services provided to Neodecortech S.p.A. and its subsidiaries, in relation to which the Board:

- assessed that no assignments were undertaken that contravened the provisions outlined in Article 5 Paragraph 1 of Regulation (EU) No. 537/2014;
- carried out oversight to verify that the Independent Auditors, with regard to "non-audit" services provided to Neodecortech S.p.A. and its subsidiaries, complied with the limits set forth in Article 4 of EU Regulation 537/2014;
- acknowledges that the fees for the above assignments regarding the year were recognized in the amount of € 116,648 for auditing, € 35,725.00 for certification of the sustainability report and unbundling of the subsidiary Bio Energia Guarcino S.r.l., and € 2,520.00 for other services (Whistleblowing platform).

In light of the above, the Board of Statutory Auditors deems that the independence requirement of the Independent Auditors BDO Audit Services S.r.l. is met.

### **Supervision of the Sustainability Report**

The Company has voluntarily prepared the Sustainability Report in accordance with the "Sustainability Reporting Standards 2021" defined by the Global Reporting Initiative (GRI). The reporting scope includes Neodecortech S.p.A. and all fully consolidated companies within the scope of the consolidated financial statements.

On today's date, the Independent Auditors issued a report on the limited review of the Sustainability Report.

As part of its meetings with the relevant functions and during the meetings of the Control, Risk and Sustainability Committee, the Board of Directors, and during information exchanges with the Independent Auditors, the Board received periodic updates on the preliminary activities and processes supporting the preparation of the Sustainability Report.

### **Supervision of relations with parent companies and subsidiaries.**

The Group's structure at 31 December 2025, consists of the following companies: Cartiere di Guarcino S.p.A, Bio Energia Guarcino S.r.l., NDT energy S.r.l., Changzhou NDT new material technology company Ltd, and Lamitex S.r.l.. At end 2025, Changzhou NDT Ltd and Lamitex S.r.l. had autonomous administrative systems capable of regularly reporting their operating and financial data.

As a result of the third-level audits, the Internal Audit department did not find any exceptions in the tests of control carried out in support of the Financial Reporting Manager, with regard to the requirements defined by the relevant procedures.

The Board of Statutory Auditors was not aware of any risks potentially arising from inadequate information flows to and from subsidiaries, nor of any risks arising from specific intercompany transactions.

### **Supervision of related-party transactions**

It is hereby acknowledged that the Company, by resolution of the Board of Directors on 25 June 2020, adopted the Related Party Procedure in implementation of Article 2391-bis of the Italian Civil Code and CONSOB Regulation adopted by resolution 17221 of 12 March 2010, subsequently amended by the Board of Directors on 10 December 2020 - in compliance with regulatory changes resulting from the transposition of Directive No. 828/2017 so-called Shareholders' Rights Directive II -, on 28 June 2021 and, lastly, on 30 March 2023.

Based on the information available to the Board of Statutory Auditors, it is noted that in 2025, with regard to intercompany or related party transactions that took place during the year, the Company provided specific and timely information in its periodic reports in compliance with the provisions of the adopted regulations.

The information presented by the Board of Directors in the Annual Report for the year ended 31 December 2025 provides a summary of transactions involving related parties. These

transactions are reported to have occurred under terms consistent with ordinary market values, without qualifying as atypical or unusual. Instead, they are considered to be within the ordinary course of the Company's business.

The Board of Statutory Auditors supervised compliance with the rules governing related party transactions, has no particular remarks to make in this regard, and believes that the information provided by the Directors in the Directors' Report on Operations and in the Notes to the Consolidated and Separate Financial Statements for the year ended 31 December 2025, regarding intercompany and related party transactions is adequate.

#### **Omissions and censurable facts noted, opinions rendered and initiatives taken**

During the year ended 31 December 2025 and up to today's date, the Board of Statutory Auditors

- received no complaints from Shareholders pursuant to Article 2408 of the Italian Civil Code, nor submissions or other reports pursuant to Articles 152 and 155 of Legislative Decree 58/98;
- received no submissions of any kind;
- received no requests from CONSOB
- did not make specific disclosures to CONSOB.

In 2025, the Board of Statutory Auditors issued the following opinions:

- pursuant to Article 2389 of the Italian Civil Code regarding the remuneration of directors holding strategic responsibilities;
- opinion pursuant to Article 154 bis c.1 of Legislative Decree No. 58/1998 on the appointment of the Financial Reporting Manager;

- preliminary opinions on the granting of additional assignments to the Independent Auditors.

### **Conflict-related impacts**


It is hereby acknowledged that, with regard to the CONSOB Warnings, the Company has implemented adequate safeguards concerning the risk of cyberattacks and the impact of the effects of the conflict in the Middle East on the prices of energy sources and raw materials, as explained in the Directors' Report on Operations, to which reference is made.

### **Indication of any proposals to be submitted to the Shareholders' Meeting in accordance with Article 153, paragraph 2, TUF**

Based on the matters set forth and illustrated in this Report, and considering the findings contained in the Independent Auditors' Report, the Board of Statutory Auditors does not find, in accordance with its respective remits, any reason to oppose the approval of the Financial Statements for the year ended 31 December 2025, approved by the Board of Directors on 13 March 2026, along with the proposals made by the Board of Directors regarding the allocation of profit.

Filago, 31 March 2026

For the Board of Statutory Auditors

  
Chair Edda Delon

