Register no. 8277 File no. 5747

Biagio Caliendo
**Notary**

**MINUTES OF SHAREHOLDERS' MEETING**

REPUBLIC OF ITALY

On this twenty-third day of April in the year two thousand and twenty-five.

23rd April 2025

In my chambers at viale Roberto Valturio 46, Rimini, at 9.30 a.m.

I the undersigned, BIAGIO CALIENDO, Notary in Rimini, registered with the Combined Notarial Districts of Forlì and Rimini,

ON REQUEST FROM

- MASSIMO FERRETTI, born in Cattolica on 6th April 1956, in his capacity as Chairman of the Board of Directors and legal representative of the Italian-registered joint-stock company

Registered with the Rimini Tax Office

on 30th April 2025

no. 4681/ 1T

**"AEFFE S.P.A."**

with registered offices at via delle Querce 51, San Giovanni in Marignano (RN), authorized share capital Euro 31,070,626.00 (thirty-onemillion seventythousand sixhundredandtwenty-six/00), subscribed and paid in Euro 26,840,626.00 (twenty-sixmillion eighthundredandfortythousand sixhundredandtwenty-six/00), represented by 107,362,504 (onehundredandsevenmillion threehundredandsixty-twothousand fivehundredandfour) shares, nominal value Euro 0.25 (zero point two five) each, Tax Code, VAT and Romagna - Forlì-Cesena and Rimini Companies Register no. 01928480407 and Business Register (REA) no. RN-227228 (hereinafter in this deed also referred to for brevity as the "Company"), domiciled for his position at the registered offices.

PROCEEDS

to take the minutes of the Shareholders' Meeting of the above Company, pursuant to article 106, paragraph 2, second sentence, of Decree 18 dated 17th March 2020, as enacted with amendments by Law 27 dated 24th April 2020 and subsequent amendments and additions, and in particular having regard for the provisions of article 3, paragraph 14-*6*, of Italian Legislative Decree 202 dated 27th December 2024, as enacted with amendments by Law 15 dated 21st February 2025.

In this regard, I, Notary, acknowledge as follows.

In accordance with article 12 of the Articles of Association and article 8 of the Meeting Regulations, the chair of the Shareholders' Meeting is taken by **MASSIMO FERRETTI** who, attending by video conference and having performed independent checks, **declares**:

**1)** that the Shareholders' Meeting was called in a proper and timely manner for today, 23rd April 2025, in first and only calling, at 9.30 a.m, pursuant to the law and the Articles of Association, in a notice published on the website of the Company and, in extract form, in "Italia Oggi", a daily newspaper, on 24th March 2025, in which, given the extension of the effects of the aforementioned article 106, paragraph 7, of Decree 18 dated 17th March 2020, those entitled were notified that their attendance at the Shareholders' Meeting would be limited solely to the representative designated by the Company pursuant to article 135-*11* of Decree 58 dated 24th February 1998, in order to guarantee participation and voting by all entitled shareholders, with consequent conduct of the Meeting solely via means of communication, as also allowed by article 12 (twelve) of the current Articles of Association.

Accordingly, those entitled can only attend the Shareholders' Meeting via "Into S.r.l." with registered offices at viale Giuseppe Mazzini 6, Rome, as their representative designated by the Company pursuant to the aforementioned article 135-*(11)* of the Consolidated Finance Law.

The Shareholders' Meeting is called to resolve on the following:

**AGENDA**

*"1. Approval of the financial statements of Aeffe S.p.A. as of 31st December 2024; reports of the Board of Directors on operations, the Independent Auditors and the Board of Statutory Auditors. Presentation to the Shareholders' Meeting of the consolidated financial statements as of 31st December 2024. Presentation to the Shareholders' Meeting of the report required by Corporate Sustainability Reporting Directive (EU) 2022/2464 (CSRD).*

*2. Resolutions regarding the results for the year ended 31st December 2024.*

*3. Report on remuneration policy and the compensation paid pursuant to article 123-(3) of Decree 58/98;*

*3.1 resolutions regarding the first section of the Report pursuant to article 123-(3), paragraph 3-(2) of Decree 58/98;*

*3.2 resolutions regarding the second section of the Report pursuant to article 123-(3), paragraph 6, of Decree 58/98.*

*4. Assignment, pursuant to Legislative Decree No. 39/2010, of the appointment for the full audit of the separate and consolidated financial statements of Aeffe S.p.A. for financial years from 2025 to 2033, for the limited examination of the consolidated half-yearly reports from 2025 to 2033, and for the check that the accounting records are properly kept and fairly record the results of operations during the financial years from 2025 to 2033. Determination of the remuneration due to the Independent Auditors:*

*4.1 Assignment of the appointment for the full audit of the separate and consolidated financial statements of Aeffe S.p.A., for the limited examination of the consolidated half-yearly reports, and for the check that the accounting records are properly kept and fairly record the results of operations during the financial years from 2025 to 2033;*

*4.2 Resolutions establishing the remuneration due to the Independent Auditors";*

**2)** that the shareholders have not presented any requested additions to the Meeting Agenda pursuant to article 126-*(2)* of Decree 58/98 (hereinafter also referred to for brevity as the "Consolidated Finance Law" or "TUF");

**3)** that, from 28th March 2025, a folder has been filed at the registered offices of the Company at via delle Querce 51, San Giovanni in Marignano (Rimini), and at the offices of "Borsa Italiana S.p.A." and published on the Company's website, containing, inter alia, the draft separate financial statements of the Company and the consolidated financial statements of the Group as of 31st December 2024, accompanied by the Directors' reports on operations, the report of the Board of Statutory Auditors on the Company's separate financial statements, and the reports of the Independent Auditors "RIA Grant Thornton S.p.A." on the separate financial statements of the Company and the consolidated financial statements of the Group as of 31st December 2024.

On the same date, the following were also made available to the public at the registered offices and the offices of "Borsa Italiana S.p.A." and published on the Company's website:

- the report for 2024 required by the Corporate Sustainability Reporting Directive (EU) 2022/2464 (CSRD);

- the annual report on corporate governance, including information about the ownership structure of the Company pursuant to article 123-*(2)* of the Consolidated Finance Law;

- the compensation report pursuant to art. 123-*(3)* of the Consolidated Finance Law;
- the explanatory report of the Board of Directors on the proposals concerning the items on the agenda;
4) that, for the purposes of the meeting and resolution quorums, the current share capital of the Company is Euro 26,840,626.00 (twenty-sixmillion eighthundred-andfortythousand sixhundredandtwenty-six/00), represented by 107,362,504 (onehundredandsevenmillion threehundredandsixty-twothousand fivehundred-andfour) shares, nominal value Euro 0.25 (zero point two five) each;
**5)** that today's Meeting is attended, via the Designated Representative “Into S.r.l.”, with registered offices at Viale Giuseppe Mazzini 6, Rome, Tax Code 15342071006, in the person of its sole director and legal representative, Andrea Di Lorenzo, born in Rome on 12th February 1986, Tax Code DLR NDR 86B12 H501K, who attends the Meeting via video conference, by 11 (eleven) bearers of ordinary shares representing in total, by proxy, 66,734,431 (sixty-sixmillion sevenhundredandthirty-fourthousand fourhundredandthirty-one) ordinary shares [equal to Euro 16,683,607.75 (sixteenmillion sixhundredandeighty-threethousand sixhundred-andseven point seven five) that, compared with the 107,362,504 (onehundredandsevenmillion, threehundredandsixty-twothousand, fivehundred-andfour) issued ordinary shares with voting rights at the Ordinary Shareholders' Meetings of the Company, represent 62.158% (sixty-two point one five eight percent) of the share capital of Euro 26,840,626.00 (twenty-sixmillion, eighthundredandfortythousand, sixhundredandtwenty-six/00);
**6)** that the shareholders participating in the Shareholders’ Meeting have properly deposited their shares pursuant to the law and the Articles of Association by the established deadlines, that their right to participate in the above manner has been checked and that the proxies comply with the provisions of article 11 of the Articles of Association, article 2372 of the Italian Civil Code, and articles 135-*(9)* et seq of Decree 58 dated 24th February 1998, as amended, and the related enabling instructions;
for this purpose, the Chairman formally requests the Designated Representative to present during the Shareholders’ Meeting all the declarations required by Law. At this point, the Designated Representative, in the person of its sole director, Andrea Di Lorenzo, states that:
- by the legal deadline, 2 (two) proxies were received pursuant to article 135-*11* TUF from those entitled to attend, for a total of 66,347,690 (sixty-sixmillion, threehundredandforty-seventhousand, sixhundredandninety) shares;
- 1 (one) sub-proxy [representing 9 (nine) shareholders] was also received pursuant to article 135-*9* TUF from those entitled to attend, for a total of 386,741 (threehundredandeighty-sixthousand sevenhundredandforty-one) shares;
- before each vote, he will communicate the shares for which no voting instructions have been given by the delegating shareholder.
The Meeting Chairman, Massimo Ferretti, takes the floor again and further declares:
**7)** that **a list of the names of the persons attending the Shareholders’ Meeting**, indicating (i) the respective number of shares held, (ii) any persons voting as the holders of pledge, repurchase or usufruct agreements, and (iii) in the case of proxies, the name of the delegating shareholder, is **attached** at letter “**A**” as an integral and essential part of these minutes;

**8)** that the following members of the Board of Directors participate in the Shareholders' Meeting, all by video conference, in addition to MASSIMO FERRETTI, Director (Chairman of the Board of Directors):

- Marco Piazzi, Director.
- Roberto Lugano, Director;
- Daniela Saitta, Director;
- Bettina Campedelli, Director;
- Francesca Pace, Director;
- Marco Francesco Mazzù, Director.

Apologies for absence were received from Alberta Ferretti (Vice-Chairman of the Board of Directors), Simone Badioli (Chief Executive Officer) and Francesco Ferretti, Director;

**9)** that the following members of the Board of Statutory Auditors participate in the Shareholders' Meeting, all by video conference:

- Stefano Morri, Chairman;
- Fernando Ciotti, Serving Auditor;
- Carla Trotti, Serving Auditor.

**10)** MASSIMO FERRETTI confirms that not only can he identify correctly all those attending, but so can all the other persons participating, since they have known each other for a long time; he also confirms and guarantees that he has checked that they are able to follow the discussions from the connected locations, where they have congregated, and can participate in real time in the discussion of the matters on the agenda, as well as receive and transmit the necessary documentation, such that this Shareholders' Meeting may be deemed properly constituted.

He therefore declares the Shareholders' Meeting properly convened, quorate and entitled to resolve on the items on the Agenda.

The Chairman proposes that the Shareholders' Meeting should appoint me, Notary, to act as secretary of the Shareholders' Meeting and to take the minutes pursuant to article 2375, first paragraph, of the Italian Civil Code and article 10 of the Meeting Regulations.

No objections are raised and the Meeting gives its unanimous approval.

At this point the Chairman states:

**1)** that the following participating shareholders hold, directly or indirectly, more than 3% (three percent) of the share capital of the Company, according to the shareholders' register updated to today, as supplemented by the communications received pursuant to article 120 TUF, as amended, and by the certifications issued for today's Meeting:

"Colloportus S.r.l.", holder of 33,173,845 (thirty-threemillion onehundredandseventy-threethousand eighthundredandforty-five) shares, representing 30.899% (thirty point eight nine nine percent) of the share capital;

"FQuattro S.r.l.", holder of 33,173,845 (thirty-threemillion onehundredandseventy-threethousand eighthundredandforty-five) shares, representing 30.899% (thirty point eight nine nine percent) of the share capital;

**2)** that the Company holds 8,937,519 (eightmillion, ninehundredandthirty-seventhousand, fivehundredandnineteen) shares representing 8.325% (eight point three two five percent) of the share capital and does not hold any treasury shares indirectly through subsidiaries, trust companies or intermediaries, and has not issued any categories of shares or participating financial instruments, other than the ordinary shares indicated above;

**3)** that the following shareholders participating at the Shareholders' Meeting hold more than 3% (three percent) of the share capital:

- "Colloportus S.r.l.";
- "FQuattro S.r.l.";

**4)** that, on the basis of all the information available, the aforementioned parties have complied with all obligations and disclosures required of them in relation to their significant equity interests in the Company and that, therefore, there is no impediment to full exercisability of the voting rights deriving from the said significant shareholdings;

**5)** pursuant to art. 122 TUF and to the best of the Issuer's knowledge, that at today's date a shareholders' agreement exists between "FQuattro S.r.l." and "Colloportus S.r.l.", an extract from which is available on the institutional website at the following link: https://aeffe.com/it/patti-parasociali/.

**The Chairman invites the shareholders participating at the Shareholders' Meeting:**

**1)** to notify the existence of any other shareholders' agreements additional to that indicated above, pursuant to article 122 of Decree 58 dated 24th February 1998, as amended;

**2)** to disclose any impediment to the exercise of voting rights under current law, noting that, in relation to shares for which voting rights cannot be exercised, and shares for which voting rights are not exercised due to the abstention of the shareholder for a conflict of interest, the provisions established in articles 2368, paragraph three, and 2357-*(3)*, paragraph two, of the Italian Civil Code apply for the purposes of calculating meeting and resolution quorums.

In this regard, the Chairman noted that the Company holds 8,937,519 (eightmillion ninehundredandthirty-seventhousand fivehundredandnineteen) treasury shares, equal to 8.325% (eight point three two five percent) of the share capital, and that, pursuant to article 2357-*(3)*, paragraph two, of the Italian Civil Code, the voting rights relating to these shares are suspended.

Lastly, the Chairman informs the Shareholders' Meeting that voting will take place openly and by consent expressed verbally.

The **Chairman** then **announces** that, pursuant to article 2368, first paragraph, of the Italian Civil Code, and article 13 of the Articles of Association, the **Shareholders' Meeting** is **duly and properly convened**, since the shareholders attending represent at least half of the share capital.

Having fulfilled his preliminary duties, the **Chairman therefore opens the discussion on the first item on the agenda** for this Shareholders' Meeting:

*"1. Approval of the financial statements of Aeffe S.p.A. as of 31st December 2024; reports of the Board of Directors on operations, the Independent Auditors and the Board of Statutory Auditors. Presentation to the Shareholders' Meeting of the consolidated financial statements as of 31st December 2024. Presentation to the Shareholders' Meeting of the report required by Corporate Sustainability Reporting Directive (EU) 2022/2464 (CSRD).".*

With reference to the separate and consolidated financial statements as of 31st December 2024, the Chairman informs the Shareholders' Meeting that the draft financial statements of the Company and the consolidated financial statements of the Group as of 31st December 2024, together with the related Directors' report on operations, were approved by the Company's Board of Directors at its meeting held on 14th March 2025.

The Chairman then notes, in accordance with the CONSOB requirements specified in Communication no. 96003558 dated 18th April 1996, that the hours worked by the Independent Auditors, "RIA Grant Thornton S.p.A.", in order to audit and certify the separate financial statements of the Company and the consolidated financial statements of the Group and the total cost of those activities were as follows:

Separate financial statements: hours 1,406 (onethousand fourhundredandsix), fee Euro 80,800.00 (eightythousand eighthundred/00);

- Consolidated financial statements: hours 174 (onehundredandseventy-four), fee Euro 10,000.00 (tenthousand/00);

Total: hours 1,580 (onethousandfivehundredandeighty), fee Euro 90,800.00 (ninetythousand eighthundred/00).

He further clarifies that the fees for the year are detailed in the schedule attached to the separate financial statements pursuant to article 149-*12* of Consob's Issuers' Regulations.

In view of the facts that the documentation relating to the above financial statements, including the report of the Board of Statutory Auditors, has been filed at the registered offices and at the office of "Borsa Italiana S.p.A." and published on the Company's website, that the stakeholders have had an opportunity to examine it, and that the Company has not received any questions about the matters on the agenda, the Chairman then puts to a vote, expressed verbally, the proposal of the Board of Directors with regard to the separate financial statements of the Company as of 31st December 2024.

*"The Ordinary Meeting of the Shareholders of Aeffe S.p.A., held with a voting quorum today, 23rd April 2025, after receiving the report of the Board of Directors, after taking note of the Directors' report on operations, the report of the Board of Statutory Auditors and the report of the Independent Auditors, RIA Grant Thornton S.p.A., after examining the separate financial statements as of 31st December 2024, the consolidated financial statements of the Group for the same year, and the report required by Corporate Sustainability Reporting Directive (EU) 2022/2464 (CSRD), accompanied by the report of the appointed Independent Auditors, RIA Grant Thornton S.p.A.",*

***RESOLVES***

*1) to approve the separate financial statements as of 31st December 2024, both as a whole and their individual entries, including in the specific ESEF format, together with the accompanying Directors' report on operations, which, as the printed copy of an electronic document, certified true today by Notary Biagio Caliendo of Rimini, file no. 8276, are* ***attached at letter "B"*** *as an integral and essential part of this deed;*

*2) to acknowledge the results reported in the consolidated financial statements as of 31st December 2024;*

*3) to acknowledge the report required by Corporate Sustainability Reporting Directive (EU) 2022/2464 (CSRD)".*

At this point, the Chairman asks the Delegated Representative to disclose any shortcomings in voting rights and to cast the votes of the shareholders from which proxies were received.

The Shareholders' Meeting, voting on the basis of consent expressed verbally by those entitled to vote via the Designated Representative,

**RESOLVES**

<u>- **unanimously** to approve the resolution proposed above.</u>

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Having completed the business relating to the first item on the agenda, **the Chairman proceeds to the second item on the agenda** for today's Meeting:

*"2. Resolutions regarding the results for the year ended 31st December 2024.".*

The Chairman then reads the proposed allocation of the profit for the year, as submitted by the Board of Directors:

*"Shareholders,*

*in presenting the financial statements for the year ended 31 December 2024 for your approval, we propose that the profit for the year of Euro 35,606,775.00 (thirty-fivemillion sixhundredandsixthousand sevenhundredandseventy-five/00) be allocated as follows:*

*- Euro 889,659.00 (eighthundredandeighty-ninethousand sixhundredandfifty-nine/00) to the legal reserve;*

*- Euro 34,717,116.00 (thirty-fourmillion sevenhundredandseventeenthousand onehundredandsixteen/00) to the extraordinary reserve;*

At this point, the Chairman asks the Delegated Representative to disclose any shortcomings in voting rights and to cast the votes of the shareholders from which proxies were received for the above proposal submitted by the Board of Directors regarding allocation of the profit for the year.

The Shareholders' Meeting, voting on the basis of consent expressed verbally by those entitled to vote via the Designated Representative,

**RESOLVES**

<u>- **unanimously** to approve the resolution proposed above.</u>

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Having completed the business relating to the second item on the agenda, **the Chairman proceeds to the third item on the agenda** for today's Shareholders' Meeting:

*"3. Report on remuneration policy and the compensation paid pursuant to article 123-(3) of Decree 58/98;*

*3.1 resolutions regarding the first section of the Report pursuant to article 123-(3), paragraph 3-(2) of Decree 58/98;*

*3.2 resolutions regarding the second section of the Report pursuant to article 123-(3), paragraph 6, of Decree 58/98.".*

The Chairman then:

- notes that, following entry into force of Directive (EU) 2017/828 of the European Parliament and of the Council of 17th May 2017, Decree 49 dated 10th May 2019 and the requirements of Consob resolution 21623 dated 10th December 2020, the shareholders are called upon to express their opinion on the remuneration policy adopted by the Company and on the compensation paid;

- highlights that the Remuneration policy adopted by the Company and submitted to the shareholders at this Meeting, was previously presented the shareholders at the Shareholders' Meeting held on 27th April 2023 and has not changed; in particular, he stresses that the policy was defined with reference to the fundamental principles of sustainability and alignment of the interests of executives with strategic responsibilities with those of the shareholders, while also balancing the fixed and variable components of remuneration.

The Chairman confirms that the Company has not received any questions about the matters on the agenda and, accordingly, puts to the vote, by consent expressed verbally, the resolution proposed by the Board of Directors regarding the remuneration policy of the Company contained in the first section of the report on remuneration and the compensation paid, which he reads:

*“The Ordinary Meeting of the Shareholders of Aeffe S.p.A., held with a voting quorum today, 23rd April 2025, after receiving the report of the Board of Directors and examining the remuneration policy contained in the first section of the report on remuneration pursuant to paragraph 6 of article 123-(3) of Decree 58/98,*

*resolves*

*1) to approve the remuneration policy of the Company contained in the first section of the report on remuneration pursuant to paragraph 3-(2) of article 123-(3) of Decree 58/98;*

*2) to approve the remuneration of the directors, the executives with strategic responsibilities and the control body, as indicated and described in the second section of the report pursuant to para. 6 of art. 123-(3) of Decree 58/98, and to deem it in line with the remuneration policy”.*

At this point, the Chairman asks the Delegated Representative to disclose any shortcomings in voting rights and to cast the votes of the shareholders from which proxies were received.

The Meeting, voting on the basis of consent expressed verbally by those entitled to vote via the Designated Representative,

**RESOLVES**

- **by a majority** to approve the first proposed resolution *“to approve the remuneration policy of the Company contained in the first section of the report on remuneration pursuant to paragraph 3-(2) of article 123-(3) of Decree 58/98”*, with:

* 2 (two) shareholders in favor, holding 66,347,690 (sixty-sixmillion threehundredandforty-seventhousand sixhundredandninety) shares amounting to 99.420% (ninety-nine point four two percent) of the share capital represented at the Shareholders’ Meeting;

* 9 (nine) shareholders against, holding 386,741 (threehundredandeighty-sixthousand sevenhundredandforty-one) shares amounting to 0.580% (zero point one five eight percent) of the share capital represented at the Meeting;

* no shareholders abstained;

all as analyzed further in the **detailed list of shareholders** named in the summary of the results of voting **attached to this deed at letter "C";**

- **unanimously** to approve the second proposed resolution *“to approve the remuneration of the directors, the executives with strategic responsibilities and the control body, as indicated and described in the second section of the report pursuant to paragraph 6 of article 123-(3) of Decree 58/98, and to deem it in line with the remuneration policy”.*

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Having completed the business relating to the third item on the agenda, **the Chairman proceeds to the fourth and last item on the agenda** for today's Meeting:

*“4. Assignment, pursuant to Legislative Decree No. 39/2010, of the appointment for the full audit of the separate and consolidated financial statements of Aeffe S.p.A. for the financial years from 2025 to 2033, for the limited examination of the consolidated half-yearly reports from 2025 to 2033, and for the check that the accounting records are properly kept and fairly record the results of operations*

*during the financial years from 2025 to 2033. Determination of the remuneration due to the Independent Auditors:*

*4.1 Assignment of the appointment for the full audit of the separate and consolidated financial statements of Aeffe S.p.A., for the limited examination of the consolidated half-yearly reports, and for the check that the accounting records are properly kept and fairly record the results of operations during the financial years from 2025 to 2033;*

*4.2 Resolutions establishing the remuneration due to the Independent Auditors.".*

The Chairman then:

- notes, as indicated in the Explanatory Report on the items of the agenda, published together with the notice of meeting, that the nine-year mandate to audit the accounts granted to "RIA Grant Thornton S.p.A.", Independent Auditors, at the Ordinary Shareholders' Meeting held on 13th April 2016, expires on approval of the financial statements as of 31st December 2024;

- states that, therefore, it is necessary for this Shareholders' Meeting to grant a new mandate to audit the separate financial statements of Aeffe S.p.A. and the consolidated financial statements of the Aeffe Group for all the financial years from 31st December 2025 to 31st December 2033, to perform limited examinations of the half-year reports for all the periods from 30th June 2025 to 30th June 2033, and to check during those years that the accounting records are properly kept and fairly record the results of operations, as well as to determine the remuneration due to the Independent Auditors;

- in this regard, he notes that, as envisaged in art. 13 of Legislative Decree No. 39 of 27th January 2010, the mandate is granted at the Shareholders' Meeting on the basis of a reasoned proposal from the Board of Statutory Auditors;

- states that, as required by law, the Board of Statutory Auditors of Aeffe S.p.A. presented a reasoned proposal for granting this mandate on 14th March 2025.

Given that the matter is covered in the directors' report prepared pursuant to art. 125-*(3)* TUF, which was made available to the public from 24th March 2025, on the basis and with the timing envisaged by law, the Chairman proposes to omit reading the report and pass directly to the related resolution.

The Chairman confirms that the Company has not received any questions about the matters on the agenda and, accordingly, puts to the vote, by consent expressed verbally, the resolution proposed by the Board of Directors, which he reads:

*"The Ordinary Meeting of the Shareholders of Aeffe S.p.A., held with a voting quorum today, 23rd June 2025, based on the reasoned proposal made by the Board of Statutory Auditors,*

*resolves*

*1) to grant a mandate to audit the separate financial statements of Aeffe S.p.A. and the consolidated financial statements of the Aeffe Group for all the financial years from 31st December 2025 to 31st December 2033, to perform limited examinations of the half-year reports for all the periods from 30th June 2025 to 30th June 2033, and to check during those years that the accounting records are properly kept and fairly record the results of operations, to EY S.p.A. with registered office at Via Meravigli 12, Milan;*

*2) to approve, as remuneration for EY S.p.A., an annual fee (before ISTAT increases, actual expenses incurred, VAT and CONSOB contribution) of Euro 200,000.00 (twohundredthousand/00) corresponding to 3,720 (threethousand sevenhundredandtwenty/00) hours".*

At this point, the Chairman asks the Delegated Representative to disclose any shortcomings in voting rights and to cast the votes of the shareholders from which proxies were received.

The Shareholders' Meeting, voting on the basis of consent expressed verbally by those entitled to vote via the Designated Representative,

**RESOLVES**

**- unanimously** to approve the first proposed resolution *to grant a mandate to audit the separate financial statements of Aeffe S.p.A. and the consolidated financial statements of the Aeffe Group for all the financial years from 31st December 2025 to 31st December 2033, to perform limited examinations of the half-year reports for all the periods from 30th June 2025 to 30th June 2033, and to check during those years that the accounting records are properly kept and fairly record the results of operations, to EY S.p.A. with registered office at Via Meravigli 12, Milan*;

**- unanimously** to approve the second proposed resolution *to approve, as remuneration for EY S.p.A., an annual fee (before ISTAT increases, actual expenses incurred, VAT and CONSOB contribution) of Euro 200,000.00 (twohundred-thousand/00) corresponding to 3,720 (threethousand sevenhundred-andtwenty/00) hours".*

* * * * *

There being no further items on the agenda and no requests to speak, the Chairman declares the discussion and voting completed and closes the Shareholders' Meeting at 9.45 a.m.

To the extent necessary, the Administrative Body appoints me, Notary, to complete the requirements relating to this deed and established by law with the competent Companies Register.

The costs of this deed and its consequences shall be borne by the Company.

These minutes, partly handwritten by me and partly written by electronic means by a person in my trust on three legal sheets for a total of eleven pages up to this point, are signed by me, Notary, at 9.50 a.m.

SIGNED: BIAGIO CALIENDO, NOTARY (Seal)

## AEFFE S.P.A.

**Azioni costituenti il capitale sociale** **107.362.504**

# ELENCO PARTECIPANTI ASSEMBLEA ORDINARIA DEL 23 APRILE 2025

| N° | Aventi diritto | Delegato | Azioni in delega | % su capitale sociale |
|---|---|---|---|---|
| 1 | COLLOPORTUS S.R.L. | R.D.: INTO S.R.L. (Andrea Di Lorenzo) | 33.173.845 | 30,899 |
| 2 | FQUATTRO S.R.L. | R.D.: INTO S.R.L. (Andrea Di Lorenzo) | 33.173.845 | 30,899 |
| 3 | CONTINENTAL SMALL SERIES THE CONTINENTAL SMALL COMPANY | R.D.: INTO S.R.L. (Andrea Di Lorenzo) | 96.651 | 0,090 |
| 4 | INTERNATIONAL CORE EQUITY PORTFOLIO OF DFA INVESTMENT DIMENSIONS GROUP INC | R.D.: INTO S.R.L. (Andrea Di Lorenzo) | 89.377 | 0,083 |
| 5 | AMERICAN CENTURY ETF TRUST-AVANTIS INTERNATIONAL SMALL CAP VALUE | R.D.: INTO S.R.L. (Andrea Di Lorenzo) | 44.266 | 0,041 |
| 6 | AMERICAN CENTURY ETF TRUST AVANTIS INT SMALL CAP VALUE FUND | R.D.: INTO S.R.L. (Andrea Di Lorenzo) | 1.917 | 0,002 |
| 7 | DIMENSIONAL FUNDS PLC | R.D.: INTO S.R.L. (Andrea Di Lorenzo) | 29.403 | 0,027 |
| 8 | TRUST II BRIGHTHOUSEDIMENSIONALINT SMALL COMPANY PORTFOLIO | R.D.: INTO S.R.L. (Andrea Di Lorenzo) | 11.359 | 0,011 |
| 9 | AZIMUT CAPITAL MANAGEMENT SGR S.P.A | R.D.: INTO S.R.L. (Andrea Di Lorenzo) | 70.000 | 0,065 |
| 10 | ACADIAN NON US MICROCAP EQUITY FUND LLC | R.D.: INTO S.R.L. (Andrea Di Lorenzo) | 38.080 | 0,035 |
| 11 | AK PERM FND DFA INTL SMALL CO | R.D.: INTO S.R.L. (Andrea Di Lorenzo) | 5.688 | 0,005 |

| | | | |
|---|---|---|---|
| **Totale** | | **66.734.431** | **62,158** |

# SEPARATE FINANCIAL STATEMENTS AT 31 DECEMBER 2024

AEFFE SPA

# Report on operations

## 1. TREND OF THE COMPANY MANAGEMENT

### INCOME STATEMENT

| (Values in thousands of EUR) | Full Year 2024 | % on revenues | Full Year 2023 | % on revenues | Change | % |
|---|---|---|---|---|---|---|
| **REVENUES FROM SALES AND SERVICES** | **133,458,183** | **100.0%** | **183,696,470** | **100.0%** | **(50,238,287)** | **(27.3%)** |
| Other revenues and income | 109,955,422 | 82.4% | 12,591,914 | 6.9% | 97,363,508 | 773.2% |
| **TOTAL REVENUES** | **243,413,605** | **182.4%** | **196,288,384** | **106.9%** | **47,125,221** | **24.0%** |
| Changes in inventory | (12,549,340) | (9.4%) | (7,897,238) | (4.3%) | (4,652,102) | 58.9% |
| Costs of raw materials, cons. and goods for resale | (37,306,052) | (28.0%) | (60,916,487) | (33.2%) | 23,610,435 | (38.8%) |
| Costs of services | (60,059,742) | (45.0%) | (79,023,858) | (43.0%) | 18,964,116 | (24.0%) |
| Costs for use of third parties assets | (1,182,958) | (0.9%) | (1,958,276) | (1.1%) | 775,318 | (39.6%) |
| Labour costs | (43,802,610) | (32.8%) | (46,562,744) | (25.3%) | 2,760,134 | (5.9%) |
| Other operating expenses | (1,551,631) | (1.2%) | (3,387,023) | (1.8%) | 1,835,392 | (54.2%) |
| Total Operating Costs | (156,452,333) | (117.2%) | (199,745,626) | (108.7%) | 43,293,293 | (21.7%) |
| **GROSS OPERATING MARGIN (EBITDA)** | **86,961,272** | **65.2%** | **(3,457,242)** | **(1.9%)** | **90,418,514** | **(2,615.3%)** |
| Amortisation of intangible fixed assets | (2,503,359) | (1.9%) | (2,684,978) | (1.5%) | 181,619 | (6.8%) |
| Depreciation of tangible fixed assets | (2,866,847) | (2.1%) | (3,145,440) | (1.7%) | 278,593 | (8.9%) |
| Depreciation of right-of-use assets | (10,538,312) | (7.9%) | (10,908,975) | (5.9%) | 370,663 | (3.4%) |
| Revaluations / (write-downs) and provisions | (26,177,112) | (19.6%) | (31,586,983) | (17.2%) | 5,409,871 | (17.1%) |
| Total Amortisation, write-downs and provisions | (42,085,630) | (31.5%) | (48,326,376) | (26.3%) | 6,240,746 | (12.9%) |
| **NET OPERATING PROFIT / LOSS (EBIT)** | **44,875,642** | **33.6%** | **(51,783,618)** | **(28.2%)** | **96,659,260** | **(186.7%)** |
| Financial income | 849,193 | 0.6% | 92,582 | 0.1% | 756,611 | 817.2% |
| Income from partecipations | 15,000,000 | 11.2% | - | 0.0% | 15,000,000 | n.a. |
| Financial expenses | (6,966,835) | (5.2%) | (6,162,284) | (3.4%) | (804,551) | 13.1% |
| Leasing interest expenses | (1,352,954) | (1.0%) | (1,490,146) | (0.8%) | 137,192 | (9.2%) |
| Total Financial Income/(expenses) | 7,529,404 | 5.6% | (7,559,848) | (4.1%) | 15,089,252 | (199.6%) |
| **PROFIT / LOSS BEFORE TAXES** | **52,405,046** | **39.3%** | **(59,343,466)** | **(32.3%)** | **111,748,512** | **(188.3%)** |
| Taxes | (16,798,271) | (12.6%) | 7,762,559 | 4.2% | (24,560,830) | (316.4%) |
| **NET PROFIT / LOSS** | **35,606,775** | **26.7%** | **(51,580,907)** | **(28.1%)** | **87,187,682** | **(169.0%)** |

### *Revenues from sales and services*

In 2024, revenues went from EUR 183,696 thousand in 2023 to EUR 133,458 thousand in 2024, with a decrease of 27.3%. The reduction in revenues is attributable to the slowdown in both the retail and wholesale channels.

52% of revenues are earned in Italy while 48% come from foreign markets.

### *Labour costs*

Labour costs went from EUR 46,563 thousand in 2023 to EUR 43,803 thousand in 2024, with a decrease of 5,9% as a result of the company's reorganization process.

### *Gross Operating Margin (EBITDA)*

In the 2024 financial year, EBITDA is equal to EUR 86,961 thousand, an increase compared to the 2023 financial year (in 2023, negative EBITDA of EUR 3,457 thousand). This increase is mainly a consequence of the effects of the transfer by the Company of the ownership of the “Moschino” brand in relation to all products belonging to product class 3 of the Nice Classification, i.e. mainly cosmetics and perfumes.

## *Net operating profit (EBIT)*

EBIT 2024 is equal to EUR 44,876 thousand, recording an increase of EUR 96,659 thousand, compared to the negative EBIT of 2023 equal to EUR 51,784 thousand. The increase is mainly determined by the effects of the transfer of ownership of the “Moschino” brand in relation to all products belonging to product class 3 of the Nice Classification and to the lower write-downs of shareholdings and receivables from subsidiaries carried out in 2024 compared to 2023.

## *Net financial charges*

Net financial expenses moves from EUR -7,560 thousand in 2023 to EUR 7,529 thousand in 2024 with an increase of 199,6% mainly due to the distribution of profit reserves by the subsidiary Pollini S.p.A. amounting to EUR 15,000 thousand. Net of this transaction, financial income and expenses remain substantially unchanged.

## *Result before taxes*

Pre-tax profit moves from EUR -59,343 thousand in 2023 to EUR -52,405 thousand in 2024, a positive change in absolute value of EUR 111,749 thousand due to the reasons mentioned above.

## *Net result*

Net income for the year moves from EUR -51,581 thousand in 2023 to EUR 35,607 thousand in 2024, with a positive change in absolute value of EUR 87,188 thousand due to the reasons mentioned above.

BALANCE SHEET

| (Values in units of EUR) | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Trade receivables | 62,518,508 | 56,855,903 |
| Stock and inventories | 30,482,258 | 43,982,492 |
| Trade payables | (43,008,087) | (63,026,805) |
| **Operating net working capital** | **49,992,679** | **37,811,590** |
| Other short term receivables | 19,771,873 | 22,417,064 |
| Tax receivables | 4,984,747 | 7,786,638 |
| Other short term liabilities | (8,237,620) | (17,582,065) |
| Tax payables | (4,290,585) | (1,996,912) |
| **Net working capital** | **62,221,094** | **48,436,315** |
| Tangible fixed assets | 46,151,647 | 48,912,965 |
| Intangible fixed assets | 25,614,454 | 38,086,686 |
| Right-of-use assets | 33,675,063 | 56,660,267 |
| Equity investments | 50,016,313 | 50,616,053 |
| Other fixed assets | 25,811,339 | 3,855,714 |
| **Fixed assets** | **181,268,816** | **198,131,685** |
| Post employment benefits | (2,460,735) | (2,627,058) |
| Provisions | (45,008,729) | (19,475,386) |
| Goods intended for sale | 4,349,496 | |
| Long term not financial liabilities | (1,090,833) | (1,397,873) |
| Deferred tax assets | 9,113,946 | 7,549,454 |
| Deferred tax liabilities | (23,090,999) | (6,757,376) |
| **NET CAPITAL INVESTED** | **185,302,056** | **223,859,761** |
| Share capital | 24,606,246 | 24,606,246 |
| Other reserves | 20,577,039 | 72,156,450 |
| Profits/(Losses) carried-forward | 2,374,995 | 2,374,995 |
| Profits/(Loss) for the period | 35,606,775 | (51,580,907) |
| **Shareholders' equity** | **83,165,055** | **47,556,784** |
| Cash | (2,734,278) | (2,561,025) |
| Long term financial liabilities | 40,425,379 | 58,660,277 |
| Short term financial liabilities | 25,987,549 | 66,014,442 |
| **NET FINANCIAL POSITION WITHOUT IFRS 16 EFFECTS** | **63,678,650** | **122,113,694** |
| Short term lease liabilities | 7,192,909 | 9,209,021 |
| Long term lease liabilities | 31,265,442 | 44,980,262 |
| **NET FINANCIAL POSITION** | **102,137,001** | **176,302,977** |
| **SHAREHOLDERS' EQUITY AND NET FINANCIAL INDEBTEDNESS** | **185,302,056** | **223,859,761** |

## *NET CAPITAL INVESTED*

Compared to December 31, 2023, net invested capital decreased by 17.2% equal to EUR 38,558 thousand.

## *Net working capital*

Net working capital amounts to EUR 62,221 thousand at 31 December 2024 compared with EUR 48,436 thousand at 31 December 2023.

The changes in the main items are commented below:

- the net operating working capital increased by EUR 12,181 thousand overall. This change is related to the reduction in trade payables and inventories resulting from the contraction in sales that occurred during the year 2024;

- the sum of other current receivables and other current payables decreased by a total of EUR 11,989 thousand compared to the previous period mainly due to the reduction in advance royalties and anticipated costs for spring/summer 2025 compared to spring/summer 2024;

- the overall change in tax credits and liabilities equal to EUR 508 thousand is mainly attributable to the decrease in tax credits for IRES and the increase in tax liabilities for IRAP.

## *Fixed assets*

Fixed assets at 31 December 2024 decreased by EUR 16,863 thousand compared to 31 December 2023, mainly due to the transfer of ownership of the “Moschino” brand with reference to all products belonging to product class 3 of the Nice Classification.

The changes in the main items are commented below:

- tangible fixed assets increased overall by EUR 2,761 thousand due to the following changes:

    • investments of EUR 169 thousand in works on third-party assets, IT equipment and general and specific systems;

    • decreases of EUR 62 thousand;

    • depreciation of EUR 2,866 thousand.

- intangible assets increased overall by EUR 12,472 thousand due to the following changes:

    • decreases of EUR 10,750 thousand following the transfer of ownership of the “Moschino” brand with reference to all products belonging to product class 3 of the Nice Classification;

    • investments of EUR 781 thousand in software;

    • depreciation of EUR 2,504 thousand.

- the assets for rights of use moved by EUR 22,985 thousand mainly due to the sale of the boutique in Milan in via Montenapoleone 18 and the reclassification of the rights of use of the boutique in Rome intended for sale during the 2025 financial year.

- the investments moved by EUR 600 thousand. For details, see point 4 Investments in the explanatory note.

## ***NET FINANCIAL POSITION***

The Company's net financial debt stands at EUR 102,137 thousand as of 31 December 2024 compared to EUR 176,303 thousand as of 31 December 2023 with an improvement of EUR 74,166 thousand.

The liquid assets as of December 31, 2024 are substantially in line with the previous year's value.

Financial debt, net of the effect of the application of IFRS 16, is equal to EUR 63,679 thousand at 31 December 2024 compared to EUR 122,114 thousand at 31 December 2023.

With regard to financial debt, it should be noted that Aeffe S.p.A. and Euroitalia S.r.l. signed and executed, during 2024, a framework agreement for the transfer by Aeffe of the ownership of the “Moschino” trademark with reference to all products belonging to product class 3 of the Nice Classification, i.e. mainly cosmetics and perfumes, for a consideration of EUR 98,000 thousand fully paid.

*SHAREHOLDERS' EQUITY*

Total shareholders' equity increases by EUR 35,608 thousand due to the operating profit.

## 2. RESEARCH & DEVELOPMENT

Considering the particular nature of our products, research & development activities consist in the continual technical/stylistic renewal of our models and the constant improvement of the materials employed in production.

These costs, totalling EUR 19,175 thousand, have been charged to the 2024 Income Statement.

## 3. INFORMATION PURSUANT TO POINT 6-BIS OF ART. 2428.3 OF THE ITALIAN CIVIL CODE

Pursuant to point 6-bis of art. 2428.3 of the Italian Civil Code, it is confirmed that the Company does not use derivative financial instruments.

Financing requirements and the related risks are managed at acentralised level by the treasury department.

The principal objective is to ensure that the composition of liabilities and assets remains balanced, so that a high degree of financial strength is maintained.

The average cost of borrowing is essentially linked to 3/6-month EURIBOR plus a spread that principally depends on the type of financial instrument used.

The exchange risk associated with commercial transactions not denominated in the functional currency is hedged by the opening of loans in foreign currency in their respective countries.

With reference to the company’s objectives and policies concerning financial risk management, please refer to the information already reported in the financial statement notes.

## 4. INFORMATION ABOUT SHARE CAPITAL

Information about the share capital is provided in the Report on Corporate Governance prepared pursuant to arts. 124 bis of the Consolidated Finance Law and 89 bis of the Consob's Issuers' Regulations, and art. IA2.6 of the related Market Instructions. This report was approved by the Board of Directors on 14 March 2025 and is available in the Governance section of the Company's website: www.aeffe.com.

The following parties hold each more than 3% of the Company's shares at the date of the Report are:

| Main shareholders | % |
|---|---|
| Colloportus S.r.l. | 30.899% |
| Fquattro S.r.l. | 30.899% |
| Other shareholders(*) | 38.202% |

(*) 8,325% of own shares held by Aeffe S.p.A.

## 5. TREASURY SHARES

As of 31 December 2024, the Company holds 8,937,519 treasury shares, par value EUR 0.25 each, totalling 8.325% of its share capital. During 2024, treasury shares were not purchased by the Company.

As of 31 December 2024, the Company does not hold shares of any controlling company either directly or indirectly.

## 6. TRANSACTIONS BETWEEN GROUP COMPANIES AND WITH RELATED PARTIES

During the period, there were no transactions with related parties, including intragroup transactions, which qualified as unusual or atypical. Any related party transactions formed part of the normal business activities of companies in the Group. Such transactions are concluded at standard market terms for the nature of goods and/or services offered.

Information on transactions with related parties, including specific disclosures required by the Consob Communication of 28 July 2006, is provided in Notes 38 and 39.

## 7. GEOPOLITICAL CONTEXT

Italy has confirmed its political support for Ukraine, despite not being a major supplier of weapons. The government aims for a just peace, which does not mean Kiev's surrender, and is working to bring Moscow to the negotiating table, promoting reconstruction initiatives and diplomatic mediation.

Regarding the crisis in the Middle East, Italy has adopted a low-profile strategy, remaining aligned with its European partners. The government has highlighted that "the ceasefire in Gaza and Lebanon, and the transition in Syria, have opened a new political phase", offering an opportunity to consolidate regional stability.

The 2024 budget drawn up by the Istituto Affari Internazionali (IAI) shows an Italy active on the international scene. However, 2025 promises to be full of challenges, including the strengthening of European defense in the NATO context and economic competitiveness. The evolution of global crises and Italy's ability to maintain a central role in Europe and the Mediterranean will be crucial for the country's strategic projection in the coming years.

## 8. SUSTAINABILITY REPORTING

In consideration of the provisions of Art. 7, paragraph 2, of Legislative Decree 125/2024, the information relating to the sustainability reporting of Aeffe SpA is included in the Consolidated Sustainability Reporting, drawn up in accordance with Art. 4 of the same Decree and included in the management report of the consolidated financial statements.

## 9. SIGNIFICANT EVENTS OF THE PERIOD

On January 30, 2024, Aeffe has announced the appointment of Adrian Appiolaza as the new Creative Director of Moschino brand.

On September 24, 2024, the Board of Directors of Aeffe S.p.A. has communicated Alberta Ferretti's decision to leave the Creative Direction of the brand she founded, with the Spring/Summer 2025 fashion show it has been concluded the stylistic journey of the Italian designer, protagonist of an entrepreneurial and creative adventure that began in 1980.

On September 26, 2024, Aeffe Spa and Euroitalia S.r.l. have reached and also executed a framework agreement for Aeffe to transfer ownership of the “Moschino” brand in relation to all products belonging to product class 3 of the Nice Classification, i.e. mainly cosmetics and perfumes, as well as scented candles and rooms and textile perfumes, for an amount of 98,000,000 euros.

On October 15, 2024, it has been announced the appointment of Lorenzo Serafini as Creative Director of the Alberta Ferretti brand. Aeffe Group, in collaboration with Lorenzo Serafini and interpreting the needs of the current market, have developed a new strategy. This includes the integration of the Philosophy line within the Alberta Ferretti brand from the Fall/Winter 2025 season, with the aim of strengthening the brand’s appeal and positioning for the future.

## 9. SIGNIFICANT EVENTS SUBSEQUENT TO THE BALANCE SHEET DATE

On 24 December 2024, the Company signed the Extraordinary Wage Integration Fund agreement for company crisis effective from 13 January 2025 for a total duration of 12 months. With this agreement, the Company continues the operation to streamline personnel costs begun during 2024 with the Solidarity Contract pursuant to art. 21 paragraph 1 letter c) of Legislative Decree no. 148/2015 and with the Ordinary Wage Integration Fund.

## 10. OUTLOOK

Starting from the 2023 financial year and for the entire 2024 financial year, the Aeffe Group has undertaken a process of corporate, organizational and process rationalization that has led to the execution of numerous operations involving all the Brands in the portfolio. The trend of international markets, the continuation of wars in important countries from the point of view of distribution (Ukraine, Russia, Israel and the Middle East) and a general reduction in consumption have generated a growing awareness of the actions to be carried out. The company has equipped itself with all possible tools also from a creative point of view to face this phase: the repositioning of the Moschino Brand with the Creative Direction of Adrian Appiolaza and the choice to integrate the Philosophy line within the Alberta Ferretti brand led by Lorenzo Serafini were the result of a strategic thought aimed at responding to the needs of the consumer.

Following the important M&A operations finalized between 2021 and 2022 (investments for the company equal to over EUR 90 million), during 2024, the Group decided to sign an agreement for the transfer of ownership of the Moschino brand with reference to all products belonging to product class 3 of the Nice Classification, i.e. mainly cosmetics and perfumes; this operation, which brought a significant capital gain, allowed the Group to have greater equity, economic and financial consistency, consequently providing resources that can guarantee the future development of its Brands starting from 2025.

In light of all of the above, the Group has prepared a new 2025-2028 Industrial Plan, approved by the Board of Directors on 23 January 2025, in order to set new strategic objectives.

## 11. PROPOSALS TO APPROVE THE FINANCIAL STATEMENTS AND ALLOCATE THE RESULT FOR THE YEAR 2024

Shareholders,

In presenting the financial statements as of 31 December 2024 for your approval, we propose to allocate the profit for the financial year of EUR 35,606,775 as follows:

EUR 889,659 to the Legal Reserve;

EUR 34,717,116 to the Extraordinary Reserve.

14 March 2025

Chief executive officer
Simone Badioli

# Financial Statements

## BALANCE SHEET (*)

| (Values in units of EUR) | Notes | 31 December 2024 | 31 December 2023 | Change |
|---|---|---|---|---|
| Trademarks | | 23,880,979 | 36,526,209 | (12,645,230) |
| Other intangible fixed assets | | 1,733,475 | 1,560,477 | 172,998 |
| Intangible fixed assets | (1) | 25,614,454 | 38,086,686 | (12,472,232) |
| Lands | | 17,319,592 | 17,319,592 | - |
| Buildings | | 20,017,406 | 20,628,544 | (611,138) |
| Leasehold improvements | | 5,855,345 | 7,199,410 | (1,344,065) |
| Plant and machinary | | 936,464 | 1,224,869 | (288,405) |
| Equipment | | 63,665 | 106,994 | (43,329) |
| Other tangible fixed assets | | 1,959,175 | 2,433,556 | (474,381) |
| Tangible fixed assets | (2) | 46,151,647 | 48,912,965 | (2,761,318) |
| Right-of-use assets | (3) | 33,675,063 | 56,660,267 | (22,985,204) |
| Equity investments | (4) | 50,016,313 | 50,616,053 | (599,740) |
| Other fixed assets | (5) | 25,811,339 | 3,855,714 | 21,955,625 |
| Deferred tax assets | (6) | 9,113,946 | 7,549,454 | 1,564,492 |
| **NON-CURRENT ASSETS** | | **190,382,762** | **205,681,139** | **(15,298,377)** |
| Stocks and inventories | (7) | 30,482,258 | 43,982,492 | (13,500,234) |
| Trade receivables | (8) | 62,518,508 | 56,855,903 | 5,662,605 |
| Tax receivables | (9) | 4,984,747 | 7,786,638 | (2,801,891) |
| Cash | (10) | 2,734,278 | 2,561,025 | 173,253 |
| Other receivables | (11) | 19,771,873 | 22,417,064 | (2,645,191) |
| **CURRENT ASSETS** | | **120,491,664** | **133,603,122** | **(13,111,458)** |
| **GOODS INTENDED FOR SALE** | **(12)** | **4,349,496** | | **4,349,496** |
| **TOTAL ASSETS** | | **315,223,922** | **339,284,261** | **(24,060,339)** |
| Share capital | | 24,606,246 | 24,606,246 | - |
| Other reserves | | 20,577,039 | 72,156,450 | (51,579,411) |
| Profits / (Losses) carried-forward | | 2,374,995 | 2,374,995 | - |
| Net profit / loss | | 35,606,775 | (51,580,907) | 87,187,682 |
| **SHAREHOLDERS' EQUITY** | **(13)** | **83,165,055** | **47,556,784** | **35,608,271** |
| Provisions | (14) | 45,008,729 | 19,475,386 | 25,533,343 |
| Deferred tax liabilities | (5) | 23,090,999 | 6,757,376 | 16,333,623 |
| Post employment benefits | (15) | 2,460,735 | 2,627,058 | (166,323) |
| Long term financial liabilities | (16) | 71,690,821 | 103,640,539 | (31,949,718) |
| Long term not financial liabilities | (17) | 1,090,833 | 1,397,873 | (307,040) |
| **NON-CURRENT LIABILITIES** | | **143,342,117** | **133,898,232** | **9,443,885** |
| Trade payables | (18) | 43,008,087 | 63,026,805 | (20,018,718) |
| Tax payables | (19) | 4,290,585 | 1,996,912 | 2,293,673 |
| Short term financial liabilities | (20) | 33,180,458 | 75,223,463 | (42,043,005) |
| Other liabilities | (21) | 8,237,620 | 17,582,065 | (9,344,445) |
| **CURRENT LIABILITIES** | | **88,716,750** | **157,829,245** | **(69,112,495)** |
| **TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES** | | **315,223,922** | **339,284,261** | **(24,060,339)** |

(*) Pursuant to Consob Resolution no. 15519 dated 27 July 2006, the effects of transactions with related parties on the balance sheet of Aeffe S.p.A. are shown in Attachment I and described in Notes 38 and 39.

## INCOME STATEMENT (*)

| (Values in units of EUR) | Notes | Full year 2024 | % | Full year 2023 | % |
|---|---|---|---|---|---|
| **REVENUES FROM SALES AND SERVICES** | **(22)** | **133,458,183** | **100.0%** | **183,696,470** | **100.0%** |
| Other revenues and income | (23) | 109,955,422 | 82.4% | 12,591,914 | 6.9% |
| **TOTAL REVENUES** | | **243,413,605** | **182.4%** | **196,288,384** | **106.9%** |
| Changes in inventory | | (12,549,340) | (9.4%) | (7,897,238) | (4.3%) |
| Costs of raw materials, cons. and goods for resale | (24) | (37,306,052) | (28.0%) | (60,916,487) | (33.2%) |
| Costs of services | (25) | (60,059,742) | (45.0%) | (79,023,858) | (43.0%) |
| Costs for use of third parties assets | (26) | (1,182,958) | (0.9%) | (1,958,276) | (1.1%) |
| Labour costs | (27) | (43,802,610) | (32.8%) | (46,562,744) | (25.3%) |
| Other operating expenses | (28) | (1,551,631) | (1.2%) | (3,387,023) | (1.8%) |
| Amortisation and write-downs | (29) | (42,085,630) | (31.5%) | (48,326,376) | (26.3%) |
| Financial Income / (expenses) | (30) | 7,529,404 | 5.6% | (7,559,848) | (4.1%) |
| **PROFIT / LOSS BEFORE TAXES** | | **52,405,046** | **39.3%** | **(59,343,466)** | **(32.3%)** |
| Income Taxes | (31) | (16,798,271) | (12.6%) | 7,762,559 | 4.2% |
| **NET PROFIT / LOSS** | | **35,606,775** | **26.7%** | **(51,580,907)** | **(28.1%)** |

(*) Pursuant to Consob Resolution no. 15519 dated 27 July 2006, the effects of transactions with related parties on the income statement of Aeffe S.p.A. are shown in the income statement presented in Attachment II and described in Notes 38 and 39.

## COMPREHENSIVE INCOME STATEMENT

| (Values in units of EUR) | Full Year 2024 | Full Year 2023 |
|---|---|---|
| **Profit/(loss) for the period (A)** | **35,606,775** | **(51,580,907)** |
| Remeasurement of defined benefit plans | 1,886 | 91,776 |
| Income tax relating to components of Other comprehensive income that will not be reclassified subsequently to profit or loss | - | - |
| **Total other comprehensive income that will not be reclassified subsequently to profit or loss, net of tax (B1)** | **1,886** | **91,776** |
| Gains/(losses) on cash flow hedges | - | - |
| Gains/(losses) on exchange differences on translating foreign operations | - | - |
| Income tax relating to components of Other Comprehensive income / (loss) | - | - |
| **Total other comprehensive income that will be reclassified subsequently to profit or loss, net of tax (B2)** | **-** | **-** |
| **Totale Other comprehensive income, net of tax(B1)+(B2)=(B)** | **1,886** | **91,776** |
| **Total Comprehensive income / (loss) (A) + (B)** | **35,608,661** | **(51,489,131)** |

## CASH FLOW STATEMENT (*)

| (Values in thousands of EUR) | Notes | Full Year 2024 | Full Year 2023 |
|---|---|---|---|
| Opening balance of Aeffe S.p.A. | | 2,561 | 5,762 |
| Opening balance of Moschino S.p.A. merged for incorporation | | | 1,963 |
| Opening balance of Aeffe Retail S.p.A. merged for incorporation | | | 768 |
| **Opening balance** | | **2,561** | **8,493** |
| Profit before taxes | | 52,405 | (59,343) |
| Amortisation / write-downs | | (45,945) | 48,326 |
| Accrual (+)/availment (-) of long term provisions and post employment benefits | | 25,367 | (360) |
| Paid income taxes | | 265 | 1,163 |
| Financial income (-) and financial charges (+) | | (7,529) | 7,560 |
| Change in operating assets and liabilities | | (42,563) | 8,263 |
| **Cash flow (absorbed) / generated by operating activity** | **(33)** | **(18,001)** | **8,340** |
| Increase (-)/ decrease (+) in intangible fixed assets | | 98,000 | (992) |
| Increase (-)/ decrease (+) in tangible fixed assets | | (143) | (2,204) |
| Increase (-)/ decrease (+) in right-of-use assets (1) | | 3,588 | (8,263) |
| Investments and write-downs (-)/ Disinvestments and revaluations (+) | | 600 | (2) |
| **Cash flow (absorbed) / generated by investing activity** | **(34)** | **102,045** | **(11,461)** |
| Other variations in reserves and profits carried-forward of shareholders' equity | | 1 | |
| Proceeds (+)/repayments (-) of financial payments | | (53,715) | 10,760 |
| Proceeds (+)/ repayment (-) of lease payments | | (15,731) | (79) |
| Increase (-)/ decrease (+) in long term financial receivables | | (21,956) | (3,202) |
| Financial income (+) and financial charges (-) | | 7,529 | (7,560) |
| **Cash flow (absorbed) / generated by financing activity** | **(35)** | **(83,872)** | **(80)** |
| **Closing balance** | | **2,734** | **2,561** |

(*) Pursuant to Consob Resolution no. 15519 dated 27 July 2006, the effects of transactions with related parties on the cash flows of Aeffe S.p.A. are shown in the cash flow statement presented in Attachment III and described in Notes 38 and 39.

## STATEMENTS OF CHANGES IN SHAREHOLDERS’ EQUITY

| *(Values in thousands of EUR)* | Share capital | Share premium reserve | Other reserves | Fair Value reserve | IAS reserve | Legal reserve | Extraordinary reserve from realignment of D.L. 104/2020 | Remeasurement of defined benefit plans reserve | Profits / (Losses) carried-forward | Net profit / loss | Total shareholders' equity |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **AT JANUARY 31,2024** | **24,606** | **62,264** | **(15,909)** | **7,742** | **11,253** | **4,032** | **3,807** | **(1,033)** | **2,375** | **(51,581)** | **47,556** |
| Cover of 2023 loss | | (51,581) | | | | | | | | 51,581 | - |
| Total comprehensive income/(loss) 2024 | | | | | | | | | | 35,607 | 35,607 |
| Other variations | | | | | | | | 1 | | | 1 |
| **AT DECEMBER 31,2024** | **24,606** | **10,683** | **(15,909)** | **7,742** | **11,253** | **4,032** | **3,807** | **(1,032)** | **2,375** | **35,607** | **83,164** |

| *(Values in thousands of EUR)* | Share capital | Share premium reserve | Other reserves | Fair Value reserve | IAS reserve | Legal reserve | Extraordinary reserve from realignment of D.L. 104/2020 | Remeasurement of defined benefit plans reserve | Profits / (Losses) carried-forward | Net profit / loss | Total shareholders' equity |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **AT JANUARY 31,2023** | **24,606** | **67,599** | **21,265** | **7,742** | **(90)** | **4,032** | **3,807** | **(755)** | **2,375** | **(5,335)** | **125,246** |
| Cover of 2022 loss | | (5,335) | | | | | | | | 5,335 | - |
| Total comprehensive income/(loss) 2023 | | | | | | | | | | (51,581) | (51,581) |
| Merger by incorporation Moschino S.p.A. | | | (21,450) | | 5,578 | | | (122) | | | (15,994) |
| Merger by incorporation Aeffe Retail S.p.A. | | | (15,724) | | 5,765 | | | (64) | | | (10,023) |
| Other variations | | | | | | | | (92) | | | (92) |
| **AT DECEMBER 31,2023** | **24,606** | **62,264** | **(15,909)** | **7,742** | **11,253** | **4,032** | **3,807** | **(1,033)** | **2,375** | **(51,581)** | **47,556** |

# EXPLANATORY NOTES

## GENERAL INFORMATION

Aeffe S.p.A. (the “Company”) is an Italian legal entity and a Parent Company that holds, directly or indirectly, equity investments in the companies that lead the business sectors in which the Aeffe is active.

The Company is based in San Giovanni in Marignano (Rimini) and is currently listed in the – STAR Segment – of the MTA, the Italian Stock Exchange operated by Borsa Italiana.

The Company has the following branch offices and local units:

1) Office and showroom in Donizetti Street n.47/8 – Milan (MI)
2) Office and showroom in San Gregorio 28/32 Street – Milan (MI)
3) Office and showroom in Napo Torriani Street 1/1a – Milan (MI)
4) Storage in Felice Casati Street 32 – Milan (MI)
5) Storage in Tavollo Street – San Giovanni in Marignano (RN)
6) Boutique Moschino – Spiga 26 Street - Milan (MI)
7) Boutique Moschino – Babuino 16 Street – Rome (RM)
8) Boutique Alberta Ferretti – Condotti 34 Street - Rome (RM)
9) Boutique Philosophy of Lorenzo Serafini – Belsiana 70 Street - Rome (RM)
10) Space A – Porta Rossa 107 Street – Firenze (FI)
11) Space A – S.re San Marco 295/296 – Venezia (VE)
12) Outlet Alberta Ferretti-Moschino – Della Moda 1 Street – Serravalle Scrivia (AL)
13) Outlet Alberta Ferretti-Moschino – SP 126 Km. 1,6 – Aiello (UD)
14) Outlet Alberta Ferretti-Moschino – Ponte di Piscina Cupa Street – Castel Romano (RM)
15) Outlet Alberta Ferretti-Moschino – Str Provinciale Sannitica, 336 – Marcianise (CE)
16) Outlet Alberta Ferretti-Moschino – Aretina 61 Street – Leccio di Reggello (FI)
17) Outlet Alberta Ferretti-Moschino – Marco Polo 1 Street – Noventa di Piave (VE)
18) Outlet Alberta Ferretti-Moschino – Armea 43 Street– Sanremo (IM)
19) Outlet Alberta Ferretti-Moschino – Contrada Mandre Bianche – Agira (EN)

Furthermore, the Company has the following deposits with third parties:

1) Storage in Rivoltona 2/d Street Segrate – Milan (MI)
2) Storage in Delle industrie 6 Street – Montaletto – Cervia (RA)
3) Storage in Olmi 15 Street – San Giovanni in Marignano (RN)
4) Storage in Erbosa I street n. 92 – Gatteo (FC)
5) Storage in Tamerici 9 street – San Giovanni in Marignano (RN).

These financial statements have been prepared in EUR, which is the functional currency of the economy in which the Company operates.

The financial statements are accompanied by notes that explain the Company's economic and financial position as of and for the year ended 31 December 2024. This information is presented on a comparative basis, after adjusting the prior year's financial statements for consistency.

Unless stated otherwise, all amounts have been rounded to thousands of EUR.

The financial statements comprise the balance sheet, the income statement, comprehensive income statement, the statement of changes in shareholders' equity, the cash flow statement and these explanatory notes.

Unless stated otherwise in the accounting policies described below, these financial statements have been prepared on an historical cost basis in accordance with the historic cost principle.

The financial statements have been audited by Ria Grant Thornton S.p.A.

Following the spin-off of the company Fratelli Ferretti Holding S.r.l., which took place with notarial deed 7643 of 25 July 2024, of which the data from the latest approved financial statements are reported in Annex IV, Aeffe S.p.A is subject to the joint control of Colloportus S.r.l. and Fquattro S.r.l.. For further information, please refer to the information provided on the website www.aeffe.com, governance section.

## DECLARATION OF CONFORMITY AND BASIS OF PRESENTATION

Pursuant to art. 3 of Decree 38/2005 dated 28th February 2005, these financial statements have been prepared in accordance with International Accounting Standards (IAS/IFRS). The explanatory notes, also prepared in accordance with IAS/IFRS, have been supplemented by the additional information requested by CONSOB and by its instructions issued in accordance with art. 9 of Decree 38/2005 (resolutions 15519 and 15520 dated 27th July 2006 and communication DEM/6064293 dated 28th July 2006, pursuant to art. 114.5 of the Consolidated Finance Law), by art. 78 of the Issuers' Regulations, by the EC document issued in November 2003 and, where applicable, by the Italian Civil Code. Consistent with last year's annual report, some of the required information are presented in the Directors' Report (Report on operations).

## FINANCIAL STATEMENT FORMATS

As part of the options available under IAS 1 for the presentation of its economic and financial position, the Company has elected to adopt a balance sheet format that distinguishes between current and non-current assets and liabilities, and an income statement that classifies costs by type of expenditure, since this is deemed to reflect more closely its business activities. The cash flow statement is presented using the “indirect” format.

With reference to Consob Resolution no. 15519 dated 27th July 2006 regarding the format of the financial statements, additional schedules have also been presented for the income statement, the balance sheet and the cash flow statement in order to identify any significant transactions with related parties. This has been done to avoid compromising the overall legibility of the main financial statements.

## ACCOUNTING POLICIES

The accounting policies adopted in the preparation of this financial statement are the same used as those used in the preparation of the financial statement as of December 31, 2023, except for the following interpretations and amendments to the accounting principles that have been mandatory since January 1, 2024.

### Directors’ assessment of the going concern assumption

The Directors are responsible for assessing the capacity of the Comapny to pursue operating activities and, in preparing the financial statements, the appropriateness of applying the going concern principle, in addition to the provision of adequate disclosure. The Directors apply the going concern principle in preparing the consolidated financial statements unless they have assessed that the conditions for the winding up of the parent company Aeffe S.p.A. or for the interruption of operations exist or that they have no realistic alternatives to these options.

Starting from the 2023 financial year and for the entire 2024 financial year, the Company undertaken a process of corporate, organizational and process rationalization that has led to the execution of numerous operations involving all the Brands in the portfolio. The trend of international markets, the continuation of wars in important countries from the point of view of distribution (Ukraine, Russia, Israel and the Middle East) and a general reduction in consumption have generated a growing awareness of the actions to be carried out. The company has equipped itself with all possible tools also from a creative point of view to face this phase: the repositioning of the Moschino Brand with the Creative Direction of Adrian Appiolaza and the choice to integrate the Philosophy line within the Alberta Ferretti brand led by Lorenzo Serafini were the result of a strategic thought aimed at responding to the needs of the consumer.

Following the important M&A operations finalized between 2021 and 2022 (investments for the company equal to over EUR 90 million), during 2024, the Company decided to sign an agreement for the transfer of ownership of the Moschino brand with reference to all products belonging to product class 3 of the Nice Classification, i.e. mainly cosmetics and perfumes; this operation, which generated a capital gain of 87 million EUR (detailed in notes 23 "Other revenues and income" and 41 "Significant non-recurring events and transactions"), allowed the Company to have greater equity, economic and financial consistency, consequently providing resources that can guarantee the future development of its Brands starting from 2025.

In light of all the above, the Company has prepared a new Industrial Plan 2025-2028, approved by the Board of Directors on 23 January 2025, in order to set new strategic objectives.

The Industrial Plan is the result of the analysis and forecasts of each individual Brand in the portfolio and examines, over the four-year period, the various areas of development and evolution, namely product offering, distribution, communication & marketing, collaborations & licenses, organization.

At corporate level, a medium-long term strategy has been identified through the analysis of specific aspects. Specifically:

- Significant growth in the Retail Channel focused on the positioning of the Group's DOS, also aiming to increase the average sales receipt
- Redevelopment of the distribution network through the elevation of key accounts and the expansion of the presence
- Development of new markets by re-entering previously lost markets
- Focus on geopricing and e-commerce
- Product, quality but also creativity and innovation under the spotlight
- Accessory as a starting point to convey new messages and attract new customer segments.

These areas, integrated with the Company macro-strategy, have led to the setting of specific targets for each Brand.

Moschino brand:

- Increase in the perception of the Brand (also thanks to the change of creative director and the consequent different product offering)
- Progressive improvement of distribution
- Increase in the number of Franchisees and expansion of digital channels
- Progressive increase in retail presence in Asia

Pollini brand:

- Consolidation of performance in consolidated geographical areas
- Penetration into new countries with development potential with respect to the positioning of the Brand
- Progressive increase in Franchisees in Europe (including Italy) and in selected foreign countries
- Opening of pop-ups and shopping shops

Alberta Ferretti brand:

- Organic growth and consolidation of DOS, new openings and retouching of store concepts in key locations
- Franchising development in high-potential markets
- Network redevelopment through collaboration with key partners
- Activation and strengthening of collaboration with department stores worldwide
- Focus on the effective exploitation of various online channels for a seamless and successful omnichannel experience.
- Collaborations and Partnerships

Specifically, the industrial plan mainly includes a strategic relaunch of the Moschino brand, initially focused on changing the product offering with a consequent increase in the brand's position on the market. These results will be achieved thanks to the contribution of the new creative director Adrian Appiolaza, appointed on January 30, 2024.

Furthermore, always with a view to increasing the Moschino brand, in general for the wholesale channel in all areas where the brand is present, the plan includes a progressive improvement of the distribution channel, aiming to increase turnover through new sales models, building strong relationships with selected customers. For the retail channel, the industrial plan mainly envisages maintaining the direct presence in China, with the consolidation of the stores higher performing, the closure of sales outlets located in cities no longer considered strategic and with high potential and a gradual opportunistic increase in the sales network through the opening of new directly managed stores.

While hoping for a quick resolution of international conflicts, the 2025 financial year for the Company will still be an exercise in approaching the desired path of recovery of volumes and sales performance of products, especially under the Moschino brand, in consideration of the difficulties that the reference market continues to present.

Already starting from 2026, with a consolidation trend projected for 2027 and 2028, a reversal of the trend is expected with a recovery in sales volumes of all the brands of the group, in particular that of the Moschino brand (both wholesale and retail).

Following the reduction in sales volumes and turnover highlighted in 2024, the industrial plan projections include several organizational efficiency and cost containment actions, in particular with regard to service provision (consulting, stylistic and communication) and personnel performance. These actions will allow for a progressive recovery of operating margins.

The directors will continue to monitor the trend and evolution of the reference markets with extreme attention, with respect to the hypotheses and actions envisaged in the 2025-2028 industrial plan on which the assessment of the Company's ability to continue to operate as a going concern is based, while maintaining proactive and constant attention to organizational and management efficiency, to contain costs and identify initiatives that can further protect expected cash and income flows, also through any specific operations.

### Accounting standards, amendments and interpretations approved by the European Union, applicable from 1 January 2024:

- Lease liabilities in a sale and leaseback transaction (amendments to IFRS 16);
- Classification of liabilities as current and non-current and non-current liabilities with covenants (amendments to IAS 1);
- Financing arrangements for supplies (amendments to IAS 7 and IFRS 7).

The adoption of these amendments had no impact on the financial statements.

### Accounting principles, amendments and interpretations not yet applicable or not adopted early by the Comapny:

- Impossibility of exchange (amendments to IAS 21).
- Classification of liabilities as current and non-current and non-current liabilities with clauses (amendments to IAS 1);

The Directors do not expect a material effect on the financial statements from the adoption of these amendments.

### Intangible fixed assets

Intangible fixed assets are identifiable non-monetary assets, without physical substance, that are controlled by the company and able to generate future economic benefits for the Company. Intangible fixed assets are initially recorded at purchase cost (being their fair value in the case of business combinations), as represented by the acquisition price paid including any charges directly attributable to the preparatory or production phase, if the conditions are met for the capitalisation of costs incurred on the internal generation of assets. Following initial recognition, intangible fixed assets are carried at cost, net of accumulated amortisation and any impairment recorded in accordance with IAS 36 (*Impairment of Assets*). Subsequent expenditure on intangible fixed assets is capitalised only if it increases the future economic benefits embodied in the specific asset to which it relates. All other costs are charged to the income statement as incurred.

Of intangible fixed assets, a distinction can be made between: a) those with an “infinite” useful life, such as goodwill, which are not amortised but subjected to an annual impairment test (or whenever there is reason to believe that the asset may have been impaired) in accordance with IAS 36; b) those with a finite useful life or other intangible fixed assets, the valuation criteria for which are reported in the following paragraphs.

#### *Brands*

Brands are recognised at cost and are amortised systematically on a straight-line basis during their estimated useful life (40 years) from when the asset is available for use. By applying IFRS 3, all business combinations since 31 December 2001 have been restated, with an indication, based on an independent estimate, of the new value of intangible fixed assets that were not reported when the shareholdings were acquired.

The Company has seen fit to give brands a finite life of 40 years in view of the policies adopted by other market operators. Prudently, it has adopted an extremely long – although not infinite and thus unidentifiable – useful life for its own brands (reflecting the prolonged benefits derived from these). This decision is in line with intangible fixed assets typical of the fashion industry, based on previous experience of other international operators in the sector (market comparables).

In compliance with IAS 36, brands are subjected to a recoverable value test in the presence of indications of possible loss of value.

To determine the recoverable value of the brands recorded in the balance sheet, the current value was estimated by discounting the hypothetical value of the royalties deriving from the transfer for use to third parties of these intangible assets, on the basis of which the cash flows are linked to the recognition of a percentage of royalties applied to the amount of revenue that the brand is able to generate prospectively, over its useful life. The industry averages were used as the royalty rates (equal to 10%), from which the average percentage of incidence of the maintenance costs of each brand on the turnover was deduced (equal to 3.50% for Moschino and 9,07% for Alberta Ferretti). The presumed royalty percentage was also determined net of the tax effect.

In this case, considering the historicity of the trademarks being evaluated, it was considered correct to use a time horizon (useful life) of unlimited duration of the distinctive sign, which in any case corresponds to an algorithm equal to approximately 25/30 years.

The expected royalties were determined on the basis of the turnover attributable to each specific brand and extrapolated from the 2025 Budget and for the financial years 2026-2028 from the expected economic development plans approved by the Company.

For the period following the explicit planning period (post 2028), in determining the expected turnover and, therefore, the presumed royalties, a minimum annual growth rate g was considered (equal to 2.02%), equal to inflation average expectation in the countries in which the Company operates, weighted based on the 2028 EBITDA produced in these countries. The average cost of capital (WACC) was used as the discount rate, equal to 7.88% (9.40% as at 31/12/2023) for the explicit planning period and equal to 9.11% (10.08% that at 12/31/2023) for the subsequent period.

Furthermore, the Company conducted the usual sensitivity analyses, required by IAS 36, in order to highlight the effects produced on the "value in use" of the brands by an increase in the WACC discount rate. In particular, the percentage increase in the WACC was identified which would lead to a zeroing of the headroom found between the value in use and the carrying amount (percentage increase in the WACC for each brand: +44.75% Moschino; +2 .82% Alberta Ferretti).

The analysis carried out did not reveal any situations of impairment as the net book value of the individual brands was lower than the related recoverable value.

*Other intangible fixed assets*

This caption comprises the costs incurred to acquire software, which is amortised over a period not exceeding 3 years.

The principal amortisation rates applied are summarised below:

| Category | % |
|---|---|
| Royalties from patents and intellectual property | 33% |
| Brands | 2,5% |

Research costs are charged to the income statement as incurred.

At 31 December 2024 the Company has not recorded intangible fixed assets with an “infinite” useful life in the intangible fixed assets.

### Tangible fixed assets

Tangible fixed assets, stated net of accumulated depreciation, are recorded at purchase or production cost except for those assets which have been revalued in accordance with specific laws. Cost includes related charges and directly-attributable expenses.

Tangible fixed assets are depreciated systematically each year on a straight-line basis using economic-technical rates that reflect the residual useful lives of each asset. Tangible fixed assets are written down in the event of permanent impairment, regardless of the depreciation already accumulated.

Ordinary maintenance expenses are charged in full to the income statement. Improvement expenditure is allocated to the fixed assets concerned and depreciated over their residual useful lives.

Construction in progress and advances to suppliers are recorded at the cost incurred, including directly-related charges.

As an exception to the general principle, the carrying amount of land and buildings has been adjusted to reflect the value determined by reference to an independent appraisal. This was performed to identify the separate value of land that was previously included in the "land and buildings" caption and consequently depreciated. The depreciation rates are applied on a straight-line basis over the new estimated useful lives of the buildings: 50 years (2%).

The depreciation rates applied are summarised below:

| Category | % |
|---|---|
| Industrial buildings | 2% |
| Plant and machinery | 12,5% |
| Photovoltaic systems | 9% |
| Industrial and commercial equipment | 25% |
| Electronic machines | 20% |
| Furniture and furnishings | 12% |
| Motor vehicles | 20% |
| Cars | 25% |

Land is not depreciated.

Leasehold improvements, including the costs of fitting and modernising directly-managed shops and all other property used for business purposes but not owned by the Company, are depreciated over the shorter of the duration of the lease, including any renewal periods, or their useful lives.

Improvement expenditure is added to the carrying amount of the assets concerned if the future economic benefits for the Company are likely to exceed those determined originally. Such expenditure is depreciated over the residual useful lives of the assets concerned. All other maintenance costs are charged to the income statement as incurred.

### Leasing IFRS16

The IFRS 16 introduces some elements of professional judgment which involve the definition of some accounting policies and the use of assumptions. The main ones are summarized below:

Lease term: the identification of the duration of the rental contract is a very relevant issue since the form, legislation and commercial practices on property rental contracts vary significantly from one jurisdiction to another and the assessment of the effects of the renewal options at the end of the non-cancellable period on the lease term estimate entails the use of assumptions. In fact, for the definition of the lease term, the Company considered the presence of renewal and cancellation options respectively for the lessee, the lessor or both. In the presence of renewal options exercisable by both contractual parties, it considered the existence or not of significant economic disincentives in refusing the renewal request as required by paragraph B34 of IFRS 16. In the presence of options exercisable only by one of the two parties considered paragraph B35 of IFRS 16. The application of the above, taking into account the specific facts and circumstances as well as the estimate that the option is reasonably certain, has meant that, for contracts with an annual duration renewable automatically unless canceled, an average duration of ten years was considered, basing this choice on historical evidence while in other cases if it is only the Company that can exercise the option, a duration was considered until the second renewal provided for in the contract, based on the historical evidence and the fact that renewal beyond the second period cannot be considered reasonably certain.

Definition of the discount rate: since in most of the rental contracts stipulated by the Company, there is no implicit interest rate, the Company has calculated an incremental Borrowing Rate-IBR. In order to determine the IBR to be used for discounting future rent payments, the Group has identified each country as a portfolio of contracts with similar characteristics and has determined the relative IBR as the rate of a risk-free instrument of the respective country in which the contract was stipulated, based on the different contractual deadlines. The weighted average IBR applied during the transition was 2.22%, while the weighted average IBR as at 31/12/24 amounts to 2.37%.

Activities by right of use: the Company detects activities by right of use on the lease start date (ie on the date on which the underlying asset is available for use). The right of use activities that fall under the definition of investments in real estate activities are classified in this balance sheet item. The assets by right of use are measured at cost, net of accumulated depreciation, of accumulated impairment losses and modified for any re-measurement of the leasing liability. The cost of the assets by right of use includes the initially recognized value of the leasing liability, initial direct costs incurred, the payments due for the leasing made on the date or before the effective date net of the leasing incentives received. Unless the Company is reasonably certain that it purchases the leased asset at the end of the lease contract, the assets by right of use are amortized linearly in the shorter period between the duration of the contract and the useful life of the leased asset.

The amortization of right-of-use assets is applied on the basis of the provisions of IAS 16. Finally, right-of-use assets are subjected to impairment testing on the basis of the provisions of IAS 36. The item right-of-use assets it therefore also includes the key money paid by the Group, as it is classified, based on the IFRS16 principle, as initial direct leasing costs. The "rights of use" of each individual CGU are subjected to impairment tests in the presence of triggering events (involving the individual CGU).

The impairment test is carried out by comparing the net book value of the CGU (understood as Net Invested Capital - in the CGU) with the recoverable value (understood, as required by paragraphs 18 and 74 of the international accounting standard IAS 36, as the greater of fair value less costs to sell and value in use).

IFRS 13 brings together the definition of fair value by establishing that it is the price that would be received for the sale of an asset or that would be paid for the transfer of a liability in a regular transaction between market operators at the measurement date. IFRS 13 establishes a hierarchy that classifies the inputs of the measurement techniques adopted to measure fair value into levels. The expected levels, displayed in hierarchical order, are as follows:

- level 1 inputs: are quoted prices (unadjusted) in active markets for identical assets and liabilities that the entity can access at the measurement date;
- level 2 inputs: these are variables other than the quoted prices included in level 1 that can be observed directly or indirectly for assets or liabilities;
- level 3 inputs: these are unobservable variables for assets or liabilities.

To determine the value in use of an asset, the present value of the estimated future financial flows is calculated, before taxes, by applying a discount rate, before taxes, which reflects the current market assessments of the time value of money and specific risks of the activity.

To estimate the "fair value", Aeffe discounts future rents to market value while for the "value in use" it discounts the expected future cash flows (Discounted Cash Flow - DCF) generated by the CGU.

Leasing liabilities: at the start date of the leasing contract, the Company recognizes the leasing liability measured as the present value of future residual payments until the end of the contract. Future payments include fixed payments, net of any leasing incentives to be received, variable payments that depend on an index or rate and the amounts that the Group is expected to pay as guarantees of the residual value. Future payments also include the exercise price of the purchase option, if the Group has reasonable certainty to exercise the option and the leasing termination penalty payments, if the Group has reasonable certainty to exercise the resolution option. Variable payments, which do not depend on an index or rate, but which for the Group mainly depend on the volume of sales, continue to be recorded as costs in the income statement, among the costs for services. To calculate the present value of future payments, the Group uses the Incremental Borrowing rate (IBR) on the contract start date. Subsequently, the leasing liability is increased for interest and decreased for payments made. In addition, the leasing liability is remeasured to take into account changes to the terms of the contract.

Short term leases and low value assets leases: the Company avails itself of the exemption from the application of IFRS 16 for short-term contracts (less than 12 months) and for contracts in which the individual leased asset is of small value. The payments of the fees of these contracts are accounted for linearly as costs in the income statement, based on the terms and conditions of the contract.

### Determination of recoverable value (Impairment)

Under IAS 36, intangible and tangible fixed assets must be subjected to impairment testing if there is evidence (events, change of circumstances) to suggest a possible loss of value. The purpose of this is to ensure that assets are not recorded in the balance sheet at an amount that exceeds their recoverable value.

Brands and other intangible assets, together with tangible fixed assets, rights of use assets and other non-current assets, are subjected to a recoverable value check in the presence of indications of possible impairment.

An impairment loss occurs and is accounted for when the book value of an asset or cash-generating unit exceeds the recoverable value. The book value of the asset is adjusted to the recoverable value and the impairment loss is recognized in the income statement.

The recoverable value of these assets is the higher between their fair value, net of disposal costs, and their value in use. In order to determine value in use, the estimated future cash flows, including those deriving from the disposal of the asset at the end of its useful life, are discounted using a post-tax rate that reflects the current market assessment of the value of money and the risks associated with the Group's activities. If it is not possible to estimate an independent cash flow for a single asset, the minimum operating unit (cash generating unit) to which the asset belongs and to which it is possible to associate future independent cash flows is identified.

The transfer by Aeffe S.p.A. of ownership of the class 3 of the Nice Classification of its main brand (Moschino) is to be considered an extraordinary event which therefore requires assessments in relation to the risk that the accounting values of the above-mentioned assets (brands and other intangible assets) may have suffered lasting losses in value.

Furthermore, it is specified that, also taking into account the uncertainty of the reference context, the estimate of the value in use and the fair value were entrusted to an independent external expert.

Therefore, we first proceeded to carry out the impairment test on "Pret-a-porter division”. The «Prêt-à-porter» division, which is made up of the Aeffe corporate reality, operates mainly in the creation, creation and distribution of luxury ready-to-wear clothing collections and lingerie, beachwear and loungewear collections.

The impairment test was conducted by first testing the recoverability of the carrying amount, i.e. the Net Invested Capital, of each CGU through the value in use, determined by discounting the result flows of the plan each CGU, or by applying the methodology directly referred to by IAS 36: the financial method of Discounted Cash Flow, in the asset side formulation.

The flows of the explicit period were determined starting from the operating income (EBIT) of each financial year 2025 - 2028, calculating and subtracting the notional direct taxes at the full rate and subsequently adding the negative income components that do not give rise to monetary outflows, such as depreciation and provisions, in order to identify the "financial flow of current operational management", which can be interpreted as a "potential" monetary flow; in fact, the amount of monetary resources actually released by current core management is affected by the variation undergone over the period by the assets elements that arise and expire as a result of the operating cycles (trade receivables, inventories, trade payables, payables to personnel, etc. ) – changes in Net Working Capital (NCC). Finally, the monetary flow of operational management was determined taking into consideration both the aforementioned CCN deltas and investments (net of disinvestments) in fixed capital - so-called CAPEX – and changes in operating funds. For the years following 2028, i.e. for the years following the explicit planning period - and, therefore, for the estimate of the Terminal Value -, it was prudentially decided to identify the prospectively average cash flows that could be produced by «Pret-a» division" with the average (normalized for non-repeatable and extraordinary flows) of the EBITs of the last two explicit planning years (2027 - 2028), appropriately considered net of notional taxes at the full rate and projected in perpetuity. For the post-2028 period, a minimum annual g growth rate was also considered (equal to 2.00%), equal to the average expected inflation in the countries in which the Company operates, weighted based on the 2028 EBITDA produced in these countries.

The flows were discounted at the weighted average cost of capital of the Company WACC, equal to 7.88%, determined on the basis of the following parameters:

- Free Risk Rate of a mature country (Germany), i.e. rate of return on 10Y Bunds relating to the twelve months preceding 12/31/2024 (Source: investing.com).
- Beta volatility coefficient constructed as the average of the 2Y unlevered $\beta$ of a sample of comparable companies leveraged as a function of the average D/E ratio of the same comparables (Source: Bloomberg).
- Equity Risk Premium, premium for the ideal risk as identified by best practices.
- Country Risk Premium, determined as the average risk of the countries in which the Group operates, weighted by the percentage of production of the 2028 EBIT in said countries (Source: Aswath Damodaran).
- Coefficient $\alpha$, which considers, among other things, the small cap and randomness premiums of execution of the plan.
- Cost of the Company's net debt, determined by considering the actual average rate (as of 12/31/2024) of the Comapny's credit lines.
- Financial structure, determined as the average of the comparables already considered for the definition of the $\beta$ (Source: Bloomberg).

To discount the Terminal Value, a WACC of 9.11% was adopted, determined by considering an additional premium $\alpha$ on the cost of equity capital.

The value in use of the two CGUs, calculated according to the DCF methodology, was higher than the book value of the related Net Invested Capital.

Furthermore, the Company nevertheless conducted the usual sensitivity analyses, required by IAS 36, in order to highlight the effects produced on the "value in use" of the CGUs by an increase in the WACC discount rate and a decrease in the growth rate.

The analysis carried out did not reveal any situations of impairment as the net book value of the two CGUs was lower than the related recoverable value.

Finally, the Company carried out an analysis aimed at assessing the recoverability of the right-of-use assets and of the intangible and tangible assets attributable to the individual directly operated stores (DOS) - substantially attributable to the key money paid for the takeover - which highlighted impairment indicators linked to the increase in rates.

In particular, for the stores (Cash Generating Units - CGU), the recoverable value, has been determined as the greater of the fair value and the value in use of the relative CGU, and compared with the net carrying amount ("carrying amount").

The test was conducted first of all by identifying the recoverable value of the stores (for which the Company appears to have recorded key money) in the sense of fair value. In particular, the fair value was calculated based on current empirical data from the real estate market, as the difference between:

- the current value of the residual rents considering the market values (Sources: Main Streets across the World - Cushman & Wakefield; Real Estate Market Observatory - Revenue Agency) of the rents applicable for properties located in the same cities and streets as stores being estimated and the specific size (m2) of the stores being tested;
- the current value of the residual rental payments considering the contractual values.

Also in this case the discount rate is the Group WACC, adjusted to consider the specific country and inflation risks of the state in which the store is located. The useful life of the asset was assumed to be equal to the duration of the lease contract. The fair value thus determined was compared with the net book value of the key money and fittings of each store. In the event that this comparison highlighted a loss of value, considering that the Accounting Standard provides that the recoverable value represents the greater of the fair value and the value in use, the value in use of the stores was also determined using the previously exposed DCF financial methodology.

To estimate the value in use of the stores (CGU), the operating cash flows deduced from the actual economic data as of 12/31/2024, as well as the prospective 2025 - 2028 data, as approved by the Parent Company, were considered. For the years after 2028 and until the expiry date of the rental contract, the cash flows were estimated analytically, year by year, on the basis of the latest available EBIT increased by a growth rate g - equal to expected inflation 2029 in Italy or France, based on the geographical location of the shop - netted considering full rate taxes. To discount the cash flows, the same WACC rate determined for the CGU «Pret-a-porter» was adopted, modified only to consider only the country risk of Italy, and not the weighted average of Countries of operation of the Company.

The analysis carried out did not reveal any loss of value.

The usual sensitivity analyzes were conducted, required by IAS 36, in order to highlight the effects produced on the "fair value" or "value in use" of the stores following: a hypothetical reduction in the rental price per square meter or a hypothetical increase in the WACC discount rate.

The analyzes on the variability of the results of the estimates made regarding the stores as the main valuation inputs assumed changed, hypothesized alternatively: for fair value valuations, the potential decrease in market prices per square meter and, for fair value valuations, value in use, the percentage increase in the WACC discount rate, which respectively lead to the elimination of the margins found in the impairment test.

A sensitivity analysis was first carried out on the market prices per square meter of the rents of each shop in order to identify the decrease in the same which would lead the recoverable value of the assets of each shop to be at least equal to the relative carrying amount (i.e. all zeroing of the headroom encountered). This decrease is between 33% and 82%.

In the event that the comparison between fair value and net book value has highlighted a loss in value, considering that the Accounting Standard provides that the recoverable value represents the greater of the fair value and the value in use, we also proceeded to determine the use value of the shops.

A sensitivity analysis on the discount rates (WACC) was carried out on the value in use of these stores, in order to identify the rate increase that would bring the recoverable value to be at least equal to the relative carrying amount (i.e. to zero of the headroom encountered). The increase in WACC is between 20.23% and 39.81%.

In defining the recoverable value of all assets subject to impairment testing, the financial impacts estimated by management for achieving its Environmental, Social, and corporate Governance (ESG) objectives were taken into consideration. In fact, in 2024 AEFFE continued the path started previously regarding the in-depth mapping of ESG risks, also with the support of external professionals, starting from the materiality analysis, which will lead to a progressive integration of the factors of sustainability within its corporate risk management model. The company has identified its sustainability objectives and defined a prospective implementation plan for their achievement. The same was formalized in terms of economic impacts in a timely manner for the year 2025, implemented in the company budget. Aeffe has also estimated, on the basis of the 2025 budget, the economic impacts over the plan period, including them in its industrial economic plan, considered for the purposes of the impairment test.

*Reinstatement of value*

The value of financial assets recorded at amortised cost is reinstated when a subsequent increase in their recoverable value can, objectively, be attributed to an event that took place subsequent to recognition of the impairment loss.

The value of other non-financial assets is reinstated if the reasons for impairment no longer apply and the basis for determining their recoverable value has changed.

Write-backs are credited immediately to the income statement and the carrying amount of the asset concerned is adjusted to reflect its recoverable value. Recoverable value cannot exceed the carrying amount that would have been recognised, net of depreciation, had the value of the asset not been written down due to impairment in prior years.

The written down value of goodwill is never reinstated.

### Equity investments

Equity investments in subsidiaries, associates and joint ventures are recognised according to the equity method. The surplus cost over shareholders' equity on the acquisition date is treated in the same way as described in the section on consolidation principles. Other equity investments are recognised using the cost method, which is reduced for impairment losses. The original value is restated in subsequent years if the reasons for the write-down no longer apply.

### Assets held for sale

This item includes assets where the book value will be recovered mainly through sale rather than continuous use. For this to happen, the asset (or group) must be available for sale in its current condition, subject to standard conditions applicable to the sale of such assets (or groups), and the sale must be highly probable. An asset classified as held for sale is recognised at the lesser of its book value and fair value, excluding selling costs, as stipulated in IFRS 5.

### Trade and other receivables

Receivables are stated at their estimated realisable value, being their nominal value less the allowance for collection losses on doubtful accounts. They are review regularly in terms of ageing and seasonality in order to avoid adjustments for unexpected losses. Non-current receivables that include an element of embedded interest are discounted using a suitable market rate. This caption also includes the accrued income and prepaid expenses recorded to match income and costs relating to more than one year in the accounting periods to which they relate. A specific analysis is carried out both of the positions in dispute and of the positions that present some symptoms of delay in collections for the purpose of determining the provision for bad debts. Furthermore, the evaluation of residual credits is also carried out considering the expected loss which is calculated over the entire life of the trade credit. The evaluation of the overall realizable value of trade receivables requires the development of estimates regarding the probability of recovery of the aforementioned practices, as well as the percentages of write-downs applied to receivables not in dispute. The allocation to the bad debt fund is made consistently with the situation of your credits, considering that these credits are partly covered by insurance.

### Inventories

Inventories are recorded at purchase or production cost or, if lower, at their estimated net realisable value. Net realisable value is the estimated selling price under normal operating conditions, net of completion costs and all other selling-related expenses.

The cost of production of finished products includes the cost of raw materials, outsourced materials and processing, and all other direct and indirect manufacturing costs reasonably attributable to them, with the exclusion of financing costs.

Obsolete and slow-moving inventories are valued to reflect their likely use or realisability.

In particular, the Company, in relation to finished products relating to previous seasons present in inventories at 31 December 2024, adjusts the value of such inventories to the realizable value obtained from the sale through the stockists channel.

### Cash and cash equivalents

Cash and cash equivalents comprise cash balances, demand deposits and all highly liquid investments with an original maturity of three months or less. Securities included in cash and cash equivalents are measured at their fair value.

### Provisions

The provisions for risks and charges cover known or likely losses or charges, the timing and extent of which cannot be determined at period end. Provisions are recorded only when there is a legal or implicit obligation that, to be settled, requires the consumption of resources capable of generating economic benefits, and the amount concerned can be estimated reliably. If the effect is significant, provisions are calculated by discounting expected future cash flows using a pre-tax rate that reflects the current market assessment of the present value of money and the specific risks associated with the liability.

### Employee benefits

Employee severance indemnities are covered by IAS 19 ("Employee Benefits") since they are deemed to be a form of defined benefit plan. Company contributions to defined benefit plans are charged to the income statement on an accruals basis.

The Company's net liability for defined benefit plans is determined on an actuarial basis, using the projected unit credit method. All actuarial gains and losses determined as of 1st January 2005, the IFRS transition date, have been recognised.

### Financial payables

Financial payables, excepting derivates, are recorded at their fair value, after transactions costs directly attributable.

### Bank overdrafts and loans

Loans are initially measured at cost, which approximates their fair value, net of any transaction-related expenses. Subsequently, they are measured at amortised cost. Any difference between cost and the redemption value is recorded in the income statement over the duration of the loan, using the effective interest method.

Loans are classified as current liabilities unless the Company has an unconditional right to defer their settlement for at least twelve months subsequent to the accounting reference date.

### Trade and other payables

Payables are stated at the nominal value. The financial element embedded in non-current payables is separated using a market rate of interest.

### Treasury shares

Treasury shares are presented as a deduction from capital for the part of their nominal value, and from a specific reserve for the part in excess to their nominal value.

### Contributions to the capital account and for overheads

Any public contributions are reported when there is a reasonable certainty that the Company will meet all the conditions foreseen to receive the contributions and actually receives them. The Company has opted to present any contributions to the capital account in the financial statement as items in adjustment of the book value of the property to which they refer, and any contributions to overhead as a direct deduction from the relative cost.

### Revenues

Revenues from sales and services derive mainly from the sale of goods with the recognition of "at point in time" revenues when the asset was transferred to the customer. This is provided for both the Wholesale distribution (shipment of goods to the customer, and for retail distribution when the asset is sold through a physical store. With regard to the export of goods, the control can be transferred in various stages depending on the type of product). Incoterm applied to the specific customer This premise leads to a limited judgment on the identification of the control passage of the asset and the consequent recognition of the revenue.

A part of the Company's revenues derives from the recognition of the Roylalties, agreed, based on a predetermined percentage in the contract with the customer, on the net turnover. The royalties accrue "at point in time", therefore at the time of issue by the Licensee, of the invoices for the sale of the products granted.

Most of the Company's revenues derive from list prices that can vary depending on the type of product, brand and geographical region. Some contracts with the Group's Retail Companies provide for the transfer of control with the right of return..

With regard to the recognition of Royalties, these are calculated based on a percentage of the Licensee's net sales. The percentage may vary depending on the type of product.

### Costs

Costs and expenses are recorded on an accruals basis.

Design and production costs for sample collections incurred during the period are correlated to the turnover from sales of collection and are thus carried in the income statement in proportion to the revenue generated. The remaining portion to be carried in the income statement during the period in which the corresponding revenue is generated is posted to other current assets.

### Financial income and expenses

These include all items of a financial nature written to the income statement for the period, including interest payable on financial debts calculated using the effective interest method (mainly current account overdrafts and medium and long-term loans), foreign currency gains and losses, dividends received, and the portion of interest payable deriving from the accounting treatment of assets under finance leases (IAS 17).

Interest income and expenses are reported in the income statement for the period in which they are realised/incurred.

Dividends are recognised in the period when the Company’s right to a dividend payment matures, subject to ratification.

The amount of interest payable on finance leases is booked to the income statement using the effective interest method.

### Taxes

Income taxes for the period include all taxes calculated on taxable income. Income taxes for the period are recorded in the income statement.

Taxes other than income taxes, such as property tax, are reported under operating expenses or, if the necessary conditions are fulfilled, are capitalized in the related real estate.

Current taxes on income taxable in the period represent the tax burden calculated using current rates of taxation in force on the balance sheet date.

Deferred taxes are recognised for all temporary differences existing on the balance sheet date between the book value of assets and liabilities and the corresponding values used to determine taxable income for tax purposes.

Payables for deferred taxes relate to:

- positive components of income for the current period but taxable in future periods;
- negative components of income deductible in excess compared to the amount recorded in the income statement as a result of the application of the International Accounting Standards.

Receivables for deferred taxes are recognised:

- for all negative components of income non-deductible in the period under examination but that could be deducted in future periods;
- for the carryover of unused tax losses, if it is probable that taxable income, for which the tax loss may be used, will be generated.

Credits for deferred tax assets and debits for deferred tax liabilities are calculated based on the rates of taxation applicable to tax calculation on income in periods in which temporary differences are reversed, based on the rate of taxation and tax regulations in force on the balance sheet date.

The impact on these taxes of any change in rates of taxation is posted to the income statement in the period in which the change occurs.

### Earnings per share

Basic earnings per share are calculated by dividing the profit or loss attributable to the Company's shareholders by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share are calculated by dividing the profit or loss attributable to the Company's shareholders by the weighted average number of ordinary shares outstanding.

### Main estimates used by the Management

Hereafter we report the main estimates and assumptions used by the Management to draft the financial statements, whose variations, not foreseeable at the moment, could affect the economic and equity situation of the Company.

- **Estimates used for actuarial calculation serve to calculate the benefit plans in the sphere of future benefits of the working relationship:**

– The inflation rate foreseen is 2.0%;
– The discount rate used is 2.93%;
– The annual rate in increase of the severance indemnity fund foreseen is 3.0%;
– The expected Company's turn-over of employees is 6%.

- **Estimates used in the actuarial calculations to determine the supplementary clientele severance indemnity fund:**

– The voluntary turnover rate foreseen is 0.00%;
– The corporate turnover rate foreseen is 5.00%;
– The discount rate used is 3.18%;

## OTHER INFORMATION

### Management of financial risk

The financial risks to which the Company is exposed in the performance of its business are as follows:

- risk of liquidity
- market risk (inclusive the exchange risk, rate risk, price risk);
- credit risk;

### Liquidity and market risk

Management of the financial needs and relative risks (mainly rate and exchange risks) is handled at the level of the central treasury on the basis of the guidelines established by the Managing Director and approved by the Chief Executive Officer.

The main goal of these guidelines consists of:

*(i)* Liquidity risk

The Company manages the liquidity risk with a view to guarantee the presence of a liability structure in balance with the asset composition of the financial statement, in order to maintain an elevated solid equity.

*(ii)* Exchange risk:

The Company operates internationally and is therefore exposed to the exchange risk. The exchange risk arises when assets and liabilities are reported in a currency other than that in which the Company operates.

The mode of management of this risk consists of minimizing the risk connected with exchange rates by using operating coverage. Alternatively, the Company, if exposed to the exchange risk, covers itself by loans in foreign currency.

*(iii)* Rate risk:

The interest rate risk to which the companies in the Group are exposed originates mainly from the medium and long-term financial payables in existence, that are almost all at variable rates and expose the Company to the risk of variation in cash flows as the interest rates vary.

The average cost of indebtedness tends to be parametrized with the status of the EURIBOR rate at 3/6 months, plus a spread that depends mainly on the type of financial instrument used. In general, the margins applied are in line with the best market standards. As of December 31, 2024 a hypothetical upward variation of 10% in the interest rate, all other variables being equal, would have produced a higher cost before taxes (and thus a corresponding reduction in the shareholders' equity) of about 642 thousand euros annually (552 thousand euros as of December 31, 2023).

The cash flow risk on interest rates has never been managed in the past through the use of derivative contracts - interest rate swaps - which transform the variable rate into a fixed rate. As of December 31, 2024, there are no interest rate risk hedging instruments.

*(iv)* Price risk

The Company makes its purchases and sales worldwide and is therefore exposed to the normal risk of variations in price, typical of the sector.

Credit risk

With reference to receivables in Italy, the Company deals only with known and reliable clients. It is a policy of the Company that clients requesting extended payment terms are subject to procedures of audit of the class of merit. Moreover, the balance of receivables is monitored during the year to ensure that the doubtful positions are not significant.

The credit quality of unexpired financial assets and those that have not undergone value impairment can be valued with reference to the internal credit management procedure.

Customer monitoring activity consists mainly of a preliminary stage, in which we gather data and information about new clients, and a subsequent activation stage in which a credit is recognized and the development of the credit position is supervised.

The preliminary stage consists of collecting the administrative and fiscal data necessary to make a complete and correct assessment of the risks connected with the new client. Activation of the client is subject to the completeness of the data and approval, after any further clarification by the Customer Office.

Every new customer has a credit line: its concession is linked to further information (years in business, payment terms, and customer's reputation) all of which are essential to make an evaluation of the level of solvency. After gathering this information, the documentation on the potential customer is submitted for approval by the company organizations.

Management of overdue receivable is differentiated depending on the seniority of the client (overdue payment group).

For overdue payments up to 60 days, reminders are sent through the branch or directly by the Customer Office; clearly, if an overdue payment exceeds 15 days or the amount of the credit granted, all further supplied to the client are suspended. For overdue credits "exceeding 90 days", where necessary, legal steps are taken.

As regards foreign receivables, the Company proceeds as follows:

a) some of foreign receivables are guaranteed by primary credit insurance companies.
b) the residual uninsured part of receivables is managed:
    a. Most of them by request of letter of credit and 30% advances within two weeks of the order confirmation;
    b. The residual receivables not covered by insurance nor by request of letter of credit or by advance, are specifically authorized and managed following the procedure for Italian receivables.

This procedure serves to define the rules and operating mechanisms that guarantee a flow of payments sufficient to ensure the solvency of the client and guarantee the Company an income from the relationship.
As of the reference date of the financial statement, the maximum credit risk exposure was equal to the value of each category of receivable indicated here below:

| (Values in thousands of EUR) | 31 December 2024 | 31 December 2023 | Change | Change % |
|---|---|---|---|---|
| Trade receivables | 62,519 | 56,856 | 5,663 | 10.0% |
| Other current receivables | 19,772 | 22,417 | (2,645) | (11.8%) |
| **Total** | **82,291** | **79,273** | **3,018** | **3.8%** |

See note 8 for the comment and breakdown of the item "trade receivables" and note 11 for "other current receivables".
The fair value of the above categories has not been indicated, as the book value is a reasonable approximation.
As of 31 December 2024, overdue trade receivables amount to EUR 55,509 thousand (EUR 45,527 thousand in 2023). The breakdown by due date is as follows:

| (Values in thousands of EUR) | 31 December 2024 | 31 December 2023 | Change | % |
|---|---|---|---|---|
| By 30 days | 3,672 | 2,460 | 1,212 | 49.3% |
| 31 - 60 days | 2,198 | 4,514 | (2,316) | (51.3%) |
| 61 - 90 days | 3,945 | 2,917 | 1,028 | 35.2% |
| Exceeding 90 days | 45,694 | 35,636 | 10,058 | 28.2% |
| **Total** | **55,509** | **45,527** | **9,982** | **21.9%** |

The change in overdue receivables of EUR 9,982 thousand is mainly determined by the increase in intercompany trade receivables.

It should be noted that the share of trade receivables overdue by more than 90 days includes receivables from the Chinese subsidiary amounting to EUR 28,269 thousand (EUR 24,871 thousand at 12/31/23), of which EUR 13,091 thousand have been written down through allocation to the doubtful debt provision.

There are no further risks of uncollectability relating to overdue receivables.

## Cash flow statement

The cash flow statement presented by the Company in accordance with IAS 7 has been prepared using the indirect method. The cash and cash equivalents included in the cash flow statement represent the amounts reported in the balance sheet at the accounting reference date. Cash equivalents comprise short term and highly liquid applications of funds that can be readily converted into cash; the risk of changes in their value is minimal. Accordingly, a financial investment is usually classified as a cash equivalent if it matures rapidly, i.e. within three months or less of the acquisition date.

Bank overdrafts are generally part of financing activities, except when they are repayable on demand and are an integral part of the management of a company's cash and cash equivalents, in which case they are classified as a reduction of its cash equivalents.

Foreign currency cash flows have been translated using the average exchange rate for the year. Income and expenses deriving from interest, dividends received and income taxes are included in the cash flows from operating activities.

Under IAS 7, the cash flow statement must identify separately the cash flow deriving from operating, investing and financing activities:

*(i)* cash flow from operating activities: the cash flow deriving from operating activities mainly relates to income-generating activities and is presented by the Company using the indirect method; on this basis, net profit is adjusted for the effects of items that did not give rise to payments or cash inflows during the year (non-monetary transactions);

*(ii)* cash flow from investing activities: investing activities are presented separately since, among other factors, they reflect the investment/disposals made in order to obtain future revenues and cash inflows;

*(iii)* cash flow from financing activities: financing activities comprise the cash flows that modify the size and composition of shareholders' equity and financial payables.

## COMMENTS ON THE BALANCE SHEET

### *NON-CURRENT ASSETS*

### *1. Intangible fixed assets*

The composition of intangible fixed assets is analysed in the following table, together with the changes that took place during the year:

| (Values in thousands of EUR) | Brands | Other | Total |
|---|---|---|---|
| **Net book value as of 01.01.23** | **2,520** | **857** | **3,377** |
| Increases externally acquired | - | *1,006* | *1,006* |
| Increases merger Moschino S.p.A. | 36,059 | 341 | 36,400 |
| Disposals | - | *(11)* | *(11)* |
| Amortisation | (2,053) | (632) | (2,685) |
| **Net book value as of 31.12.23** | **36,526** | **1,561** | **38,087** |
| Increases externally acquired | - | *781* | *781* |
| Disposals | (10,750) | | (10,750) |
| Amortisation | *(1,895)* | *(609)* | *(2,504)* |
| **Net book value as of 31.12.24** | **23,881** | **1,733** | **25,614** |

**Brands**

This caption is related to the value of the brand owned by the Company

Brand “Alberta Ferretti” equal to EUR 2,268 thousand, residual amortisation period is 18 years.

The “Moschino” brand records a decrease of EUR 10,751 thousand relating to the transfer of product class 3 and at 12/31/24 the value amounts to EUR 21,613 thousand whose residual amortization period is 20 years

**Other**

The caption “Other” relates to user licenses for software.

## 2. *Tangible fixed assets*

The composition of tangible fixed assets is analysed in the following table:

| (Values in thousands of EUR) | Lands | Buildings | Leasehold improvements | Plant and machinery | Industrial and commercial equipment | Other tangible assets | Total |
|---|---|---|---|---|---|---|---|
| **Net book value as of 01.01.23** | **17,320** | **21,240** | **602** | **1,107** | **37** | **591** | **40,897** |
| Increases | | | 1,554 | 179 | 58 | 651 | 2,442 |
| Increases merger Moschino | | | 7,944 | 243 | 166 | 2,067 | 10,420 |
| Infreases merger Aeffe Retail | | | 330 | 107 | 8 | 546 | 991 |
| Disposals | | | (1,793) | (25) | (102) | (774) | (2,694) |
| Depreciation | | (611) | (1,438) | (387) | (61) | (648) | (3,145) |
| **Net book value as of 31.12.23** | **17,320** | **20,629** | **7,199** | **1,224** | **106** | **2,433** | **48,911** |
| Increases | | | 13 | 69 | 8 | 79 | 169 |
| Disposals | | | (45) | | | (17) | (62) |
| Depreciation | | (611) | (1,311) | (357) | (51) | (536) | (2,866) |
| **Net book value as of 31.12.24** | **17,320** | **20,018** | **5,856** | **936** | **63** | **1,959** | **46,152** |

Tangible fixed assets have changed mainly as follows:

- increases of EUR 169 thousand in improvements to the building and leasehold, information tools and general and specific plant and machinery;
- decreases of EUR 62 thousand;
- depreciation of EUR 2,866 thousand.

## 3. *Right-of-use assets*

The following table details its composition and movements:

| (Values in thousands of EUR) | Buildings | Car | Other | Total |
|---|---|---|---|---|
| **Net book value as of 01.01.23** | **6,743** | **723** | **533** | **7,999** |
| Increases | 58,310 | 960 | 888 | 60,158 |
| Disposals | (384) | | | (384) |
| Translation differences and other variations | (203) | | | (203) |
| Depreciation | (9,921) | (502) | (486) | (10,909) |
| **Net book value as of 31.12.23** | **54,545** | **1,181** | **935** | **56,661** |
| Increases | 180 | 545 | 994 | 1,718 |
| Disposals | (5,307) | | | (5,307) |
| Translation differences and other variations | (8,859) | | | (8,859) |
| Depreciation | (9,426) | (555) | (558) | (10,538) |
| **Net book value as of 31.12.24** | **31,133** | **1,171** | **1,371** | **33,675** |

The item Buildings includes Right-of-use assets mainly relating to rental contracts for shops and, to a lesser extent, to rental contracts for offices and other spaces. The increases are linked to new rental contracts relating to the opening or relocation of retail stores and to the renewal of existing rental contracts. The decreases are linked to the closure of the Alberta Ferretti brand boutique located in Milan at Via Montenapoleone 18.

During the financial year, the Company reclassified the fixed assets of the boutique located in Rome in Via Condotti to assets available for sale, a shop no longer included in the Company's strategic path.

During the year, the Company formalized an impairment test with the methods described previously in the paragraph "IFRS 16". In particular, for the Cash Generating Units (CGU) the recoverable value was calculated as the greater of the fair value and value in use of the relevant Cash Generating Unit, with the book value of its net invested capital ("carrying amount") and the analysis carried out did not reveal any loss of value.

### Key money

Following the merger operations by incorporation of the subsidiaries Moschino S.p.A. and Aeffe Retail S.p.A. at the same time as the application of IFRS 16, the Company included the amortization plans of the Key Manuals including them within the rights of use.

## *4. Equity investments*

### *4.1 Equity investments in controlled companies*

The composition of the item Investments in subsidiaries as of 31 December 2024 and 2023 is highlighted in the following table: (values in thousands of EUR)

| Company | Direct interest % | Net book vale at 31/12/2023 | Devaluations 2024 | Transfer 2024 | Net book value at 31/12/2024 |
|---|---|---|---|---|---|
| Pollini SpA | 100.0% | 41,945 | | | 41,945 |
| Moschino Kids Srl | 55.0% | *7* | | *(2)* | *5* |
| Aeffe Germany Gbmh | 100.0% | | | | - |
| Aeffe Spagna Slu | 100.0% | *320* | | | *320* |
| Aeffe Netherlands Bv | 100.0% | | | | - |
| Aeffe Group Inc. | 100.0% | *440* | *(440)* | | - |
| Fashoff UK Ltd | 100.0% | 2,342 | | | 2,342 |
| Moschino France Sarl | 100.0% | *5,539* | *(158)* | | *5,381* |
| Moschino Asia Pacific Ltd | 100.0% | | | | - |
| Moschino Korea Ltd | 100.0% | | | | - |
| Moschino Shangai Ltd (subsidiary through Moschino Asia Pacific Ltd) | 100.0% | | | | - |
| Totale | | *50,594* | *(598)* | *(2)* | *49,994* |

The changes recorded during 2024 refer to the effects deriving from the write-downs made by the Company to cover the losses reported by the subsidiaries indicated above. From the analyses carried out in accordance with IAS 36, no other impairment test indicators were found, therefore, the Company did not carry out the impairment tests.

The following table shows the movements in the Provision for Excess Devaluation of Equity Investments, which reports in the provisions item the amount deemed adequate to cover the losses (for the pertinent percentage share) that remain after the book value of the equity investment has been written off to zero: (values in thousands of EUR)

| Company | Direct interest % | Book vale at 31/12/2023 | 2024 provision | 2024 provision release | Book value at 31/12/2024 |
|---|---|---|---|---|---|
| Aeffe Germany Gbmh | 100.0% | (401) | (698) | | (1,099) |
| Aeffe Netherlands Bv | 100.0% | *(140)* | *(495)* | | *(635)* |
| Moschino Asia Pacific Ltd | 100.0% | (3,073) | (17,039) | | (20,112) |
| Moschino Korea Ltd | 100.0% | *(2,613)* | *(2,426)* | | *(5,039)* |
| Moschino Shangai Ltd (subsidiary through Moschino Asia Pacific Ltd) | 100.0% | (11,515) | | 1,094 | (10,421) |
| Aeffe group inc | 100.0% | | *(1,957)* | | *(1,957)* |
| Totale | | *(17,743)* | *(22,615)* | *1,094* | *(39,264)* |

The following table shows the main data of the IAS financial statements of the subsidiaries as of 31 December 2024 together with the historical cost of the investments and, if present, the Provision for Depreciation and Provision for Excess Depreciation of Participations as of 31 December 2024: (values in thousands of EUR)

| Comapany | Registered office | Share Capital | Net profit for the period | Net equity | Direct interest % | Number of shares | Book value | Provision for equity investments write-downs | Provision for risks and charges | Equity investments net of provisions |
|---|---|---|---|---|---|---|---|---|---|---|
| Pollini SpA | Gatteo (FC) Italia | 6,000 | 204 | 48,386 | 100% | 6,000,000 | 41,945 | | | 41,945 |
| Moschino Kids Srl | Padernello (TV) Italia | 10 | 300 | 782 | 55.0% | n.d. | 6 | | | 6 |
| Aeffe Germany Gmbh | Metzingen (Germany) | 25 | (698) | (1,099) | 100% | n.d. | 525 | (525) | (1,099) | (1,099) |
| Aeffe Spagna Slu | Barcellona (Spain) | 320 | (151) | 245 | 100% | n.d. | 320 | | | 320 |
| Aeffe Netherlnads Bv | Rotterdam (Netherlands) | 25 | (495) | (635) | 100% | n.d. | 25 | (25) | (635) | (635) |
| Aeffe Group Inc. | New York (USA) | 10 | (2,425) | (1,957) | 100% | n.d. | 13,962 | (13,962) | (1,957) | (1,957) |
| Fashoff UK Ltd | London (GB) | 1,869 | (2,172) | 3,154 | 100% | n.d. | 2,342 | | | 2,342 |
| Moschino France Sarl | Paris (France) | 50 | (159) | 5,381 | 100% | n.d. | 8,400 | (3,019) | | 5,381 |
| Moschino Asia Pacific Ltd | Hong Kong (H.K.) | 62 | (16,824) | (20,112) | 100% | n.d. | 54 | (54) | (20,112) | (20,112) |
| Moschino Korea L.t.d. | Seoul (KR) | 4,042 | (2,594) | (5,040) | 100% | n.d. | 4 | (4) | (5,040) | (5,040) |
| Moschino Shangai Ltd | Huangpu (Shanghai) | 20,973 | (13,982) | (10,422) | 100% | n.d. | | | (10,422) | (10,422) |
| Total | | | | | | | 67,583 | (17,589) | (39,264) | 10,730 |

### *4.2* Equity investments in other companies

The composition of the item Investments in other as of 31 December 2024 is highlighted in the following table:

(values in thousands of EUR)

| Comapny | Registered office | Share Capital | Net profit for the period | Net equity | Direct interest % | Number of shares | Book value |
|---|---|---|---|---|---|---|---|
| Conai | | | | | | | 0,19 |
| Caaf Emilia Romagna | | | | | 0,688% | 5.000 | 3 |
| Assoform | | | | | 1,670% | | 2 |
| Consorzio Assoenergia Rimini | | | | | 2,100% | | 1 |
| Fondazione MadeinItaly circolare-sostenibile | | | | | | | 9 |
| Consorzio RE.CREA | | | | | | | 2 |
| Effegidi | | | | | | | 6 |
| **Total investemts in other companies:** | | | | | | | 22 |

## *5. Other fixed assets*

This item mainly includes receivables from subsidiary companies.

The item other assets recorded an increase of EUR 21,956 thousand with a balance at the end of the financial year of EUR 25,811 thousand. This increase derives mainly from the financing granted to the subsidiary Moschino Asia Pacific Ltd for the recapitalization of the company Moschino Shanghai Ltd, 100% owned by Moschino Asia Pacific.

## *6. Deferred tax assets and liabilities*

This caption is analysed below as of 31 December 2024 and 2023:

| (Values in thousands of EUR) | Receivables | | Liabilities | |
|---|---|---|---|---|
| | 31 Dec 2024 | 31 Dec 2023 | 31 Dec 2024 | 31 Dec 2023 |
| Tangible fixed assets | | | (17) | (17) |
| Intangible fixed assets | 52 | 3 | (130) | (130) |
| Provisions | 1,121 | 717 | | |
| Costs deducible in future periods | | 262 | | |
| Income taxable in future periods | | | (16,442) | 69 |
| Tax losses carried forward | 5,738 | 6,547 | | |
| Other tax assets (liabilities) from transition to IAS | 2,203 | 20 | (6,502) | (6,679) |
| **Total** | **9,114** | **7,549** | **(23,091)** | **(6,757)** |

Changes in temporary differences during the year are shown in the following table:

| (Values in thousands of EUR) | Opening balance | Recorded in the income statement | Other | Closing balance |
|---|---|---|---|---|
| Tangible fixed assets | (17) | | | (17) |
| Intangible fixed assets | (127) | 49 | | (78) |
| Provisions | 717 | 404 | | 1,121 |
| Costs deducible in future periods | 262 | (165) | (97) | |
| Income taxable in future periods | 69 | (16,511) | | (16,442) |
| Tax losses carried forward | 6,547 | (187) | (622) | 5,738 |
| Other tax assets (liabilities) from transition to IAS | (6,659) | 2,320 | 40 | (4,299) |
| Tax previous periods | | 46 | (46) | |
| **Totale** | **792** | **(14,044)** | **(725)** | **(13,977)** |

The decrease of EUR 725 thousand in the "Other" column essentially refers to the partial compensation of the IRES debt for the financial year generated as a result of the participation of the controlled companies in the tax consolidation with the credit for advance taxes accrued in some companies of the Group.

The determination for deferred tax assets was made by assessing the reasonable certainty of recoverability on the basis of the 2025-2028 Industrial Plan approved on 23 January 2025.

## *CURRENT ASSETS*

### *7. Stocks and inventories*

This caption comprises:

| (Values in thousands of EUR) | 31 December 2024 | 31 December 2023 | Change | % |
|---|---|---|---|---|
| Raw, ancillary and consumable materials | 4,339 | 5,290 | (951) | (18.0%) |
| Work in progress | 3,866 | 4,533 | (667) | (14.7%) |
| Finished products and goods for resale | 22,277 | 34,159 | (11,882) | (34.8%) |
| **Total** | **30,482** | **43,982** | **(13,500)** | **(30.7%)** |

Inventories are valued at the lower of cost and net realizable value.

For finished products, the production cost includes the costs of raw materials, materials and external processing, as well as all other direct and indirect production costs, for the portions reasonably attributable to the products, excluding financial charges.

The stocks of raw materials and products in progress refer substantially to the production of the spring/summer 2025 collections, while the finished products mainly concern the autumn/winter 2024, spring/summer 2025 collections and the autumn/winter 2025 sample collection.

The value of the finished products and goods inventories recorded a decrease of EUR 11,833 thousand compared to the value of the previous year mainly due to the contraction in sales that occurred during 2024.

The value of the inventories is already indicated net of the obsolescence provision equal to EUR 9,098 thousand.

The obsolescence provision reflects the best estimate made by management on the basis of the distribution of inventory by year and season, on considerations derived from past experience of sales through alternative channels and future sales volume prospects.

## 8. *Trade receivables*

This caption is analysed in the following table:

| (Values in thousands of EUR) | 31 December 2024 | 31 December 2023 | Change | Change % |
|---|---|---|---|---|
| Customers receivables | 14,270 | 21,752 | (7,482) | (34.4%) |
| Subsidiaries receivables | 62,680 | 50,513 | 12,167 | 24.1% |
| Parent Company receivables | | 5 | (5) | (100.0%) |
| (Allowance for Subsidiaries doubtful receivables) | (13,091) | (13,091) | | n.a. |
| (Allowance for doubtful receivables) | (1,341) | (2,323) | 982 | (42.3%) |
| **Total** | **62,518** | **56,856** | **5,662** | **10.0%** |

At of December 31, 2024, trade receivables amounted to EUR 62,518 thousand, with an increase of 10% compared to their value as of December 31, 2023.

Trade receivables decreased by 34.4% mainly due to the contraction in sales that occurred during 2024.

Receivables from subsidiaries showed a balance at the end of the year of EUR 62,680 thousand compared to EUR 50,513 thousand in the previous year, with an increase of 24.1%.

The allowance for doubtful receivables was determined by reference to a detailed analysis of the available information and, in general, is based on historical trends.

The following table shows changes in the allowance for doubtful accounts:

| (Values in thousands of EUR) | 31 December 2023 | Increases | Decreases | 31 December 2024 |
|---|---|---|---|---|
| (Allowance for doubtful account) | 2,323 | 700 | (1,682) | 1,341 |
| **Total** | **2,323** | **700** | **(1,682)** | **1,341** |

## 9. *Tax receivables*

This caption is analysed in the following table:

| (Values in thousands of EUR) | 31 December 2024 | 31 December 2023 | Change | % |
|---|---|---|---|---|
| VAT | 1,457 | 1,355 | 102 | 7.5% |
| Corporate income tax (IRES) | 1,254 | 3,162 | (1,908) | (60.3%) |
| Local business tax (IRAP) | | 686 | (686) | (100.0%) |
| Other tax receivables | 2,274 | 2,583 | (309) | (12.0%) |
| **Total** | **4,985** | **7,786** | **(2,801)** | **(36.0%)** |

The change in tax credits is mainly attributable to the decrease in IRES and IRAP credits.

## *10. Cash*

This caption comprises:

| (Values in thousands of EUR) | 31 December 2024 | 31 December 2023 | Change | Change % |
|---|---|---|---|---|
| Bank and post office deposits | 2,535 | 2,346 | 189 | 8.1% |
| Cash in hand | 199 | 215 | (16) | (7.4%) |
| **Total** | **2,734** | **2,561** | **174** | **6.8%** |

Bank and postal deposits represent the nominal value of the current account balances with banks, including the interest accrued at period end. Cash and cash equivalents represent the nominal value of the cash held at period end.

## *11. Other receivables*

This caption comprises:

| (Values in thousands of EUR) | 31 December 2024 | 31 December 2023 | Change | % |
|---|---|---|---|---|
| Credits for prepaid costs | 16,086 | 18,160 | (2,074) | (11.4%) |
| Advance payments and credit notes to be received | 375 | 1,023 | (649) | (63.4%) |
| Accrued income and prepaid expenses | 1,193 | 1,021 | 172 | 16.8% |
| Others | 1,943 | 1,667 | 276 | 16.6% |
| Firr | 174 | 547 | (373) | (68.2%) |
| **Total** | **19,771** | **22,418** | **(2,647)** | **(11.8%)** |

The credits for advance costs refer to the suspension of the portion of the design and production costs of the samples relating to the spring/summer 2025 and autumn-winter 2024 collections for which the corresponding sales revenues have not yet been generated.

The decrease of EUR 2,074 thousand is mainly due to the contraction in sales that occurred during the year 2024 and consequently in costs.

Accruals and deferrals mainly refer to passive rents, insurance premiums and periodic maintenance and/or subscription fees.

The receivable from Firr arises following to the agency activity carried out by the maison Moschino S.p.A.

The item “Other” mainly refers to receivables from suppliers for credit notes relating to returns of materials/finished products and discounts on purchases, credits vs. Social security institutions, credits towards employees, credits for advance payments and short-term security deposits.

## *12. Assets available for sale*

During the financial year, the Company reclassified the fixed assets of the boutique located in Rome in Via Condotti to assets available for sale, a shop no longer included in the strategic path of the Company for a value of EUR 4,350 thousand.

## 13. SHAREHOLDERS' EQUITY

The main elements comprising shareholders' equity as of 31 December 2024 are described below.

| (Values in thousands of EUR) | 31 December 2024 | 31 December 2023 | Change |
|---|---|---|---|
| Share capital | 24,606 | 24,606 | - |
| Share premium reserve | 10,683 | 62,264 | (51,581) |
| Other reserves | 4,979 | 4,979 | - |
| Fair value reserve | 7,742 | 7,742 | - |
| Legal reserve | 4,032 | 4,032 | - |
| IAS reserve | 11,253 | 11,253 | - |
| Reamisurement of defined benefit plans reserve | (1,032) | (1,033) | 1 |
| Extraordinary reserve from realignment of D.L. 104/2020 | 3,807 | 3,807 | - |
| Profits/(Losses) carried-forward | 2,375 | 2,375 | - |
| Net profit / (loss) | 35,607 | (51,581) | 87,188 |
| Incorporation merger reserve | (20,888) | (20,888) | - |
| **Total** | **83,164** | **47,556** | **35,608** |

### *Share capital*

Share capital as of 31 December 2024, totally subscribed and paid, (gross of treasury shares) totals EUR 26,841 thousand, and is represented by 107,362,504 shares, par value EUR 0,25 each. At 31 December 2024 the Company holds 8,937,519 treasury shares, the representing the 8.325% of its share capital.

There are no shares with restricted voting rights, without voting rights or with preferential rights. During 2024, no treasury shares were purchased by the Company.

### *Share premium reserve*

The change in the share premium reserve equal to EUR 51,581 thousand is related to the coverage of the loss for the 2023 financial year.

### *Other reserves*

The item “Other reserves” as of 31 December 2024 amounts to EUR 4,979 thousand and has not changed compared to the year 2023. It is specified that the reserves have not been moved by income or expenses directly charged to net equity.

### *Fair value reserve*

The fair value reserve derives from the application of IAS 16 in order to measure the land and buildings owned by the Company at their fair value, as determined with reference to an independent appraisal.

### *Legal reserve*

The legal reserve amounts to EUR 4,032 thousand at 31 December 2024 and has not changed compared to the year 2023.

### *IAS reserve*

The IAS reserve, formed on the first-time adoption of IFRS, reflects the differences in value that emerged on the transition from ITA GAAP to IFRS. The differences reflected in this equity reserve are stated net of tax effect, as required by IFRS 1. The item has not changed compared to 2023.

## *Reamisurement of defined benefit plans reserve*

The remeasurement of defined benefit plans reserve, formed as a result of the application, from 1st January 2013 (retrospectively), of the amendment to IAS 19.

## *Extraordinary reserve from realignement of D.L. 104/2020*

The Extraordinary reserve from realignement of D.L. 104/2020 amounts to EUR 3,807 thousand at 31 December 2024 and has not changed compared to the year 2023.

This reserve has been registered in Year 2021 when the Company has made use of the right to realign the civil and fiscal values relating to business assets, as required by Article 110, paragraph 8 of the Legislative Decree 104 of 14 August 2020 (the so-called August Decree), converted into Law no. 126, with reference to the building of the registered office.

## *Profits/(Losses) carried-forward*

The Profits/(losses) item at 31 December 2024, amounts to EUR 2,375 thousand and has not changed compared to the year 2023.

## *Net Profit /loss*

The item shows a profit for the year of EUR 35,607 thousand.

## *Merger Reserve*

The item has not changed compared to 2024.

## *Information on distributable reserves*

The following schedule provides information on the way each equity reserve can be used and/or distributed, together with how they have been used in the past three years.

| (Values in thousands of EUR) | Amount | Possible uses | Amount distributable | Uses in prior years | | |
|---|---|---|---|---|---|---|
| | | | | To cover losses | For capital increases | For distribution to shareholders |
| Share capital | 24,606 | | | | | |
| Legal reserve | 4,032 | B | | | | |
| Share premium reserve: | | | | | | |
| - including | 9,794 | A,B,C | 9,794 | 56,916 | | |
| - including | 889 | B | | | | |
| **Other reserves:** | | | | | | |
| - inc. extraordinary reserve | 4,979 | A,B,C | 4,979 | 15,920 | | |
| IAS reserve (art.6 D.Lgs. 38/2005) | 11,253 | B | | | | |
| Fair Value reserve (art. 6 D.Lgs. 38/2005) | 7,742 | B | | | | |
| Remeasurement of defined benefit plans reserve | (1,032) | | | | | |
| Merger reserve | (20,888) | | | | | |
| Profit/(losses) carried-forward | 2,375 | A,B,C | 2,375 | | | |
| Extraordinary reserve from realignment L.D. 104/2020 | 3,807 | A,B,C | 3,807 | | | |
| **Total** | **47,557** | | **20,955** | **72,836** | - | - |

LEGEND: A (for capital increases); B (to cover losses); C (for shareholder distribution)

**Restricted Reserves**

Pursuant to art. 109.4.b) of the Consolidated Income Tax Law approved by Decree 917 dated 22 December 1986, as modified by Decree 344 dated 12 December 2003, the restricted reserves as of 31 December 2024 amount to EUR 1,302 thousand.

In addition, the Company has made use of the right to realign the civil and fiscal values relating to business assets, as required by Article 110, paragraph 8 of the Legislative Decree 14 August 2020 n. 104 (the so-called August Decree), converted into Law no. 126, with reference to the building of the registered office and a reserve in tax suspension (using part of the extraordinary reserve) for EUR 3,807 thousand was bound.

These constraints, in the event of insufficient reserves and distributable profits, entail being subject to taxation in the event of distribution.

## *NON-CURRENT LIABILITIES*

### *14. Provisions*

The changes in the various provisions are analysed below:

| (Values in thousands of EUR) | 31 December 2023 | Increases | Decreases | 31 December 2024 |
|---|---|---|---|---|
| Pensions and similar obligations | 1,483 | 157 | (482) | 1,158 |
| Fund for expected returns | | 1,386 | | 1,386 |
| Provision for future risks and charges | 250 | 3,200 | (250) | 3,200 |
| Other | 17,743 | 22,615 | (1,094) | 39,264 |
| **Total** | **19,476** | **27,358** | **(1,826)** | **45,008** |

The provision for retirement benefits is determined on the basis of an estimate of the costs to be paid in relation to the termination of agency contracts, considering the provisions of law and any other element useful for such estimate such as statistical data, average duration of agency contracts and their turnover index. The amount of the item is calculated on the basis of the current value of the disbursement necessary to extinguish the obligation.

The value of the provision for expected returns has been estimated against the estimated expected returns that will occur within the scope of commercial agreements.

The provision for future risks and charges is mainly linked to organizational changes.

The following is the movement of the item "Others" which refers to the write-downs of shareholdings for the part exceeding the historical cost:

| Company | Direct interest % | Book vale at 31/12/2023 | 2024 provision | 2024 provision release | Book value at 31/12/2024 |
|---|---|---|---|---|---|
| Aeffe Germany Gbmh | 100.0% | (401) | (698) | | (1,099) |
| Aeffe Netherlands Bv | 100.0% | *(140)* | *(495)* | | *(635)* |
| Moschino Asia Pacific Ltd | 100.0% | (3,073) | (17,039) | | (20,112) |
| Moschino Korea Ltd | 100.0% | *(2,613)* | *(2,426)* | | *(5,039)* |
| Moschino Shangai Ltd (subsidiary through Moschino Asia Pacific Ltd) | 100.0% | (11,515) | | 1,094 | (10,421) |
| Aeffe group inc | 100.0% | | *(1,957)* | | *(1,957)* |
| Totale | | *(17,743)* | *(22,615)* | *1,094* | *(39,264)* |

## 15. Post-employment benefits

The severance indemnities payable on a deferred basis to all employees are deemed to represent a defined benefits plan (IAS 19), since the employer's obligation does not cease on payment of the contributions due on the remuneration paid, but continue until termination of the employment relationship.

For plans of this type, the standard requires the amount accrued to be projected forward to determine the amount that will be paid on the termination of employment, based on an actuarial valuation that takes account of employee turnover, likely future pay increases and any other applicable factors. This methodology does not apply to those employees whose severance indemnities are paid into approved supplementary pension funds which, in the circumstances, are deemed to represent defined contributions plans.

The main changes are described below:

| (Values in thousands of EUR) | 31 December 2023 | Increases | Decreases / Other changes | 31 December 2024 |
|---|---|---|---|---|
| Post employment benefits | 2,627 | 77 | (243) | 2,461 |
| **Total** | **2,627** | **77** | **(243)** | **2,461** |

Increases include the share of post employment benefits matured in the year and the related revaluation, while the entry decreases/other changes includes the decrease for the liquidation of the post employment benefits and the actuarial variation.

## 16. Non-current financial liabilities

Non-current financial payables are analysed in the following table:

| (Values in thousands of EUR) | 31 December 2024 | 31 December 2023 | Change | % |
|---|---|---|---|---|
| Loans from financial institutions | 40,425 | 58,660 | (18,235) | (31.1%) |
| Lease liabilities | 31,265 | 44,980 | (13,715) | (30.5%) |
| **Total** | **71,690** | **103,640** | **( 31,950)** | **(30.8%)** |

The entry "Loans from financial institutions" relates to the portion of bank loans due beyond 12 months. All other operations are unsecured loans and bank finance not assisted by any form of security and they are not subject to special clauses, except for the early repayment clauses normally envisaged in commercial practice.

The only exception is a mortgage loan on the property located in Gatteo headquarters of the subsidiary Pollini S.p.A. of EUR 11,420 thousand.

Furthermore, there are no covenants to comply with specific financial terms or negative pledges.

Lease liabilities relate to the application of IFRS 16 and below is the table with the movement and temporal distribution of the debt:

| (Values in thousands of EUR) | Lease liabilities | By 1 year | From 2 to 5 years | Exceeding 5 years |
|---|---|---|---|---|
| **Net book value as of 31.12.23** | **54,189** | **9,209** | **29,849** | **15,131** |
| Increases | 2,209 | | | |
| Decreases | (4,370) | | | |
| Lease repayment | (10,377) | | | |
| Financial expenses | 1,353 | | | |
| Decreases for goods intended for sale | (4,546) | | | |
| **Net book value as of 31.12.24** | 38,458 | 7,192 | 22,459 | 8,807 |

The following table details the bank loans outstanding as of 31 December 2024, including both the current and the non-current portion:

| (Values in thousands of EUR) | Total amount | Current portion | Non-current portion |
|---|---|---|---|
| Bank borrowings | 58,707 | 18,282 | 40,425 |
| **Total** | **58,707** | **18,282** | **40,425** |

Maturities beyond five years amount to EUR 4,375 thousand.

## *17. Non-current not financial liabilities*

Non-financial liabilities decreased by EUR 307 and are related to contributions granted by the lessors, during the opening phase of the store, for renovation and fitting-out works and charged to the income statement on the basis of the duration of the rental contract.

## *CURRENT LIABILITIES*

## *18. Trade payables*

This caption is analysed below on a comparative basis:

| (Values in thousands of EUR) | 31 December 2024 | 31 December 2023 | Change | Change % |
|---|---|---|---|---|
| Payables for advances from costumers | 1,456 | 2,058 | (602) | (29.3%) |
| Payables with subsidiaries | 13,539 | 22,579 | (9,040) | (40.0%) |
| Payables with third parties | 28,013 | 38,390 | (10,377) | (27.0%) |
| **Total** | **43,008** | **63,027** | **(20,019)** | **(31.8%)** |

Trade payables are due within 12 months and concern the debts for supplying goods and services.

The decrease in trade payables and payables to subsidiaries is mainly due to the contraction in sales that occurred during 2024 and the resulting costs.

## *19. Tax payables*

Tax payables are analysed on a comparative basis in the following table:

| (Values in thousands of EUR) | 31 December 2024 | 31 December 2023 | Change | Change % |
|---|---|---|---|---|
| Amounts due to tax authority for withheld taxes | 4,274 | 1,997 | 2,277 | 114.0% |
| Other | 17 | - | 17 | n.a. |
| **Total** | **4,291** | **1,997** | **2,294** | **114.9%** |

## 20. *Short-term financial liabilities*

This caption is analysed in the following table:

| (Values in thousands of EUR) | 31 December 2024 | 31 December 2023 | Change | % |
|---|---|---|---|---|
| Due to banks | 25,988 | 66,014 | (40,026) | (60.6%) |
| Lease liabilities | 7,193 | 9,209 | (2,016) | (21.9%) |
| **Total** | **33,181** | **75,223** | **(42,042)** | **(55.9%)** |

Bank overdrafts include advances from banks, short-term loans, and the current portion of long-term loans. Advances mainly comprise the drawdown against short-term lines of credit arranged to finance working capital.

The reduction in debts to banks is mainly determined by the effects of the transfer of ownership of the "Moschino" trademark with reference to all products belonging to product class 3 of the Nice Classification.

Lease liabilities are related to the application of IFRS 16.

## 21. *Other liabilities*

Other current liabilities are analysed on a comparative basis in the following table:

| (Values in thousands of EUR) | 31 December 2024 | 31 December 2023 | Change | % |
|---|---|---|---|---|
| Due to total security organization | 2,719 | 2,766 | (47) | (1.7%) |
| Due to employees | 3,473 | 3,395 | 78 | 2.3% |
| Trade debtors - credit balances | 586 | 1,748 | (1,162) | (66.5%) |
| Accrued expenses and deferred income | 1,279 | 9,460 | (8,181) | (86.5%) |
| Other | 180 | 213 | (33) | (15.3%) |
| **Total** | **8,237** | **17,582** | **(9,345)** | **(53.1%)** |

The amounts due to social security institutions, recorded at nominal value, relate to the social security charges on the wages and salaries of the Company's employees.

The decrease in the item "accruals and deferred income" is mainly due to the reduction in royalty advances for Spring/Summer 2025 compared to Spring/Summer 2024.

## COMMENTS ON THE INCOME STATEMENT

### *22. Revenues from sales and services*

**Accounting Policy:**

Sales and performance revenue is derived primarily from the sale of goods with revenue recognition "at point in time" when control of the good has been transferred to the customer. This is expected both for Wholesale distribution (shipping of goods to the customer) and for retail distribution when the goods are sold through a physical store. Regarding the export of goods, control can be transferred in various phases depending on the type of Incoterm applied to the specific customer. Given this, it leads to a limited judgment on the identification of the transfer of control of the asset and the consequent recognition of revenue.

A part of the Company's revenues comes from the recognition of royalties, agreed on the basis of a percentage pre-established in the contract with the customer, on the net turnover. Royalties accrue "at point in time", therefore at the moment of issue by the licensee of the sales invoices of the licensed products.

**Determination of the transaction price:**

The majority of the Company's revenues are derived from list prices which may vary depending on product type, brand and geographic region. Some contracts with the Company's retail Group provide for the transfer of control with the right of return.

Regarding the recognition of royalties, these are calculated on the basis of a percentage of the licensee's net turnover. The percentage may vary based on the type of product.

**Breakdown of revenues from sales and services (IFRS 15)**

| (Values in thousands of EUR)<br><br>Full Year 2024 | **Prêt-à porter Division** | **Footwear and leather goods Division** | **Total Aeffe Spa** |
|---|---|---|---|
| **Geographical area** | 99,183 | 34,275 | 133,458 |
| Italy | 44,144 | 25,306 | 69,450 |
| Europe (Italy excluded) | 22,083 | 3,159 | 25,242 |
| Asia and Rest of the World | 26,601 | 4,663 | 31,264 |
| America | 6,355 | 1,147 | 7,502 |
| **Brand** | 99,183 | 34,275 | 133,458 |
| Alberta Ferretti | 15,692 | 1,200 | 16,892 |
| Philosophy | 14,710 | 643 | 15,353 |
| Moschino | 68,323 | 32,428 | 100,751 |
| Other | 458 | 4 | 462 |
| **Distribution channel** | 99,183 | 34,275 | 133,458 |
| Wholesale | 71,958 | 8,802 | 80,760 |
| Retail | 22,963 | 12,291 | 35,254 |
| Royalties | 4,262 | 13,182 | 17,444 |
| **Timing of goods and services transfer** | 99,183 | 34,275 | 133,458 |
| POINT IN TIME (transfer of significant risks and benefits connected to the property of the asset) | 71,958 | 8,802 | 80,760 |
| POINT IN TIME (Royalties accrual on Licensee's turnover) | 4,262 | 13,182 | 17,444 |

In 2024, revenues went from EUR 183,696 thousand in 2023 to EUR 133,458 thousand in 2024, with a decrease of 27.3%. The reduction in revenues is attributable to the slowdown in both the retail and wholesale channels.

52% of revenues are earned in Italy while 48% come from foreign markets.

## *23. Other revenues and income*

This caption comprises:

| (Values in thousands of EUR) | Full Year 2024 | Full Year 2023 | Change | Change % |
|---|---|---|---|---|
| Rental income | 3,089 | 3,089 | - | n.a. |
| Other income | 106,866 | 9,503 | 97,363 | 1,024.6% |
| **Total** | **109,955** | **12,592** | **97,363** | **773.2%** |

The item other revenues includes services, profits on commercial exchanges, sales of raw materials and packaging, R&D tax credit and the release of some funds.

In 2024, the item other revenues includes the capital gain of EUR 87,249 thousand realized following the transfer by Aeffe of the ownership of the "Moschino" brand with reference to all products belonging to product class 3 of the Nice Classification, i.e. mainly cosmetics and perfumes.

## *24. Costs of raw materials*

This caption comprises:

| (Values in thousands of EUR) | Full Year 2024 | Full Year 2023 | Change | Change % |
|---|---|---|---|---|
| Raw, ancillary and consumable materials and goods for resale | 37,306 | 60,916 | (23,610) | (38.8%) |
| **Total** | **37,306** | **60,916** | **(23,610)** | **(38.8%)** |

This item mainly includes costs for the purchase of raw materials such as fabrics, yarns, leather and accessories, purchases of finished products for resale (marketed products) and packaging.

The decrease in raw material costs is determined by the contraction in turnover on the channel.

## *25. Costs of services*

This caption comprises:

| (Values in thousands of EUR) | Full Year 2024 | Full Year 2023 | Change | Change % |
|---|---|---|---|---|
| Subcontracted work | 14,356 | 18,297 | (3,941) | (21.5%) |
| Consultancy fees | 17,502 | 25,147 | (7,645) | (30.4%) |
| Advertising | 11,149 | 13,467 | (2,318) | (17.2%) |
| Commission | 4,220 | 6,311 | (2,091) | (33.1%) |
| Transport | 2,907 | 3,949 | (1,042) | (26.4%) |
| Utilities | 1,067 | 1,186 | (119) | (10.0%) |
| Directors' and auditors' fees | 1,831 | 2,717 | (886) | (32.6%) |
| Insurance | 361 | 303 | 58 | 19.1% |
| Bank charges | 266 | 296 | (30) | (10.1%) |
| Travelling expenses | 636 | 894 | (258) | (28.9%) |
| Other services | 5,765 | 6,457 | (692) | (10.7%) |
| **Total** | **60,060** | **79,024** | **(18,964)** | **(24.0%)** |

Service costs went from EUR 79,024 thousand in the 2023 financial year to EUR 60,060 thousand in the 2024 financial year, with a decrease of 24%.

## 26. *Costs for use of third parties assest*

This caption comprises:

| (Values in thousands of EUR) | Full Year 2024 | Full Year 2023 | Change | Change % |
|---|---|---|---|---|
| Rental expenses | 782 | 972 | (190) | (19.5%) |
| Royalties | 152 | 597 | (445) | (74.5%) |
| Hire charges and similar | 249 | 388 | (139) | (35.8%) |
| **Total** | **1,183** | **1,957** | **(774)** | **(39.6%)** |

## 27. *Labour costs*

This caption comprises:

| (Values in thousands of EUR) | Full Year 2024 | Full Year 2023 | Change | Change % |
|---|---|---|---|---|
| Wages and payrolls | 43,803 | 46,563 | (2,760) | (5.9%) |
| **Total** | **43,803** | **46,563** | **(2,760)** | **(5.9%)** |

Personnel costs went from EUR 46,563 thousand in 2023 to EUR 43,803 thousand in 2024, with a decrease of 5.9% mainly due to the corporate reorganization process.

During 2024, the Solidarity Contract was used pursuant to art. 21 paragraph 1 letter c) of Legislative Decree no. 148/2015 with effect from 2 April 2024 to 31 August 2024 and subsequently the Ordinary Earnings Integration Fund was opened with effect from 1 October 2024, for a period of 12 weeks.

The national employment contract applied is that of the textile and clothing industry sector of November 2024.

The average number of employees in 2024 is analysed below:

| (Average number of employees by category) | Full Year 2024 | Full Year 2023 | Change | Change % |
|---|---|---|---|---|
| Workers | 168 | 165 | 3 | 1.8% |
| Office staff - supervisors | 557 | 595 | (38) | (6.4%) |
| Executive and senior managers | 19 | 20 | (1) | (5.0%) |
| **Total** | **744** | **780** | **(36)** | **(4.6%)** |

## 28. *Other operating expenses*

This caption comprises:

| (Values in thousands of EUR) | Full Year 2024 | Full Year 2023 | Change | Change % |
|---|---|---|---|---|
| Taxes | 672 | 887 | (215) | (24.2%) |
| Gifts | 276 | 594 | (318) | (53.5%) |
| Other operating expenses | 604 | 1,905 | (1,301) | (68.3%) |
| **Total** | **1,552** | **3,386** | **(1,834)** | **(54.2%)** |

The item “Other” mainly includes donations, contributions to trade associations and exchange losses.

## 29. Amortisation and write-downs

This caption comprises:

| (Values in thousands of EUR) | Full Year 2024 | Full Year 2023 | Change | Change % |
|---|---|---|---|---|
| Amortisation of intangible fixed assets | 2,503 | 2,685 | (182) | (6.8%) |
| Depreciation of tangible fixed assets | 2,867 | 3,145 | (278) | (8.8%) |
| Depreciation of right-of-use assets | 10,538 | 10,909 | (371) | (3.4%) |
| Write-downs and provisions | 26,177 | 31,587 | (5,410) | (17.1%) |
| **Total** | **42,085** | **48,326** | **(6,241)** | **(12.9%)** |

The item “Write-downs and provisions” includes both the write-downs of the cost of the above-mentioned investments and the additional provisions to the risk fund to cover losses for the portion of the write-down exceeding the historical cost of the investments themselves. The details are as follows:

| Company | 2024 provision | 2024 provision release | Devaluation 2024 | Book value at 31/12/2024 |
|---|---|---|---|---|
| Aeffe Germany Gbmh | (698) | | | (698) |
| Aeffe Netherlands Bv | *(495)* | | | *(495)* |
| Moschino Asia Pacific Ltd | (17,039) | | | (17,039) |
| Moschino Korea Ltd | *(2,426)* | | | *(2,426)* |
| Moschino Shangai Ltd | | 1,094 | | 1,094 |
| Aeffe group Inc | *(1,957)* | | *(440)* | *(2,397)* |
| Moschino France Sarl | | | (159) | (159) |
| Totale | *(22,615)* | *1,094* | *(599)* | *(22,120)* |

Furthermore, provisions were made to the bad debt provision for EUR 700 thousand, to the provision for future risks and charges for EUR 3,200 thousand and to the provision for supplementary customer indemnity for EUR 157 thousand.

## 30. Financial income/ expenses

The caption comprises:

| (Values in thousands of EUR) | Full Year 2024 | Full Year 2023 | Change | Change % |
|---|---|---|---|---|
| Interest income | 465 | 79 | 386 | 488.6% |
| Financial discounts | 1 | 1 | - | n.a. |
| Foreign exchange gains | 383 | 13 | 370 | 2,846.2% |
| **Financial income** | **849** | **93** | **756** | **812.9%** |
| **Income from participation** | **15,000** | | **15,000** | **n.a.** |
| Bank interest expenses | 6,550 | 5,733 | 817 | 14.3% |
| Foreign exchange losses | - | 25 | (25) | (100.0%) |
| Other expenses | 417 | 404 | 13 | 3.2% |
| **Financial expenses** | **6,967** | **6,162** | **805** | **13.1%** |
| Leasing interest expenses | 1,353 | 1,490 | (137) | (9.2%) |
| **Leasing interest expenses** | **1,353** | **1,490** | **(137)** | **(9.2%)** |
| **Total** | **7,529** | **(7,559)** | **15,088** | **n.a.** |

Net financial management goes from EUR -7,559 thousand in 2023 to EUR 7,529 thousand in 2024 with an increase of 199.6% mainly due to the distribution of profit reserves by the subsidiary Pollini S.p.A. equal to EUR 15,000 thousand. Net of this operation, financial income and expenses remain substantially unchanged.

## *31. Income taxes*

This caption comprises:

| (Values in thousands of EUR) | Full Year 2024 | Full Year 2023 | Change | % |
|---|---|---|---|---|
| Current income taxes | 2,755 | | 2,755 | n.a. |
| Deferred income (expenses) taxes | 14,043 | (7,763) | 21,806 | n.a. |
| **Total income taxes** | **16,798** | **(7,763)** | **24,561** | **n.a.** |

The changes in deferred income (expenses) taxes are analysed in the note on deferred tax assets and liabilities.

The effective tax rates for 2023 and 2024 are reconciled with the theoretical rate in the following table:

| (Values in thousands of EUR) | Full Year 2024 | Full Year 2023 |
|---|---|---|
| Profit before taxes | 52,405 | (59,343) |
| Theoretical tax rate | 24.0% | 24.0% |
| **Theoretical income taxes (IRES)** | **12,577** | **(14,242)** |
| Fiscal effect | 6,922 | 6,539 |
| **Total income taxes excluding IRAP (current and deferred)** | **19,499** | **(7,703)** |
| **IRAP (current and deferred)** | **(2,701)** | **(59)** |
| **Total income taxes (current and deferred)** | **16,798** | **(7,762)** |

This reconciliation of the theoretical and effective tax rates does not take account of IRAP, given that it does not use profit before taxes to calculate the taxable amount. Accordingly, the inclusion of IRAP in the reconciliation would generate distorting effects between years.

## *32. Result per share*

*Reference earning/(loss)*

The calculation of basic and dilutive earning/(loss) per share is based on the following elements:

| (Values in thousands of EUR)<br>From continuing and discontinued activities | Full Year<br>2024 | Full year<br>2023 |
|---|---|---|
| From continuing activities | | |
| Earning/(loss) for determining basic result per share | 35,607 | (51,581) |
| **Earning/(loss) for determing result per share** | **35,607** | **(51,581)** |
| Dilutive effects | - | - |
| **Earning/(loss) for determing dilutive result per share** | **35,607** | **(51,581)** |
| | | |
| From continuing and discontinued activities | | |
| Earning/(loss) for the period | 35,607 | (51,581) |
| Earning/(loss) from discontinued operations | - | - |
| **Earning/(loss) for determining basic result per share** | **35,607** | **(51,581)** |
| Dilutive effects | - | - |
| **Earning/(loss) for determing dilutive result per share** | **35,607** | **(51,581)** |
| | | |
| Number of reference share | | |
| **Average number of shares for determing result per share** | **98,425** | **98,425** |
| Share options | - | - |
| **Average number of shares for determing diluted result per share** | **98,425** | **98,425** |

*Basic earnings/loss per share*

*Net profit attributable to holders of ordinary shares of the Company is equal to 35,607 thousand (December 2023 loss of -51,581 thousand).*

*Dilutive earning/(loss) per share*

The calculation of diluted loss per share for the period January - December 2024, matches with the calculation of basic earnings per share, as there are no tools with potential dilutive effects.

## COMMENTS ON THE CASH FLOW STATEMENT

The cash flow used in 2024 amounts to EUR 2,734 thousand.

| (Values in thousands of EUR) | Full Year 2024 | Full Year 2023 |
|---|---|---|
| Opening balance of Aeffe S.p.A. | 2.561 | 5,762 |
| Opening balance of Moschino S.p.A. merged for incorporation | | 1,963 |
| Opening balance of Aeffe Retail S.p.A. merged for incorporation | | 768 |
| **Opening balance (A)** | **2,561** | **8,493** |
| Cash flow (absorbed) / generated by operating activity (B) | (18,001) | 8,340 |
| Cash flow (absorbed) / generated by investing activity (C) | 102,045 | (11,461) |
| Cash flow (absorbed) / generated by financing activity (D) | (83,872) | ( 80) |
| **Increase / (decrease) in cash flow (E)=(B)+(C)+(D)** | **173** | **(3,201)** |
| **Closing balance (F)=(A)+(E)** | **2,734** | **2,561** |

### *33. Net cash flow (absorbed)/generated by operating activity*

Operational management in 2024 used cash flows of EUR 18,001 thousand.

The cash flow from operating activities is analysed below:

| (Values in thousands of EUR) | Full Year 2024 | Full Year 2023 |
|---|---|---|
| Opening balance of Aeffe S.p.A. | 2.561 | 5,762 |
| Opening balance of Moschino S.p.A. merged for incorporation | | 1,963 |
| Opening balance of Aeffe Retail S.p.A. merged for incorporation | | 768 |
| **Opening balance (A)** | **2,561** | **8,493** |
| Profit before taxes | 52,405 | (59,343) |
| Amortisation | (45,945) | 48,326 |
| Accrual (+)/availment (-) of long term provisions and post employment benefits | 25,367 | (360) |
| Paid income taxes | 265 | 1,163 |
| Financial income (-) and financial charges (+) | (7,529) | 7,560 |
| Change in operating assets and liabilities | (42,563) | 8,263 |
| **Cash flow (absorbed)/ generated by operating activity** | **(18,001)** | **8,340** |

### *34. Net cash flow (absorbed)/generated by investing activity*

The cash flow used EUR 102,045 thousand in the investment activity of 2024.

The factors comprising this use of funds are analysed below:

| (Values in thousands of EUR) | Full Year 2024 | Full Year 2023 |
|---|---|---|
| Increase (-)/ decrease (+) in intangible fixed assets | 98,000 | (992) |
| Increase (-)/ decrease (+) in tangible fixed assets | (143) | (2,204) |
| Increase (-)/ decrease (+) in right-of-use assets | 3,588 | (8,263) |
| Investments (-)/ Disinvestments (+) | 600 | (2) |
| **Cash flow (absorbed)/ generated by investing activity** | **102,045** | **(11,461)** |

## *35. Net cash flow (absorbed)/generated by financing activity*

The cash flow used by the financial activity in 2024 is EUR 83.872 thousand.

The factors comprising this use of funds are analysed below:

| (Values in thousands of EUR) | Full Year 2024 | Full Year 2023 |
|---|---|---|
| Other variations in reserves and profits carried-forward of shareholders' equity | 1 | - |
| Proceeds (+)/repayments (-) of financial payments | (53,715) | 10,760 |
| Proceeds (+)/ repayment (-) of lease payments | (15,731) | (79) |
| Increase (-)/ decrease (+) in long term financial receivables | (21,956) | (3,202) |
| Financial income (+) and financial charges (-) | 7,529 | (7,560) |
| **Cash flow (absorbed)/ generated by financing activity** | **(83,872)** | **(80)** |

# OTHER INFORMATION

## *36. Incentive plans*

Regarding the long term incentive plans reserved to executive directors of Aeffe S.p.A., please refer to the indicated in the Report on remuneration available from the governance section of the following website: www.aeffe.com.

## *37. Net financial position*

As required by ESMA guidance 32-382-1138 of March 4, 2021, in line with the "Warning no. 5/21 "of 29 April 2021 of Consob, it should be noted that the debt of the Aeffe S.p.A. at 31 December 2024 is as follows:

| (Values in thousands of EUR) | 31 December 2024 | 31 December 2023 |
|---|---|---|
| A - Cash | 2,734 | 2,561 |
| B - Cash equivalents | | |
| C - Other current financial assets | - | - |
| **D - Liquidity (A + B + C)** | **2,734** | **2,561** |
| E - Current financial debt | 7,706 | 48,112 |
| F - Current portion of non-current financial debt | 25,474 | 27,111 |
| **G - Current financial indebtedness (E + F )** | **33,180** | **75,223** |
| **H - Net current financial indebtedness (G - D)** | **30,446** | **72,662** |
| I - Non-current financial debt | 71,691 | 103,640 |
| J - Debt instruments | - | - |
| K - Non-current trade and other payables | - | - |
| **L - Non-current financial indebtedness (I + J + K)** | **71,691** | **103,640** |
| **M - Total financial indebtedness (H + L)** | **102,137** | **176,302** |

The Company's net financial debt stands at EUR 102,137 thousand as of 31 December 2024 compared to EUR 176,302 thousand as of 31 December 2023 with an improvement of EUR 74,166 thousand.

The liquid assets as of December 31, 2024 are substantially in line with the previous year's value.

Financial debt, net of the effect of the application of IFRS 16, is equal to EUR 63,679 thousand at 31 December 2024 compared to EUR 122,114 thousand at 31 December 2023.

With regard to financial debt, it should be noted that Aeffe S.p.A. and Euroitalia S.r.l. signed and executed, during 2024, a framework agreement for the transfer by Aeffe of the ownership of the “Moschino” trademark with reference to all products belonging to product class 3 of the Nice Classification, i.e. mainly cosmetics and perfumes, for a consideration of EUR 98,000 thousand fully paid.

## *38. Intercompany transactions*

Aeffe S.p.A. also operates via its own direct or indirect subsidiaries. Operations carried out with them mainly concern the exchange of goods, the performance of services and the provision of financial resources. All transactions arise in the ordinary course of business and are settled on market terms i.e. on the terms that are or would be applied between two independent parties.

The effect of these transactions on the individual captions reported in the 2024 and 2023 financial statements, as shown in the supplementary income statement and balance sheet prepared for this purpose, is summarised in the following tables:

## COSTS AND REVENUES

| (Values in thousands of EUR)<br><br>Year 2024 | Revenues from sales and services | Other revenues and income | Costs of raw materials, cons. and goods for resale | Costs of services | Costs for use of third parties assets | Financial income (expenses) |
|---|---|---|---|---|---|---|
| Moschino France Sarl | 526 | 3 | 207 | 3,546 | | |
| Fashoff Uk Ltd | 390 | 2 | 4 | 1,156 | | |
| Moschino Shanghai Ltd | 6,088 | | | 1,100 | | 166 |
| Moschino Korea Ltd | 2,626 | | | | | |
| Moschino Asia Pacific Ltd | 1,187 | | | 975 | | 287 |
| Moschino Kids Srl | 2,680 | | 881 | | | |
| Aeffe Group Inc | 4,449 | 2 | | 1,185 | | |
| Pollini Group | 9,406 | 4,123 | 9,232 | 109 | 3 | |
| Aeffe Germany Gmbh | 687 | | 20 | | | |
| Aeffe Spagna Slu | 554 | | 37 | | | |
| Aeffe Netherlands Bb | 547 | 1 | 16 | | | |
| **Total Group companies** | **29,140** | **4,131** | **10,397** | **8,071** | **3** | **453** |
| Total income statement | 133,458 | 109,955 | (37,306) | (60,060) | (1,183) | 7,529 |
| **Incidence % on income statement** | **21.8%** | **3.8%** | **(27.9%)** | **(13.4%)** | **(0.3%)** | **6.0%** |

| (Values in thousands of EUR)<br><br>Year 2023 | Revenues from sales and services | Other revenues and income | Costs of raw materials, cons. and goods for resale | Costs of services | Costs for use of third parties assets | Financial income (expenses) |
|---|---|---|---|---|---|---|
| Moschino France Sarl | 1,202 | 3 | 248 | 3,205 | | 11 |
| Fashoff Uk Ltd | 362 | 2 | 12 | 1,529 | | 5 |
| Moschino Shanghai Ltd | 11,366 | | | 1,339 | | |
| Moschino Korea Ltd | 2,478 | 3 | | | | |
| Moschino Asia Pacific Ltd | 343 | 31 | | 1,118 | | 32 |
| Moschino Kids Srl | 1,991 | | 583 | | | |
| Aeffe Group Inc | 5,126 | 34 | 1 | 1,510 | | ( 109) |
| Pollini Group | 12,664 | 4,201 | 17,574 | 197 | 5 | |
| Aeffe Germany Gmbh | 800 | | 230 | | | |
| Aeffe Spagna Slu | 862 | | 7 | | | |
| Aeffe Netherlands Bb | 850 | 2 | 8 | | | |
| **Total Group companies** | **38,044** | **4,276** | **18,663** | **8,898** | **5** | **( 61)** |
| Total income statement | 183,696 | 12,592 | (60,916) | (79,024) | (1,958) | (7,560) |
| **Incidence % on income statement** | **20.7%** | **34.0%** | **(30.6%)** | **(11.3%)** | **(0.3%)** | **0.8%** |

RECEIVABLES AND PAYABLES

| (Values in thousands of EUR) | Other fixed assets | Trade receivables | Other provisions | Trade payables |
|---|---|---|---|---|
| Year 2024 | | | | |
| Fashoff UK Ltd | | 736 | | 549 |
| Moschino Shanghai Ltd | 5,490 | 15,179 | 10,421 | 527 |
| Moschino France Sarl | | 557 | | 2,924 |
| Moschino Korea Ltd | | 11,931 | 5,040 | 1,140 |
| Moschino Usa Inc | | 3,015 | | |
| Moschino Kids Srl | | 308 | | 173 |
| Moschino Asia Pacific Ltd | 20,216 | 1,912 | 20,112 | 111 |
| Aeffe Group Inc | | 5,078 | 1,957 | 866 |
| Pollini Group | | 8,651 | | 7,168 |
| Aeffe Germany Gmbh | | 1,413 | 1,099 | 20 |
| Aeffe Spagna Slu | | | | 38 |
| Aeffe Netherlands Bv | | 809 | 635 | 24 |
| **Total Group companies** | **25,706** | **49,589** | **39,264** | **13,540** |
| Total balance sheet | 25,811 | 62,519 | 45,009 | 43,008 |
| **Incidence % on balance sheet** | **99.6%** | **79.3%** | **87.2%** | **31.5%** |

| (Values in thousands of EUR) | Other fixed assets | Trade receivables | Other provisions | Trade payables |
|---|---|---|---|---|
| Year 2023 | | | | |
| Fashoff UK Ltd | | 160 | | 1,402 |
| Moschino Shanghai Ltd | | 11,780 | 11,515 | 499 |
| Moschino France Sarl | | 1,965 | | 3,243 |
| Moschino Korea Ltd | | 9,111 | 2,613 | 1,790 |
| Moschino Usa Inc | | 4,980 | | 157 |
| Moschino Kids Srl | | 1,097 | | 158 |
| Moschino Asia Pacific Ltd | 3,761 | 418 | 3,073 | 15 |
| Aeffe Group Inc | | 4 | | 565 |
| Pollini Group | | 5,677 | | 14,741 |
| Aeffe Germany Gmbh | | 1,093 | 401 | - |
| Aeffe Spagna Slu | | 214 | | 1 |
| Aeffe Netherlands Bv | | 924 | 140 | 8 |
| **Total Group companies** | **3,761** | **37,423** | **17,743** | **22,579** |
| Total balance sheet | 3,856 | 56,856 | 19,475 | 63,027 |
| **Incidence % on balance sheet** | **97.5%** | **65.8%** | **91.1%** | **35.8%** |

## *39. Transactions with related parties*

Transactions between the Company and related parties mainly concern the exchange of goods, the performance of services and the provision of financial resources. All transactions arise in the ordinary course of business and are settled on market terms i.e. on the terms that are or would be applied between two independent parties.

The following schedule summarises the Company's transactions with other related parties:

| (Values in thousands of EUR) | 31 December 2024 | 31 December 2023 | Nature of the transactions |
|---|---|---|---|
| **Shareholder Alberta Ferretti with Aeffe S.p.A.** | | | |
| Contract for the sale of artistic assets and design | 1,000 | 1,000 | Cost |
| **Commerciale Valconca with Aeffe S.p.A.** | | | |
| Revenues | 83 | 121 | Revenues |
| Cost of services | 74 | 75 | Cost |
| Property rental | 50 | 50 | Cost |
| Commercial | - | 490 | Receivable |
| Commercial | 61 | | Payable |
| **Ferrim with Aeffe S.p.A.** | | | |
| Property rental | 2,067 | 1,991 | Cost |

The following table indicates the data related on the incidence of related party transactions on the income statement, balance sheet and cash flow as of 31 December 2024 and 31 December 2023:

| (Values in thousands of EUR) | Balance 2024 | Value rel. party 2024 | % | Balance 2023 | Value rel. party 2023 | % |
|---|---|---|---|---|---|---|
| **Incidence of related party transactions on the income statement** | | | | | | |
| Revenues from sales and services | 133,458 | 83 | 0.1% | 183,696 | 121 | 0.1% |
| Costs of services | 60,060 | 1,074 | 1.8% | 79,024 | 1,075 | 1.4% |
| **Incidence of related party transactions on the balance sheet** | | | | | | |
| Trade payables | (43,008) | 61 | n.a. | (63,027) | | 0.0% |
| Trade receivables | 62,519 | - | 0.0% | 56,856 | 490 | 0.9% |
| **Incidence of related party transactions on the cash flow** | | | | | | |
| Cash flow (absorbed) / generated by operating activity | (18,001) | (501) | 2.8% | 8,340 | (931) | n.a. |
| **Incidence of related party transactions on the indebtedness** | | | | | | |
| Net financial indebtedness | (63,679) | (501) | 0.8% | (122,114) | (931) | 0.8% |

For further information, please refer to the attachments of this note.

## 40. Atypical and/or unusual transactions

Pursuant to Co.N.So.B Communication DEM/6064293 dated 28 July 2006, it is confirmed that the Company did not enter into any atypical and/or unusual transactions (as defined in such Communication) during 2024.

## 41. Significant non-recurring events and transactions pursuant to the Co.N.So.B regulation of 28 July 2006

On 26 September 2024, Aeffe S.p.A. and Euroitalia S.r.l. signed and executed a framework agreement for the transfer by Aeffe of the ownership of the "Moschino" trademark with reference to all products belonging to product class 3 of the Nice Classification, i.e. mainly cosmetics and perfumes.

The economic and financial effects of the transactions are reported in the following summary table:

| (Values in thousands of EUR) | Full Year 2024 |
|---|---|
| **Non-recurring income statement transactions** | |
| Other revenues and income | 87,249 |
| Taxes | (24,343) |
| **Non-recurring balance sheet transactions** | |
| Intangible fixed assets | (10,751) |
| Deferred tax assets | (4,188) |
| Cash | 98,000 |
| Tax payables | (3,403) |
| Deferred tax liabilities | (16,752) |

## 42. Guarantees and commitments

As of 31 December 2024, the Company has given performance guarantees to third parties totaling EUR 26,974 thousand (EUR 4,394 thousand as of 31 December 2023).

## 43. Contingent liabilities

### Fiscal disputes

In consideration of the fact that there are no significant tax disputes, no provision has been set aside.

## 44. Information pursuant to art. 149-duodecies of Co.N.So.B's Issuers' Regulations

The following schedule, prepared pursuant to art. 149-duodecies of Co.N.So.B's Issuers' Regulation, shows the fees incurred in 2024 for auditing services and non-auditing services provided by the appointed firm for auditors. No services were provided by members of the auditing firm's network.

| (Values in thousands of EUR) | Service provider | 2024 fees |
|---|---|---|
| Audit | RIA GRANT THORNTON S.p.A. | 124 |
| Audit for company Moschino Kids Srl | RIA GRANT THORNTON S.p.A. | 17 |
| Audit non-financial statement (DNF) | BDO ITALIA S.p.A. | 40 |
| Audit non-financial statement (DNF) | RIA GRANT THORNTON S.p.A. | 28 |
| R&D tax credit certification | RIA GRANT THORNTON S.p.A. | 12 |
| Consolidated ESEF financial statements | BDO ITALIA S.p.A. | 8 |
| Audit Consolidated ESEF financial statements | RIA GRANT THORNTON S.p.A. | 8 |
| Vat compliance validation | RIA GRANT THORNTON S.p.A. | 6 |
| **Total** | | **243** |

# ATTACHMENTS TO THE EXPLANATORY NOTES

| | | |
|---|---|---|
| ATTACHMENT | I: | Balance Sheet with related parties |
| ATTACHMENT | II: | Income Statement with related parties |
| ATTACHMENT | III: | Cash Flow Statement with related parties |
| ATTACHMENT | IV: | Prospect of crucial data from the statutory financial statements of Fratelli Ferretti Holding S.r.l. at 31 December 2023 |

ESITO VOTAZIONE

**3. Relazione sulla politica di remunerazione e sui compensi corrisposti ai sensi dell'art. 123-ter del D.Lgs. 58/98:**
**3.1 deliberazioni in merito alla prima sezione della relazione ai sensi dell'art. 123-ter c.3-bis del D.Lgs. 58/98;**

| N° | Aventi diritto | Delegato | Azioni in delega | % su diritti di voto presenti | VOTI |
|---|---|---|---|---|---|
| 1 | COLLOPORTUS S.R.L. | R.D.: INTO S.R.L. (Andrea Di Lorenzo) | 33.173.845 | 49,710% | F |
| 2 | FQUATTRO S.R.L. | R.D.: INTO S.R.L. (Andrea Di Lorenzo) | 33.173.845 | 49,710% | F |
| 3 | CONTINENTAL SMALL SERIES THE CONTINENTAL SMALL COMPANY | R.D.: INTO S.R.L. (Andrea Di Lorenzo) | 96.651 | 0,145% | C |
| 4 | INTERNATIONAL CORE EQUITY PORTFOLIO OF DFA INVESTMENT DIMENSIONS GROUP INC | R.D.: INTO S.R.L. (Andrea Di Lorenzo) | 89.377 | 0,134% | C |
| 5 | AMERICAN CENTURY ETF TRUST-AVANTIS INTERNATIONAL SMALL CAP VALUE | R.D.: INTO S.R.L. (Andrea Di Lorenzo) | 44.266 | 0,066% | C |
| 6 | AMERICAN CENTURY ETF TRUST AVANTIS INT SMALL CAP VALUE FUND | R.D.: INTO S.R.L. (Andrea Di Lorenzo) | 1.917 | 0,003% | C |
| 7 | DIMENSIONAL FUNDS PLC | R.D.: INTO S.R.L. (Andrea Di Lorenzo) | 29.403 | 0,044% | C |
| 8 | TRUST II BRIGHTHOUSEDIMENSIONALINT SMALL COMPANY PORTFOLIO | R.D.: INTO S.R.L. (Andrea Di Lorenzo) | 11.359 | 0,017% | C |
| 9 | AZIMUT CAPITAL MANAGEMENT SGR S.P.A | R.D.: INTO S.R.L. (Andrea Di Lorenzo) | 70.000 | 0,105% | C |
| 10 | ACADIAN NON US MICROCAP EQUITY FUND LLC | R.D.: INTO S.R.L. (Andrea Di Lorenzo) | 38.080 | 0,057% | C |
| 11 | AK PERM FND DFA INTL SMALL CO | R.D.: INTO S.R.L. (Andrea Di Lorenzo) | 5.688 | 0,009% | C |
| | | Totale | **66.734.431** | **100,000%** | |

| | AZIONI | % SUI PRESENTI |
|---|---|---|
| **FAVOREVOLI** | 66.347.690 | 99,420% |
| **CONTRARI** | 386.741 | 0,580% |
| **ASTENUTI** | 0 | 0,000% |
| **TOTALE AZIONI PRESENTI** | 66.734.431 | 100,000% |