

## ITALIAN WINE BRANDS S.p.A.

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

Consolidated financial statements as At  
31 December 2024

*This independent auditor's report has been translated into English solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.*

## Independent auditor's Report

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

To the Shareholders of  
Italian Wine Brands S.p.A.

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

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#### Opinion

We have audited the consolidated financial statements of Italian Wine Brands Group (the "Group"), which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statement of comprehensive income, the consolidated statement of changes in shareholders' equity and the statement of cash flow for the year then ended and notes to the consolidated financial statements, including material information on the accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2024 and of its financial performance and cash flows for the year then ended in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board and endorsed by the European Union, as well as the Italian regulations implementing article 9 of Legislative Decree no. 38/05.

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#### Basis for opinion

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

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

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#### Key audit matters

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

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**Key audit matter****Impairment of goodwill**

*Note 2.1 “Accounting policies - Goodwill”*

*Note 6 “Goodwill”*

The total goodwill, amounting to €215,969 thousand, arises from the following business combinations: IWB Italia S.p.A. for €186,077 thousand, Enovation Brands INC for €17,038 thousand, and Raphael Dal Bo AG for €12,854 thousand.

As of December 31, 2024, the goodwill was subjected to an impairment test, which consists of estimating the recoverable amount of the CGUs - represented by the subsidiaries - and comparing it with the net carrying amount of the related assets, including goodwill, in accordance with IAS 36.

The value in use corresponds to the present value of the future cash flows expected to be associated with the assets subject to impairment, using a discount rate that reflects the specific risks of the individual CGUs at the valuation date.

The assessment of the recoverability of goodwill represents a key aspect in the audit of the consolidated financial statements, considering the degree of subjectivity inherent in the determination of the variables used for the estimation of the value in use.

**Audit procedures addressing the key audit matter**

The audit procedures performed included, among other things:

- Verification of the impairment test with the support of BDO specialists, with particular reference to:
  - reasonableness of the main assumptions and hypotheses underlying the cash flow forecasts;
  - compliance of the methodology used in light of the applicable accounting standards;
  - examination of the key assumptions underlying the impairment model with reference to the discount rate, growth rate, and determination of the terminal value;
  - verification of the mathematical accuracy of the impairment model.
- Verification of the adequacy of the information provided in the notes to the financial statements.

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

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

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

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

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

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

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

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

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

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

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

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

On 22 April 2021, the Shareholders' meeting of Italian Wine Brands S.p.A. appointed us to perform the statutory audit of its separate and consolidated financial statements for the years ending from 31 December 2021 to 31 December 2029.

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

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

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## Report on other legal and regulatory requirements

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

The directors are responsible for the application of the requirements of Delegated Regulation (EU) 2019/815 of European Commission regarding the regulatory technical standards pertaining the electronic reporting format specifications (ESEF - European Single Electronic Format) (hereinafter the "Delegated Regulation") to the consolidated financial statements at 31 December 2024 to be included in the annual financial report.

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

In our opinion, the consolidated financial statements at 31 December 2024 have been prepared in XHTML format and have been marked-up, in all material respects, in compliance with the provisions of Delegated Regulation (EU) 2019/815.

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

The directors of Italian Wine Brands S.p.A. are responsible for the preparation of the group's reports on operations and on corporate governance and ownership structure of the Italian Wine Brands Group as at 31 December 2024, including their consistency with the related consolidated financial statements and their compliance with the applicable law.

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

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

In our opinion, the report on operations and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis, paragraph 4, of Legislative Decree no. 58/98 are consistent with the group's consolidated financial statements at 31 December 2024.

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



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

Milan, 8 April 2025

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

Giovanni Rovelli  
Partner

*As disclosed by the Directors, the accompanying consolidated financial statements of Italian Wine Brands S.p.A. constitute an official version which is compliant with the provisions of the Commission Delegated Regulation (EU) 2019/815.*

*This independent auditor's report has been translated into English from the original issued in Italian solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.*

## ITALIAN WINE BRANDS S.p.A.

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

Financial statements as at 31 December 2024

*This independent auditor's report has been translated into English solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.*

## Independent auditor's Report

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

To the Shareholders of  
Italian Wine Brands S.p.A.

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

---

#### Opinion

We have audited the separate financial statements of Italian Wine Brands S.p.A. (the "Company"), which comprise the statement of financial position as at 31 December 2024, the comprehensive income statement, the statement of changes in equity and the statement of cash flow for the year then ended, and notes to the financial statements, including material information on the accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024 and of its financial performance and cash flows for the year then ended in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board and endorsed by the European Union, as well as the Italian regulations implementing article 9 of Legislative Decree no. 38/05.

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#### Basis for opinion

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

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

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#### Key audit matters

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

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

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**Valuation of investments**

*Note 2.1 “Accounting policies - investments”*

*Note 7 “Equity investments”*

The investments are recognized in the financial statements for a total value of €292,576 thousand and relate to the wholly owned subsidiaries IWB Italia S.p.A., Giordano Vini S.p.A., Enovation Brands INC, and Italian Wine Brands UK Ltd.

Investments in subsidiaries and associates are valued at cost, potentially reduced in the event of capital or capital reserve distributions or in the presence of impairment losses determined by applying the impairment test.

The valuation of investments represents a potential key audit matter in the audit of the financial statements, considering the degree of subjectivity inherent in the determination of the variables used for the estimation of the recoverable amount.

The audit procedures performed included, among other things:

- Comparison of the carrying amount of the investment with the ownership share of the investee's shareholders' equity by obtaining the draft financial statements at the end of the reporting period;
- Verification of the impairment test with the support of BDO specialists, with particular reference to:
  - reasonableness of the main assumptions and hypotheses underlying the cash flow forecasts;
  - compliance of the methodology used in light of the applicable accounting standards;
  - examination of the key assumptions underlying the impairment model with reference to the discount rate, growth rate, and determination of the terminal value;
  - verification of the mathematical accuracy of the impairment model.
- Verification of the adequacy of the information provided in the notes to the financial statements.

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

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

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

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

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**Auditor's responsibilities for the audit of the separate financial statements**

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

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

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

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

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

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

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

On 22 April 2021, the Shareholders' meeting of Italian Wine Brands S.p.A. appointed us to perform the statutory audit of its separate and consolidated financial statements for the years ending from 31 December 2021 to 31 December 2029.

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

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

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## Report on other legal and regulatory requirements

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

The directors of Italian Wine Brands S.p.A. are responsible for the application of the requirements of Delegated Regulation (EU) 2019/815 of European Commission regarding the regulatory technical standards pertaining the electronic reporting format specifications (ESEF - European Single Electronic Format) (hereinafter the “Delegated Regulation”) to the separate financial statements at 31 December 2024 to be included in the annual financial report.

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

In our opinion, the separate financial statements at 31 December 2024 have been prepared in XHTML format and have been marked-up in compliance with the provisions of Delegated Regulation (EU) 2019/815.

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

The directors are responsible for the preparation of a directors’ report and a report on corporate governance and ownership structure at 31 December 2024, including their consistency with the related separate financial statements and their compliance with the applicable law.

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

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

In our opinion, the report on operations and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis, paragraph 4, of Legislative Decree no. 58/98 are consistent with the company’s separate financial statements at 31 December 2024.

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

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

Milan, 8 April 2025

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

Giovanni Rovelli  
Partner

*As disclosed by the Directors, the accompanying separate financial statements of Italian Wine Brands S.p.A. constitute an official version which is compliant with provisions of the Commission Delegated Regulation (EU) 2019/815. This independent auditor’s report has been translated into English from the original issued in Italian solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.*



ITALIAN WINE BRANDS  
*Creatori di Eccellenze*

# CONSOLIDATED ANNUAL FINANCIAL REPORT

31<sup>st</sup> DECEMBER 2024

**ITALIAN WINE BRANDS S.P.A.**

Registered office in Milan, Viale Abruzzi, 94 - Italy  
joint-stock company with subscribed and paid-up share capital of Euro 1.124.468,80

Tax Code Company No. 08851780968  
Registered in the Companies Register of Milan, Italy  
R.E.A. No. 2053323

[italianwinebrands.it](http://italianwinebrands.it)





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*The present document constitutes a copy, in PDF format, of the Annual Financial Report of the IWB Group as of December 31, 2024. This release constitutes an additional and unofficial release to the ESEF electronic format, pursuant to Directive 2004/109/EC (so-called "Transparency Directive") and to Delegated Regulation (EU) 2019/815 (so-called "ESEF Regulation"). In fact, this was not verified by IWB Independent auditors. The official ESEF document is published and filed according to the provision of the law.*

**These separate and consolidated financial statements constitute an official version in English language which is compliant with the provisions of the Commission Delegated Regulation (EU) 2019/815.**



## Composition of the Corporate and Control Bodies

### Board of Directors

Alessandro Mutinelli  
*(Chairman and Chief Executive Officer)*

Giorgio Pizzolo  
*(Deputy Chairman)*

Simone Strocchi

Sofia Barbanera

Antonella Lillo  
*(Independent Director)*

Massimiliano Mutinelli

Marta Pizzolo

### Board of Statutory Auditors

David Reali  
*(Chairman of the Board of Statutory Auditors)*

Debora Mazzaccherini  
*(Standing Auditor)*

Eugenio Romita  
*(Standing Auditor)*

### Independent Auditors

BDO Italy S.p.A.

### Euronext Growth Advisor

Value Track SIM S.p.A.



## Letter to the Shareholders

To the Shareholders,

In January 2025 Italian Wine Brands, the first listed Italian group in the wine sector, celebrated **the 10th anniversary of its listing on the EGM segment of the Stock Exchange**, a milestone that demonstrates extraordinary growth and constant expansion on the global market.

The debut dates back exactly to 29 January 2015, when the Group was created with the **vocation of winery aggregator to create a sector champion** in what historically was a very fragmented wine market. The foundation of the IWB Group actually took place at the same time as the listing on the AIM market (now the EGM), consolidating at the time of its launch two companies, namely the Trentino-based Provinco Italia and the Piedmont-based Giordano Vini.

An operation with an industrial vision that has demonstrated and still represents how finance, understood as "construction capital" and not mere trading, can help in the formation of industry champions led by determined and visionary entrepreneurs, who themselves become sector aggregators and driving forces of entire Italian supply chains of excellence.

Since its market debut in 2015, **the Italian Wine Brands stock has increased in value by more than 130%**, going from €10 per share at the time of listing to over €22 today. At the same time, the market capitalisation has gone from around 60 million euro on the day of the IPO to over 210 million today, confirming the Group's solidity and investors' appreciation. Today, with over 70% of free float, IWB is a genuine public company, with thousands of shareholders, including Italian and foreign institutional investors and private citizens.

Currently, Italian Wine Brands is among the top private national groups in terms of turnover, an industry leader that drives an important supply chain of excellence, the Italian wine industry, with a strong and widely recognised positioning, thanks to proprietary brand products sold throughout the world, through the main distribution channels that are constantly monitored. All this, also supported by external growth, in line with management's key objectives since the first day of listing. In addition to Giordano Vini and Provinco, over the years the Group has aggregated five other companies - Svinando, Raphael Dal Bo, Enoitalia, Enovation Brands and Barbanera - involving all the founders and families of the companies as they were consolidated in the project and in the capital of the company.



Over the years, Italian Wine Brands has seen a **significant increase in turnover, which has gone from 140 million euro in 2015 to 400 million now, with over 80% of sales made on international markets.** Today IWB distributes some 160 million bottles in over 90 countries (on 5 continents), compared with 44 million sold in 2015. The Group has in its portfolio **more than 70 brands**, proprietary and private labels, split by type of product, demonstrating its ability to create high quality wines that respond to the ever-evolving taste of any aficionado.

With a consolidated presence in international markets and new development goals, Italian Wine Brands, a symbol of Italian innovation and tradition, is preparing to face the coming years with the same determination and passion that have guided its success to date.

In these 10 years since the listing, our company has always looked forward, to tomorrow, to the new things to be developed, to how we could grow and make IWB stronger and stronger on the market. However, this anniversary merits a look back at the road that we have travelled. Personally, I want to thank all those who, with passion, skill and determination, have accompanied me on this journey of growth and creation of an industrial and commercial reality that did not exist previously. Thanks to our team, Italian Wine Brands today is recognised, respected and appreciated throughout the world, for its size, the quality of its products, the breadth of its range, its distribution and for being the only true Italian public wine company. We have kept the promise we made at the time of listing: to become an aggregating entity in the fragmented world of Italian wine, to compete on equal terms with the main global competitors. And we also kept our promise to our shareholders, multiplying our market capitalisation. However, our journey is not over yet; there are still many roads to explore, which we will face with competence, enthusiasm and a desire to arrive at our goal.

Alessandro Mutinelli

Chairman and Chief Executive Officer



## Key figures

### PROFIT & LOSS FIGURES

Amounts in €000	2024	2023	2022 pro-forma	2022
Revenue from sales	401,937	429,127	430,312	390,654
Adjusted EBITDA	<b>50,382</b>	<b>44,330</b>	<b>37,177</b>	<b>31,057</b>
%	<b>12.5%</b>	<b>10.3%</b>	<b>8.6%</b>	<b>8.0%</b>
Adjusted EBIT	39,557	30,739	24,836	20,535
EBIT	35,795	27,372	23,530	19,213
%	8.9%	6.4%	5.5%	4.9%
Adjusted net profit/(loss)	<b>25,319</b>	<b>18,886</b>	<b>15,154</b>	<b>11,986</b>
%	<b>6.3%</b>	<b>4.4%</b>	<b>3.5%</b>	<b>3.1%</b>
Profit/(loss)	22,607	16,458	14,212	11,033
%	5.6%	3.8%	3.3%	2.8%

### ASSETS & LIABILITIES

Amounts in €000	2024	2023	2022 pro-forma	2022
Net working capital	<b>6,820</b>	<b>12,138</b>	<b>25,855</b>	<b>25,855</b>
Net Invested Capital	315,851	325,423	339,861	339,861
Shareholders' equity	226,534	209,490	193,315	193,315
Net financial position	89,316	115,932	146,547	146,547
Net debt (without effect of applying IFRS 16)	<b>75,951</b>	<b>100,718</b>	<b>129,498</b>	<b>129,498</b>
Net financial position - third-party lenders	<b>75,506</b>	<b>96,313</b>	<b>121,877</b>	<b>121,877</b>

### MAIN RATIOS

	2024	2023	2022 pro-forma	2022
Net financial position/Adjusted EBITDA	<b>1.77</b>	<b>2.62</b>	<b>3.94</b>	<b>4.72</b>
Net financial position/Net equity	0.39	0.55	0.76	0.76
EPS	2.42	1.75	1.50	1.17

The alternative performance indicators reported above are explained on pages 22-25



## Directors' Report on Operations

### 1. Analysis of the Company's situation, market trends and results of operations 8

#### 1.1 Markets

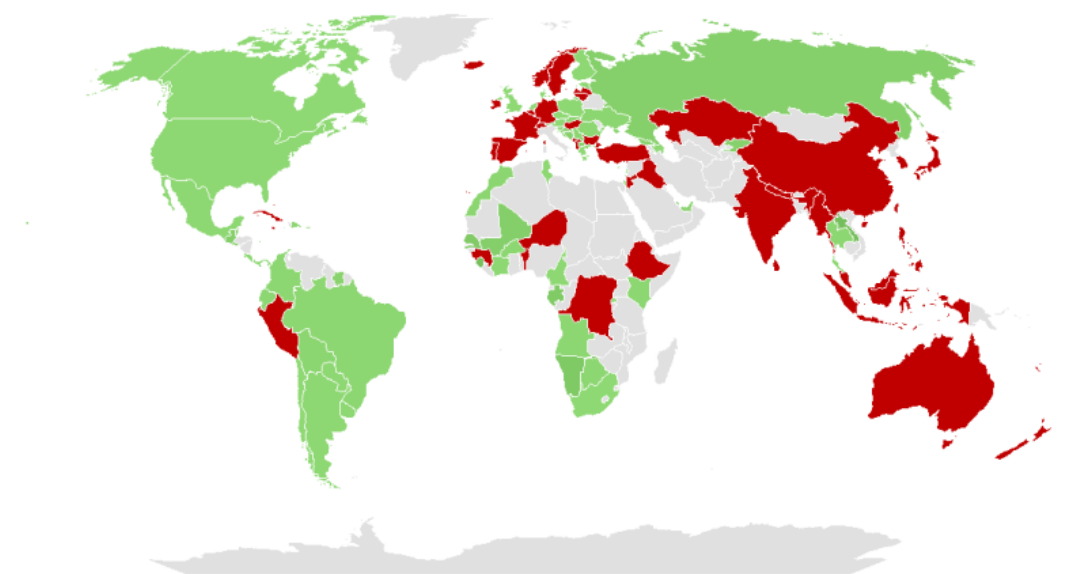
##### 1.1.1 International market

After a slight decline in exports (in value) in 2023 and despite geopolitical tensions and economic slowdowns **2024 closes with a positive sign in exports which, with a growth of more than 4%, exceeds the threshold of 8 billion euro.**<sup>1</sup>

According to the latest Wine Monitor Report by Nomisma on wine imports in the 12 main world markets (which represent over 60% of global wine purchases by value), **overall imports fell by 0.8% while imports of Italian wines increased, albeit slightly (+0.2%), supported by sparkling wines, Prosecco in particular** (2 out of every 10 bottles of Italian wine exported are Prosecco).

As shown in the graph below, exports to some key countries such as the United States, Canada, the United Kingdom and South America are still rising, whereas Germany, France, Switzerland and Norway are falling. A special case is represented by China where elimination of the 'super tariffs' imposed by the Beijing government in 2021 has favoured the import of Australian wines.

The growth in Eastern Europe is of extreme interest.



 **VARIAZIONE POSITIVA**

 **VARIAZIONE NEGATIVA**

Con tecnologia Bing  
© Australian Bureau of Statistics, GeoNames, Geospatial Data Edit, Microsoft, Navinfo, Open Places, OpenStreetMap, Overture Maps Foundation, TomTom, Wikipedia, Zenrin

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<sup>1</sup> According to the estimates of Nomisma Wine Monitor



The **United States** continue to represent the main market characterized by:

- 66% of consumers who overall declare a preference for domestic consumption (i) 49% at their own home (ii) 22% at relatives and friends; and a homogeneous distribution of non-domestic consumption between (x) catering 16% (y) other consumption occasions such as wine bars or other establishments at 13%;
- a prevalence of consumption by **baby boomers**, who represent 85% of domestic consumption and 62% of out-of-home consumption; when purchasing they pay attention to the brand, to the grape variety and type of wine to buy and **foresee stable/rising consumption** over the next 12 months:
- prevalence of still wines in the consumption with an equal distribution between red and white wines, alongside which sparkling and fizzy wines are growing;
- **interest in non-alcohol wines** which have been tasted at least once by 53% of consumers in the last 12 months.
- **interest in Italian wines** which, on average across the federal states, performed better than the market average.

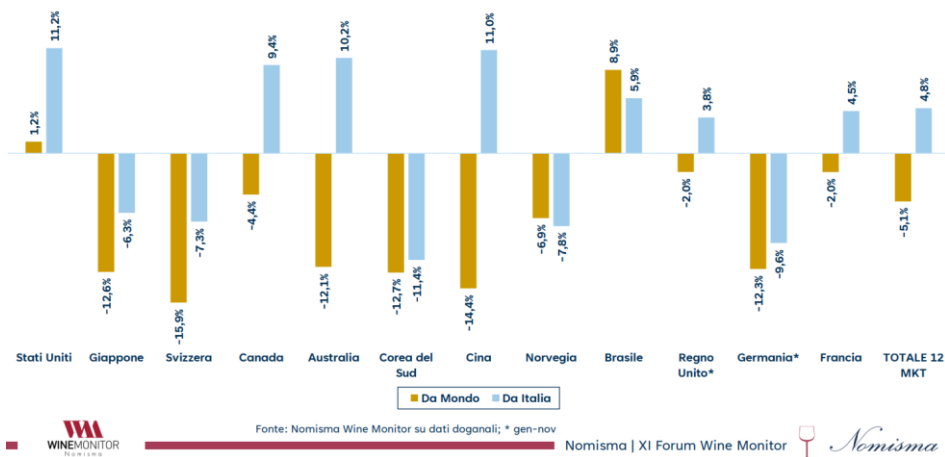
In **Europe** there has been (i) an increase in exports of Italian wine to the UK (ii) a decline in some historical markets, particularly Germany, where the recession is weighing on wine consumption.

The **Mercosur**, also in light of the free trade agreement signed with the European Union in 2024, represents and could increasingly represent, an area of development for the export of Italian wine as a result of:

- the elimination or reduction of tariffs;
- protection of products Made in Italy: 32 protected geographical denominations/denominations of origin in the wine sector;
- double-digit growth in both value (+12.3%) and volumes (+10.5%) of Italian wine imports; the greatest interest in Italian wines is directed towards DOP wines, Tuscan reds in particular;

**Brazil**, which represents the leading country with a prevalence of imports of still and fizzy wines, closely followed by the increase in sparkling wines; 58% of Brazilian consumers consider Italy among the foreign countries from which they most appreciate the food and beverage products they buy.

In terms of product mix **Italian exports**, as shown in the graph below, **is managing to go against trend in the sparkling wine segment**, where France has collapsed.



From 2018 to 2023, the export volume of Italian sparkling wines increased by 30% compared with 13% for French ones, while Spain saw its cross-border sales decrease by 11%. Even in the first 9 months of 2024, Italian sparkling wine exports continued their run, turning in growth compared with the same period of the previous year of 9% in value and 13% in volume.

**Prosecco is once again the driver of Italy's growth: +12.4%. Exports of generic sparkling wines are also growing (+11%) while Asti (-2%) and other DOP sparkling wines are slipping (-12%).**

### 1.1.2 Domestic market

In Italy, wine is still one of the most popular drinks: 90% of the population between the ages of 18 and 65 have consumed it at least once in the last 12 months and of these 38% consider themselves "frequent consumers", meaning they drink wine from 1 to 3 times a week. Wine is the fourth most consumed beverage and is growing compared with 2023.

Consumption is still most prevalent at home (50%) and at restaurants (23%), with a preference for red wine chosen on 32% of occasions; consumers also pay attention to the territory of origin and the denominations (DOC/IGT/DOCG).

In the wine segment, the proportion of premium products is growing; as regards the denominations, growth is concentrated in (a) Sicilia DOP; Trentino DOP, Salento IGP in still wines and (b) Prosecco DOP in sparkling wines.

Greater attention is being given to moderation in drinking, partly because of a greater orientation towards saving money, and partly because of the ever-increasing focus on healthy lifestyles: wine consumption is slowing down, even though interest in non-alcohol products is still modest: only 24% of consumers seem willing to try it, with women and Generation Z showing greater interest.



The changes to the Highway Code that came into force on 14 December 2024 have had a strong echo in the media, but to date the impact on Italians' alcohol consumption is unclear; almost 50% say they will not change their drinking habits.

### 1.1.3 Trends

Looking to the future, in the face of the uncertainties that weigh on international markets (i) the threat of additional tariffs by the newly elected President Trump (ii) the increase in excise duties on wines and alcoholic beverages already applied in Russia and the United Kingdom starting from 1 February 2025, **there are signs of greater diversification of foreign markets for Italian wine**. This can be deduced from the double-digit growth of "emerging wine" markets such as Austria, Ireland, Brazil, Eastern Europe, Croatia, Thailand and many others, which support the growth of Italian wine sales abroad and compensate for the negative variances recorded in long-standing markets such as Germany, Switzerland, France and Norway.

*As regards the main markets, it is worth noting that:*

- in the **United States**, tariffs on Italian wine could lead to a significant reduction in exports, but the impact could be mitigated if (i) the dollar maintained the position of strength it currently enjoys against the Euro, and (ii) the hypothesis of differentiated tariffs by type was confirmed with duties "reduced to 10%" on sparkling wines, confirming an American market that has a soft spot for our bubbles;
- in **Canada**, wine consumption continues to grow, supported by favourable trade agreements that simplify importation. Canadian consumers' preferences are moving towards quality wines with a strong territorial identity, an element that favours Italian productions with DOC and DOCG certifications<sup>2</sup>;
- in **Brazil**, consumers are increasingly attentive to the origin of the product and to green factors, such as: medium-high range products with an organic logo, sustainable certification and lighter glass packaging. There is also growing interest in products that are easy to mix and have a low alcohol content.
- In **Europe**, traditional importers, with the exception of the UK, are not showing positive signs, but there is **growth in Eastern Europe** which is proving more and more to be an area of great interest for Italian producers: countries such as Poland and the Czech Republic, as well as others, are increasing their imports, thanks to a growing wine culture and greater spending power on the part of consumers.
- In **Italy**, "on trade" consumption is rising; more and more often, people are going out for a drink and there is an increasing focus on alcohol-free products. Overall (i) per capita wine consumption is stabilising at around 26.3 litres<sup>3</sup>; (ii) inflation is still

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<sup>2</sup> Source: Winemeridian 6 February 2025

<sup>3</sup> Italy in the world wine market - Rome Business school



affecting the purchasing power of households with consequences on mid-range wines, (iii) on the other hand, **the premium segment is growing by double digits**, reflecting a trend towards more conscious and quality consumption; a trend that is confirmed by the increase in organic, vegan and natural wines.

As regards the segments

- Global wine consumption prospects see **growth in sparkling wine at least until 2027** with the following prospects for the positioning of Italian product on the main markets:
  - ✓ USA: Italy stands out in the market for the volumes being handled.
  - ✓ UK: Italy consolidates the podium with increases in volume that also drive values
  - ✓ Japan: French sparkling wines are losing ground, Italy and Spain are growing in volume, helped by more competitive prices.
- the trend for white and rosé wines is less positive, while for red wines it is more or less flat.

The occasions for drinking wine and consumer profiling

- the aperitif, in Italy in particular, is becoming the main moment for consuming alcohol, not only for young people of Generation Z or for Millennials, but also among 45-54 year olds. And it's also winning over consumers aged 55 or more.
- This "revolution" significantly affects the type of wine being consumed (from still reds to sparkling and fizzy wines), which in turn means adjusting what is on offer and, even further upstream, revising production in terms of both quantity and yield.

In this context, the following will become even more important:

- communication, packaging and the story of "our" bottles, making people much more interested in where they come from, and suggesting pairings with any type of cuisine to consolidate and increase their perceived value;
- product innovation that will have to accompany the development of consumption of the new generations;
- digitalisation and online communication. Digital sales platforms, along with social media and virtual events, are becoming essential tools to strengthen the presence of Italian producers on international markets;

this is to attract the nearly 400 million people in Europe, North America and China, who will become legally entitled to drink alcohol in the next 20 years; potential consumers born in today's context, where consumption is no longer traditional (i.e. in the home) and they will be driven in their choices also by ethical criteria, such as sustainability.



## 1.2 The IWB Group

### 1.2.1 Strategy and Results

In this context, IWB remains the main listed exporter of Italian wine with a 2024 characterised by:

- Acceleration of the **Top Brands Development Strategy**: following the corporate integration, the “One Company Project”, which took effect on 1 January 2024, the Group has concentrated on: (i) rationalising and categorising the product portfolio and (ii) identifying the "Top Brands" which have a profit margin (defined as the difference between their revenue and the cost of their raw materials) of more than 45%. They represent - and will increasingly represent - the growth driver of the Group's revenue and margins. In 2024, the Top Brands achieved 9.7% growth in volume and 9% in value with a contribution to the B2B margin, understood as the difference between revenue and the variable cost of production factors, of 31.4 million euro, up by 19.4% compared with 2023.
- **Product innovation** with the launch of Rirò – Toscana Rosso IGT, the first red aperitif to be enjoyed cold and as a base for cocktails, and still Prosecco in the USA.
- **Industrial synergies** by (i) concentrating production at the Calmasino, Montebello and Cetona plants (ii) closing down production at the Alba plant and (iii) selling the Torricella winery, at the same time setting up a partnership to maintain the production of wines from Puglia at IWB standards.
- Even better and more effective **purchasing management** which has led to a **double-digit reduction in the unit cost of dry materials**.
- **Cash generation confirms outstanding in the range 50%-55% of Adjusted EBITDA** and which has allowed a **reduction in financial charges of approximately 3 million euro**.
- An ever greater **attention to sustainability issues** in terms of developing organic products and in terms of the “decarbonisation” of the production process, the results and strategies of which will be presented in the first sustainability report, launched during the year, and whose publication is expected in the first half of 2025.

**Overall, the Group achieved a historical record in terms of Adjusted EBITDA and Net Profit, equal to Euro 50.4 million and Euro 22.6 million respectively.**



Sales are achieved primarily through a portfolio of proprietary brands. Particular importance is taken on by the TOP BRANDS identified in the following:

**GRANDE  
ALBERONE®**  
ITALY IN A BOTTLE

**VOGA** ITALIA™  
DRINK IN STYLE

**RAPHAEL DAL BO**  
PROSECCO E SPUMANI 

  
DUCA DI SARAGNANO®

  
**BARBANERA**  
TUSCANY SINCE 1938

  
**RONCO DI SASSI**  
MEDITERRAEAN TASTE

**ALBERTO  
NANI**  
*Prosecco  
Organic*

**E L E T T R A**  
(SHINING STAR)

  
**POGGIO  
DEL CONCONE**

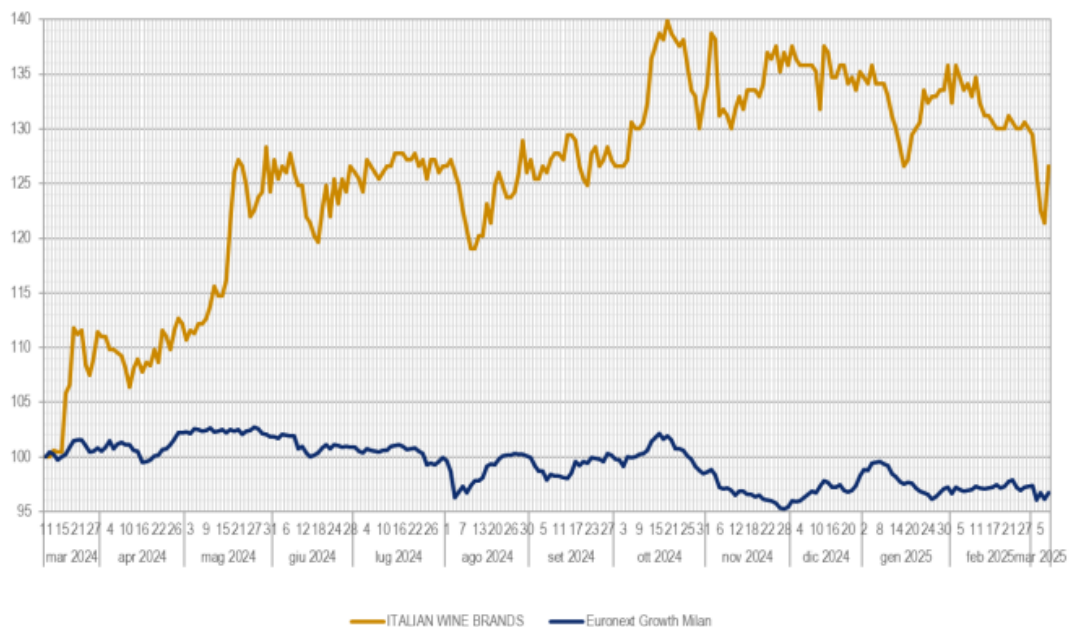
**RAPHAEL DAL BO**  
LA VITA È BELLA

  
**LE FORCONATE**



## 1.2.2 Stock performance

### Andamento prezzo e indice di riferimento negli ultimi 12 mesi (su base 100)



Over the last 12 months, the value of IWB shares has grown by 20% despite a dividend yield of approximately 5%.

The performance of the stock is still far from the consensus valuations expressed by financial analysts and the resulting capitalisation of around 200 million euro, being equal to:

- ❖ 4 x Adjusted EBITDA
- ❖ 9 x Net Profit
- ❖ 7.4 x cash generation in 2024

despite the constant growth path of profitability in absolute and percentage terms and a cash generation capacity of 50-55% of Adjusted EBITDA confirmed by a ten-year historical series thanks to:

- **Leadership position** on the international market with a very wide range of brands for all product categories: from Top Brands to Private Label serving all sales channels on all continents
- **Consolidated growth strategy** in terms of both organic growth and M&A. IWB positions itself as one of the most important aggregation platforms in a wine market that is still extremely fragmented
- **Business model excellence**: the strategic choice of an asset light model that leverages the ability (i) of internal winemakers to create blends and brands and (ii) of the marketing department to enhance perceived value

which have allowed the Group to achieve continuous growth in profitability and cash generation despite the trends of the wine market, which are not always linear.



### 1.2.3 Group Structure

From a corporate point of view, in 2023 the Group initiated a significant reorganisation, which was completed in 2024. This led to (a) the creation of two hubs to cover the various sales channels and (b) optimisation of the industrial structure which achieved important synergies with long-term economic and financial effects, resulting in the following structure:

- 1) **IWB Italy S.p.A.** which was born from the merger of Enoitalia S.p.A., Provinco Italia S.p.A., Barbanera S.r.l., Fossalto S.r.l., and the B2B and production side of Giordano Vini S.p.A., with the mission of:
  - (i) develop the Group's B2B business in both the Wholesale and Ho.re.ca channels, also through the coordination of foreign companies focused on the presence and growth of the main reference markets;
  - (ii) ensure production that is flexible with respect to the needs of different brands and optimised in terms of costs and supply chain efficiency.

The Group's production structure consists of (i) 3 company-owned wineries located in Calmasino (VR), Montebello (VI) and Cetona (SI) and (ii) 8 bottling lines, one of which is located in Cetona (SI), 3 in Montebello (VI), 4 in Calmasino (VR).

- 2) **Giordano Wines S.p.A.** as a purely commercial company focused on direct sales to the end-consumer.
  - (i) through integrated management of all direct contact channels (Direct Mailing, Teleselling and Web;
  - (ii) offering personalised delivery and payment services;
  - (iii) enriching the offer to customers with traditional Italian food products and complementary products that make the consumer experience even more attractive.

**IWB S.p.A.** maintains the management and coordination activity for the Group companies by holding direct controlling interests in the main companies: Giordano Vini S.p.A., IWB Italia S.p.A., Enovation Brands Inc., and IWB UK Ltd. (incorporated in 2022 as the Group's exporter to the British market in compliance with the new regulations that came into force in January 2024 and which require a formal indication of the exporter on the label).



The corporate organisation chart of the Italian Wine Brands Group is as follows.



- IWB Italia S.p.A. was born from the merger, effective 1 January 2024, of Provinco Italia S.p.A., Enoitalia S.p.A. Barbanera S.r.l., Fossalto S.r.l. and the B2B and production side of Giordano Vini S.p.A.;
- Giordano Vini S.p.A. remains as a company focused on B2C sales. In addition to organisational simplification, the objective of the demerger was a better focus on commercial and production activities and the maximisation of business synergies;
- Provinco Deutschland GmbH was put into liquidation in December 2023, as it had been dormant for years.



### 1.2.4 Summary of financial results

The following is a summary of the consolidated annual financial results achieved by the Italian Wine Brands Group in the period 2022-2024 with figures expressed in thousands of euro, showing a significant improvement on the previous year.

As regards 2022, the results of Enovation Brands Inc. were consolidated from the date of the acquisition, i.e. only for the period April-December; for Barbanera S.r.l. and Fossalto S.r.l., only the balance sheet was consolidated at 31 December 2022. A pro-forma column has been added to provide income statement figures that are comparative.

Amounts in €000	31.12.2024	31.12.2023	31.12.2022 pro-forma (3)	31.12.2022
<b>Revenue from sales</b>	<b>401,937</b>	<b>429,127</b>	<b>430,312</b>	<b>390,654</b>
Change in inventories	(13,933)	(19,765)	3,320	610
Other income	3,261	4,410	5,897	5,574
<b>Total revenues</b>	<b>391,265</b>	<b>413,772</b>	<b>439,529</b>	<b>396,838</b>
Purchase costs	(248,332)	(271,847)	(298,387)	(271,790)
Costs for services	(65,657)	(70,911)	(78,190)	(70,990)
Personnel costs	(25,435)	(25,078)	(24,256)	(21,633)
Other operating costs	(1,458)	(1,606)	(1,520)	(1,368)
<b>Total operating costs</b>	<b>(340,883)</b>	<b>(369,443)</b>	<b>(402,352)</b>	<b>(365,781)</b>
<b>Adjusted EBITDA (1)</b>	<b>50,382</b>	<b>44,330</b>	<b>37,177</b>	<b>31,057</b>
EBITDA	46,620	40,962	35,871	29,735
<b>Adjusted net profit/(loss) (2)</b>	<b>25,319</b>	<b>18,886</b>	<b>15,154</b>	<b>11,986</b>
<b>Net profit/(loss)</b>	<b>22,607</b>	<b>16,458</b>	<b>14,212</b>	<b>11,033</b>
<b>Net debt</b>	<b>89,316</b>	<b>115,932</b>	<b>146,547</b>	<b>146,547</b>
<i>of which net debt - third-party lenders</i>	<i>75,506</i>	<i>96,313</i>	<i>121,877</i>	<i>121,877</i>
<i>of which net debt - deferred price on acquisitions</i>	<i>445</i>	<i>4,405</i>	<i>7,621</i>	<i>7,621</i>
<i>of which net debt - lease liabilities</i>	<i>13,365</i>	<i>15,214</i>	<i>17,049</i>	<i>17,049</i>

(1) Adjusted gross operating profit is the equivalent of EBITDA, net of management adjustments as detailed on page 21.

(2) Adjusted profit/(loss) is the equivalent of the Profit/(loss), after deducting management adjustments and the related tax effect as detailed on page 21.

(3) Consolidated figures for all of the companies included in the Group's scope of consolidation for the period 1 January - 31 December of each financial year.



The reclassified consolidated figures are shown below.

### Reclassified statement of financial position

Amounts in €000

	31.12.2024	31.12.2023	31.12.2022
Other intangible assets	38,469	38,775	39,021
Goodwill	215,969	215,969	214,743
Tangible assets	40,856	51,823	52,131
Right-of-use assets	13,399	15,465	17,709
Equity investments	5	5	5
<b>Total fixed assets</b>	<b>308,698</b>	<b>322,036</b>	<b>323,609</b>
Inventory	65,264	78,552	102,815
Net trade receivables	50,613	52,130	61,599
Trade payables	(94,698)	(113,790)	(136,717)
Other assets (liabilities)	(14,359)	(4,754)	(1,842)
<b>Net working capital</b>	<b>6,820</b>	<b>12,138</b>	<b>25,855</b>
Payables for employee benefits	(1,548)	(1,654)	(1,444)
Net deferred and prepaid tax assets (liabilities)	(7,694)	(6,797)	(7,870)
Other provisions	(166)	(301)	(288)
Non-current assets (liabilities) held for sale	9,740	0	0
<b>NET INVESTED CAPITAL</b>	<b>315,851</b>	<b>325,423</b>	<b>339,861</b>
<b>Shareholders' equity</b>	<b>226,534</b>	<b>209,490</b>	<b>193,315</b>
Profit (loss) for the period	22,336	16,300	11,242
Share capital	1,124	1,124	1,124
Other reserves	203,012	192,274	181,314
Non-controlling interests	63	(209)	(366)
<b>Net debt - third-party lenders</b>	<b>75,506</b>	<b>96,313</b>	<b>121,877</b>
<b>Deferred price on acquisitions</b>	<b>445</b>	<b>4,405</b>	<b>7,621</b>
<b>Lease liabilities</b>	<b>13,365</b>	<b>15,214</b>	<b>17,049</b>
<b>TOTAL SOURCES</b>	<b>315,851</b>	<b>325,423</b>	<b>339,861</b>



## Reclassified Income statement

Amounts in €000

	31.12.2024	31.12.2023	31.12.2022 pro-forma	31.12.2022
Revenue from sales	401,937	429,127	430,312	390,654
Change in inventories	(13,933)	(19,765)	3,320	610
Other income	3,261	4,410	5,897	5,574
<b>Total revenue</b>	<b>391,265</b>	<b>413,772</b>	<b>439,529</b>	<b>396,838</b>
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Costs for services	(65,657)	(70,911)	(78,190)	(70,990)
Personnel costs	(25,435)	(25,078)	(24,256)	(21,633)
Other operating costs	(1,458)	(1,606)	(1,520)	(1,368)
<b>Operating costs</b>	<b>(340,883)</b>	<b>(369,443)</b>	<b>(402,352)</b>	<b>(365,781)</b>
<b>Adjusted EBITDA</b>	<b>50,382</b>	<b>44,330</b>	<b>37,177</b>	<b>31,057</b>
Write-downs	(857)	(1,601)	(833)	(803)
Depreciation and amortization	(9,968)	(11,965)	(11,450)	(9,666)
Net releases (accruals) of provision for risks and charges	0	(24)	(59)	(54)
<b>Adjusted operating result</b>	<b>39,557</b>	<b>30,739</b>	<b>24,836</b>	<b>20,535</b>
Net financial income/(expenses)	(4,951)	(7,798)	(5,645)	(5,518)
<b>EBT</b>	<b>34,606</b>	<b>22,942</b>	<b>19,191</b>	<b>15,017</b>
Taxes	(9,287)	(4,056)	(4,037)	(3,031)
<b>Net profit before non-recurring items and related tax effect</b>	<b>25,319</b>	<b>18,886</b>	<b>15,154</b>	<b>11,986</b>
Non-recurring items	(3,762)	(3,368)	(1,306)	(1,322)
Tax effect of non-recurring charges	1,050	940	364	369
<b>Profit/(loss)</b>	<b>22,607</b>	<b>16,458</b>	<b>14,212</b>	<b>11,033</b>

**Reclassified Income statement**

Amounts in €000

	Reported 31.12.2024	Management (1)	adjustments (2)	Adjusted 31.12.2024
Revenue from sales	401,937			401,937
Change in inventories	(14,155)	222		(13,933)
Other income	3,261	0		3,261
<b>Total revenue</b>	<b>391,043</b>	<b>222</b>	<b>0</b>	<b>391,265</b>
Purchase costs	(248,332)			(248,332)
Costs for services	(67,225)	177	1,390	(65,657)
Personnel costs	(27,408)	1,612	361	(25,435)
Other operating costs	(1,458)	0		(1,458)
<b>Operating costs</b>	<b>(344,423)</b>	<b>1,789</b>	<b>1,751</b>	<b>(340,883)</b>
<b>EBITDA</b>	<b>46,620</b>	<b>2,011</b>	<b>1,751</b>	<b>50,382</b>
Write-downs	(857)			(857)
Depreciation and amortization	(9,968)			(9,968)
Net releases (accruals) of provision for risks and charges	0			0
<b>EBIT</b>	<b>35,795</b>	<b>2,011</b>	<b>1,751</b>	<b>39,557</b>
Net financial income/(expenses)	(4,951)			(4,951)
<b>EBT</b>	<b>30,844</b>	<b>2,011</b>	<b>1,751</b>	<b>34,606</b>
Taxes	(8,237)	(561)	(489)	(9,287)
<b>Profit/(loss)</b>	<b>22,607</b>	<b>1,450</b>	<b>1,263</b>	<b>25,319</b>

Adjusted book figures at 31 December 2024 (for adjusted gross operating profit and adjusted profit/loss) shown gross of non-recurring revenue and costs, for a total of 3,762 thousand euro attributable to:

## 1) Management:

- i) Costs for services amounting to Euro 177 thousand, made up of i) Euro 75 thousand for costs relating to the settlement of supply relationships, ii) Euro 95 thousand for legal consultancy fees for the reorganisation;
- ii) Personnel costs of Euro 1,612 thousand for (i) settlements with former employees and related costs, (ii) the industrial reorganisation which affected the Valle Talloria site, (iii) closure of the Teleselling activities of Giordano Vini;
- iii) Change in inventories of 222 thousand euro relating to the write-down of packaging following the closure of the Valle Talloria plant;

## 2) Adjustments:

- iv) Costs for services and personnel costs for a total of 1,751 thousand euro relating to the full vesting and assignment of the second tranche of the 2023-2025 Incentive Plan, representing 20% of the overall value of the plan on achievement of the target profit for 2024 (2024 Adjusted EBITDA equal to at least 50.0 million euro).



### **Alternative performance indicators**

This annual financial report presents and comments on a number of financial indicators, which are not identified as accounting measurements under IAS-IFRS, but which are a way of commenting on the Group's performance. These figures, as defined below, are used to comment on the Group's performance in accordance with the Consob Communication of 28 July 2006 (DEM 6064293) and subsequent amendments and additions (Consob Communication no. 0092543 of 3 December 2015 which implements the ESMA/2015/1415 Guidelines). The alternative performance indicators listed below should be used as supplementary information to that required by IAS/IFRS to help readers understand the Group's performance better. Note that the criterion used by the Group may not be the same as that adopted by other groups and the figures obtained may not be comparable with those obtained by the others.

The following is a definition of the alternative performance indicators used in the Annual Financial Report and their use:

#### **Profit/(loss) before non-recurring charges and related tax effect or Adjusted Profit/(loss)**

represents the profit or loss net of (i) non-recurring costs and revenue, (ii) costs related to the medium-long term incentive plan for management in accordance with the "Terms and Conditions" of the bond (iii) and related taxes. The indicator provides useful and immediate feedback on the earnings trend of the year, without the impact of non-recurring items.

**Earnings before taxes (EBT):** is equal to the profit/(loss) before taxes or the tax effect; It is used to evaluate the company's profitability independently of the effect of taxes.

**Operating profit or EBIT** represents the profit/(loss) excluding the tax effect, financial income and expenses, and income and charges from equity investments. It is used to measure the ability of the company or group to generate a "profit", including the impact from equity investments.

**Adjusted operating profit/(loss) or Adjusted EBIT:** is represented by the operating result (EBIT) net of non-recurring costs and income and costs relating to the medium-long term incentive plan for management in accordance with the "Terms and Conditions" of the bond. It



is used to measure the ability of the company or group to generate a “profit”, including the impact from equity investments and net of non-recurring costs and income and the Incentive Plan.

**Gross operating profit/(loss) or EBITDA**”, is equal to the operating result less the impact of (iii) “Revaluations/write-downs” including the write-down of trade receivables, (iv) “Provisions for risks, net of releases” and (v) “Depreciation and amortization”. It is used to measure the ability to generate an operating profit, excluding the impact from equity investments.

**Adjusted gross operating profit/(loss) or Adjusted EBITDA**”: compared with the Gross operating profit/(loss) or EBITDA, it is adjusted for non-recurring costs and income and costs related to the medium-long term incentive plan for management in accordance with the “Terms and Conditions” of the bond. It is used to measure the ability to generate an operating profit, excluding the impact from equity investments and non-recurring charges.

**Total fixed assets**: calculated as the sum of the following items: Goodwill; Other intangible assets, property, plant and equipment and right-of-use assets; Financial assets including equity investments. The indicator is used to show the total amount of fixed assets and the possible need for long-term sources of finance.

**Working capital**: calculated as the sum of inventory, net trade receivables and trade payables. The indicator represents current assets and liabilities and helps explain short-term cash generation.

**Net working capital**: calculated as the sum of working capital and other assets and liabilities. This indicator includes all current assets and liabilities used in operations and helps explain short-term cash generation.

**Other receivables and payables (or other assets and liabilities)** given by the sum of the following items: other current and non-current assets, current tax assets, other current



liabilities and current tax liabilities. These items exclude any fair value of hedging derivatives and current financial assets. It is used to calculate net working capital.

**Net invested capital (NIC):** calculated as the sum of: Net working capital, total fixed assets, employee benefit liabilities, deferred tax assets and liabilities and other provisions. This indicator represents and explains the capital requirement needed to run the company at the balance sheet date, financed in two components (x) (shareholders' equity and (y) net debt; deferred acquisition price; lease liabilities).

**Net financial position (NFP) or net debt** in the ESMA definition: calculated as the sum of the following items: cash and cash equivalents, current/non-current financial liabilities, which also include any debt related to acquisitions still to be paid and the positive/negative fair values of hedging derivatives, current/non-current financial assets and lease liabilities.

It is divided into:

- a) Deferred price on acquisitions
- b) Lease liabilities
- c) Net financial position (NFP) or Net debt – third-party or banking lenders equal to the total, net of (a) and (b)

This APM is used (a) to assess third-party resources, other than third-party equity, required by the Group and (b) is needed for the assessment of covenants.

**Net financial position or Net debt excluding the effects of IFRS 16** indicates the Net financial position less lease liabilities calculated in accordance with IFRS 16 and is used to assess the financial position of banking origin and as a result of acquisitions.

**Net financial position or net debt – third party or banking lenders** indicates the Net financial position less (i) lease liabilities calculated in accordance with IFRS 16 and (ii) any earn out and/or deferred price relating to acquisitions is used to assess the financial position of banking origin.

**EPS: earnings per share**

Earnings per share are calculated by dividing the profit or loss for the year by the weighted average number of ordinary shares outstanding during the reporting period, excluding treasury shares. For the purpose of calculating diluted earnings/loss per share, the weighted average number of shares outstanding is adjusted to assume the conversion of all potential shares that have a dilutive effect. It is used to evaluate the profitability of the company/Group.

**Dividend yield** represents the dividend per share divided by the price per share. It is also the total of a company's annual dividend payments divided by its market capitalisation, assuming the number of shares is constant. It is often expressed as a percentage and is used to evaluate the return on investment of a stock.



## 1.2.5 Financial situation of the Parent Company

The situation of IWB S.p.A. at 31 December 2024 shown here represents the separate financial statements of IWB S.p.A., and presents:

- a profit for the period of Euro 5.8 million (Euro 7.2 million at 31 December 2023);
- net debt – third-party lenders of Euro 112.5 million (Euro 85.7 million at 31 December 2023). The rise is due to the increase in capital in favour of Giordano Vini S.p.A. with a consequent waiver of intercompany loans for an amount equal to Euro 28.7 million.

The following are summary tables of the financial position and income statement of the Parent Company.

### Reclassified statement of financial position

Amounts in €000

	31.12.2024	31.12.2023	31.12.2022
Other intangible assets	102	112	119
Goodwill	0	0	0
Tangible assets	61	82	102
Right-of-use assets	497	60	119
Equity investments	292,576	263,904	263,557
<b>Total fixed assets</b>	<b>293,236</b>	<b>264,157</b>	<b>263,897</b>
Inventory	0	0	0
Net trade receivables	1,274	5,800	2,558
Trade payables	(356)	(328)	(319)
Other assets (liabilities)	(470)	360	3,225
<b>Net working capital</b>	<b>447</b>	<b>5,832</b>	<b>5,464</b>
Payables for employee benefits	(86)	(60)	(42)
Net deferred and prepaid tax assets (liabilities)	217	464	32
Other provisions	0	0	0
<b>NET INVESTED CAPITAL</b>	<b>293,814</b>	<b>270,394</b>	<b>269,351</b>
<b>Shareholders' equity</b>	<b>180,416</b>	<b>180,256</b>	<b>174,199</b>
Profit (loss) for the period	5,760	7,204	9,444
Share capital	1,124	1,124	1,124
Other reserves	173,531	171,927	163,630
Non-controlling interests	0	0	0
<b>Net debt - third-party lenders</b>	<b>112,453</b>	<b>85,659</b>	<b>87,384</b>
<b>Deferred price on acquisitions</b>	<b>445</b>	<b>4,405</b>	<b>7,621</b>
<b>Lease liabilities</b>	<b>500</b>	<b>74</b>	<b>146</b>
<b>TOTAL SOURCES</b>	<b>293,814</b>	<b>270,394</b>	<b>269,351</b>



In relation to the financial situation, it should be noted that:

- at 31 December 2024, the equity investments in subsidiaries consist of Giordano Vini S.p.A. for Euro 20,856 thousand, IWB Italia S.p.A. for Euro 256,654 thousand and Enovation Brands Inc. for Euro 15,066 thousand;
- As a result of the merger, effective 1 January 2024, of Provinco Italia S.p.A., Barbanera S.r.l., Fossalto S.r.l. into Enoitalia S.p.A. which then gave rise to IWB Italia S.p.A., the amount of the investment corresponds to the sum of the values of the companies involved in the merger.

### Reclassified Income statement

Amounts in €000

	31.12.2024	31.12.2023	31.12.2022
Revenue from sales	2,348	2,472	1,688
Change in inventories	0	0	0
Other income	240	4	121
<b>Total revenue</b>	<b>2,587</b>	<b>2,476</b>	<b>1,809</b>
Purchase costs	0	(3)	(1)
Costs for services	(2,114)	(2,049)	(1,083)
Personnel costs	(1,041)	(1,269)	(1,123)
Other operating costs	(165)	(178)	(115)
<b>Operating costs</b>	<b>(3,319)</b>	<b>(3,498)</b>	<b>(2,322)</b>
<b>Adjusted EBITDA</b>	<b>(732)</b>	<b>(1,022)</b>	<b>(513)</b>
Write-downs	0	0	0
Depreciation and amortization	(150)	(154)	(169)
Net releases (accruals) of provision for risks and charges	0	0	0
<b>Adjusted operating result</b>	<b>(882)</b>	<b>(1,176)</b>	<b>(681)</b>
Net financial income/(expenses)	(2,749)	(2,462)	(2,777)
Dividends from subsidiaries	10,000	11,360	12,180
<b>EBT</b>	<b>6,370</b>	<b>7,722</b>	<b>8,723</b>
Taxes	583	870	770
<b>Net profit before non-recurring items and related tax effect</b>	<b>6,953</b>	<b>8,593</b>	<b>9,492</b>
Non-recurring items	(1,654)	(1,926)	(67)
Tax effect of non-recurring charges	461	537	19
<b>Profit/(loss)</b>	<b>5,760</b>	<b>7,204</b>	<b>9,444</b>

As regards the income statement, note that:

- the dividends all refer to the subsidiary IWB Italia S.p.A.;
- costs for services include Euro 755 thousand of fees for the directors (excluding the effect of the incentive plan), statutory auditors and supervisory bodies and Euro 560 thousand of consultancy fees;
- financial income refers to the interest accrued on the loans granted to Giordano Vini S.p.A. (Euro 494 thousand) and IWB Italia S.p.A. (Euro 299 thousand); financial expenses are mainly interest on the bond amounting to Euro 3,490 thousand.



### 1.2.6 Consolidated net financial position

The following is a breakdown of net debt at 31 December 2024 compared with the figures at 31 December 2023 and 31 December 2022, based on the new format introduced by ESMA Guideline 32-382-1138 of 4 March 2021.

The net financial position has fallen below Euro 100 million; **the Group's cash generation capacity of 50-55% of Adjusted EBITDA is confirmed.**

<i>Amounts in €000</i>	<b>31.12.2024</b>	<b>31.12.2023</b>	<b>31.12.2022</b>
A. Cash	18	23	41
B. Cash equivalents	59,482	70,878	61,008
C. Other current financial assets	529	524	674
<b>D. Cash and cash equivalents (A) + (B) + (C)</b>	<b>60,029</b>	<b>71,424</b>	<b>61,723</b>
E. Current debt (including financial instruments, but not including current portion of non-current debt)	303	27,927	37,950
F. Current portion of non-current debt	5,464	3,985	3,968
<b>G. Current debt (E) + (F)</b>	<b>5,767</b>	<b>31,912</b>	<b>41,918</b>
<b>H. Net current debt (G) - (D)</b>	<b>(54,262)</b>	<b>(39,512)</b>	<b>(19,806)</b>
I. Non current debt (excluding current portion and debt instruments)	1,254	7,217	12,947
J. Debt instruments	131,487	131,248	131,018
K. Trade payables and other non-current debts	10,837	16,980	22,387
<b>L. Non current debt (I) + (J) + (K)</b>	<b>143,578</b>	<b>155,444</b>	<b>166,353</b>
<b>M. Net financial position (H) + (L)</b>	<b>89,316</b>	<b>115,932</b>	<b>146,547</b>
<i>of which</i>			
<i>Deferred price on acquisitions</i>	445	4,405	7,621
<i>Current lease liabilities</i>	3,317	3,106	3,090
<i>Non-current lease liabilities</i>	10,049	12,108	13,959
<b>Net financial position without the effect of IFRS 16 and deferred price on acquisitions</b>	<b>75,506</b>	<b>96,313</b>	<b>121,877</b>

### 1.3 Revenue and profit margins

#### Volume of business – Revenue

Italian Wine Brands S.p.A. confirms itself as the first listed Italian wine group, consolidating revenues of Euro 401.9 million in 2024. In terms of its markets, IWB generates turnover mainly - indeed increasingly - with foreign customers, given the strategy of taking advantage of the better opportunities for growth in consumption that develop mainly at an international level. The table below shows

- (i) *a 3-year CAGR growth of 1.43% driven by the constant increase in revenue in North America (USA +8%; Canada +9.5%); excellent growth in Poland +26% ; and a significant increase in revenue in Northern Europe (Holland +15.1%; Sweden: +7.5%), in addition to a higher presence in the Italian market which, looking forward, could represent a driver of growth and continuous expansion on international markets in line with the global growth strategy "everywhere one of our bottles with one of our brands" (Other countries +29.5%). The trend in Germany reflects the country's macroeconomic situation, while for the UK it is worth noting the conversion of part of the business from Product Sales to Subcontracting; with the same business model, the country's 2024 revenue would have amounted to Euro 95.0 million;*
- (ii) *a decrease compared with 2024 revenue equal to Euro 27.2 million deriving from: repositioning of selling prices towards pre-inflation levels; a decrease in Private Label volumes; a decrease in revenue generated by direct sales in non-digital channels (teleselling and direct mailing).*

Amounts in €000

	31.12.2024	31.12.2023	31.12.2022 pro-forma	31.12.2022	Δ % 23 / 24	Cagr 22 / 24
Revenues from sales - Italy	73,624	67,380	73,521	70,625	9.27%	2.10%
Revenues from sales - Foreign markets	328,210	361,500	355,356	318,593	(9.21%)	1.50%
UK	89,760	104,473	98,073	95,365	(14.08%)	(2.98%)
Germany	55,457	66,616	69,210	56,399	(16.75%)	(0.84%)
Switzerland	41,077	40,857	43,032	42,039	0.54%	(1.15%)
US	34,120	31,646	33,556	29,216	7.82%	8.07%
Austria	13,955	17,009	16,530	16,415	(17.96%)	(7.80%)
Poland	11,882	11,495	11,021	7,486	3.36%	25.99%
France	9,419	16,709	14,153	13,888	(43.63%)	(17.65%)
Netherlands	7,480	8,744	8,467	5,643	(14.46%)	15.13%
Belgium	7,131	7,521	8,103	7,657	(5.18%)	(3.50%)
Canada	6,975	7,444	6,698	5,818	(6.31%)	9.49%
Denmark	5,466	6,430	8,425	7,139	(14.98%)	(12.50%)
Ireland	5,234	7,260	5,963	5,480	(27.92%)	(2.27%)
Sweden	2,094	2,624	2,858	1,814	(20.18%)	7.46%
Hungary	1,349	1,728	1,807	1,732	(21.91%)	(11.73%)
China	1,308	1,808	2,561	1,336	(27.67%)	(1.07%)
Other countries	35,504	29,136	24,901	21,167	21.86%	29.51%
Other Revenues	103	247	1,436	1,436	(58.21%)	(73.18%)
<b>Total Revenues from sales</b>	<b>401,937</b>	<b>429,127</b>	<b>430,312</b>	<b>390,654</b>	<b>(6.34%)</b>	<b>1.43%</b>



At the same time as the increase in the “Country portfolio”, expansion of the customer base continues. In this regard, it should be noted that turnover relating to the two main customers amounts respectively to (i) Euro 62,068 thousand versus Euro 80,142 thousand at 31 December 2023 and (ii) Euro 52,481 thousand versus Euro 54,977 thousand at 31 December 2023; the decrease is attributable to the strategy of developing own-brand sales and reducing dependence on individual customers, particularly private label ones.

Since these are international customers with sales in a variety of countries, sales per product at the overall customer level are not significant, as the Group essentially sells wine and the cost of an analytical report would be excessive, at least for the time being.

The Group's exposure to sales in Russia is limited, a total of Euro 3.2 million in 2024, all of it collected as the policy provides for advance payments for sales in Russia.

The **breakdown of sales revenue by distribution channels** shows:

- (i) a constant increase in the Ho.re.ca channel (+8.3% vs 2023; CAGR 22/24 +19.3% consistent with the Group's development strategy in premium own-brand products;
- (ii) a reduction in wholesale sales (to large-scale retail chains, state monopolies) due to a lower proportion of private label products and a reduction in prices towards pre-inflationary levels, more than offset in terms of margins by the reduction in production costs;
- (iii) a repositioning of the distance selling channel (direct sales to private individuals) at pre-pandemic levels due to new consumer habits and the reduced appeal of “traditional” sales via teleselling and direct mailing, which are not offset by higher online sales, even though there has been significant growth in this area.

The breakdown of revenue by business area is shown below.

*Amounts in €000*

	31.12.2024	31.12.2023	31.12.2022 pro-forma	31.12.2022	Δ % 23 / 24	Cagr 22 / 24
<b>Total Revenues from sales</b>	<b>401,937</b>	<b>429,127</b>	<b>430,312</b>	<b>390,654</b>	<b>(6.34%)</b>	<b>1.43%</b>
<b>Revenues from wholesale division</b>	<b>284,366</b>	<b>311,845</b>	<b>303,471</b>	<b>279,013</b>	<b>(8.81%)</b>	<b>0.95%</b>
<b>Revenues from distance selling division</b>	<b>58,124</b>	<b>62,257</b>	<b>68,545</b>	<b>68,502</b>	<b>(6.64%)</b>	<b>(7.89%)</b>
Direct Mailing	26,953	30,426	34,539	34,539	(11.41%)	(11.66%)
Teleselling	10,426	12,155	13,902	13,902	(14.22%)	(13.40%)
Digital / WEB	20,745	19,677	20,104	20,061	5.43%	1.69%
<b>Revenues from ho.re.ca division</b>	<b>59,344</b>	<b>54,778</b>	<b>56,860</b>	<b>41,703</b>	<b>8.33%</b>	<b>19.29%</b>
<b>Other Revenues</b>	<b>103</b>	<b>247</b>	<b>1,436</b>	<b>1,436</b>	<b>(58.21%)</b>	<b>(73.18%)</b>



The breakdown of the **Ho.re.ca** channel's sales revenue is provided below by country.

Amounts in €000

	31.12.2024	31.12.2023	31.12.2022 pro-forma	31.12.2022	Δ % 23 / 24	Cagr 22 / 24
Revenues ho.re.ca division - Italy	2,179	2,858	2,390	530	(23.77%)	102.71%
Revenues from ho.re.ca division - Foreign markets	57,165	51,920	54,471	41,172	10.10%	17.83%
UK	33,616	27,895	27,402	26,773	20.51%	12.05%
US	8,342	8,775	10,216	7,271	(4.93%)	7.11%
Germany	2,637	3,778	3,290	1,412	(30.21%)	36.64%
Canada	2,592	2,819	2,464	2,284	(8.03%)	6.54%
Netherlands	813	883	1,553	282	(7.91%)	69.69%
Ireland	718	319	219	212	125.43%	83.90%
China	696	1,097	1,341	116	(36.50%)	145.05%
Poland	597	755	700	564	(20.91%)	2.91%
Switzerland	471	255	216	88	84.55%	131.41%
Belgium	434	136	116	64	218.86%	160.58%
France	308	191	316	50	61.35%	146.88%
Denmark	102	846	1,120	41	(87.89%)	58.82%
Hungary	66	9	8	8	643.49%	195.88%
Austria	56	98	78	13	(42.55%)	111.73%
Sweden	0	134	576	50	(99.76%)	(92.04%)
Other countries	5,716	3,933	4,857	1,945	45.35%	71.41%
<b>Total Revenues from sales - ho.re.ca division</b>	<b>59,344</b>	<b>54,778</b>	<b>56,860</b>	<b>41,703</b>	<b>8.33%</b>	<b>19.29%</b>

IWB Group entered the Ho.re.ca channel in 2021 with the acquisition of Enoitalia and the subsequent acquisition of Barbanera in 2022. Since then, progressive organic growth has been achieved, leveraging countries such as the UK and the USA and an accelerated ability to penetrate new markets, which has led to the results indicated above.

In 2024, the UK will confirm itself as IWB's leading on-trade market with revenue growing by 20.5%. In this country, the Group operates in the segment with a wide assortment of wines, focusing particularly on Prosecco and sparkling wines in general. The UK is in fact the world's second largest importer of wine in terms of volume and the first in sparkling wines.

The Group's presence in the United States is ensured by being there directly thanks to Enovation Brands Inc., which was acquired in 2022. In the IWB Group's strategy, it is and will continue to be a factor in accelerating sales in the US market for all brands in the portfolio. A similar commercial development is expected in the Canadian market. As regards the USA, the on-trade channel plays a dual strategic role for the Group: both in terms of sales and visibility for historical brands (such as Voga Italia and Ca' Montini) which are also marketed in the wholesale channel. In the first half of 2023, two premium Group brands were launched in the USA: Poggio del Concone and Ronco di Sassi, which were initially reserved for the Ho.Re.Ca. channel; in 2024 they achieved total revenue of Euro 724 thousand, more than double the figure at 31 December 2023.



**Wholesale** revenue has increased over the last 3 years, going from Euro 279 million in 2022 (non pro-forma) to Euro 284.4 million in 2024. The wholesale distribution channel therefore confirms itself as by far the main contributor to the Group's revenue, despite the contingent market situation.

The breakdown of the wholesale channel's revenue is provided below by country.

Amounts in €000

	31.12.2024	31.12.2023	31.12.2022 pro-forma	31.12.2022	Δ % 23 / 24	Cagr 22 / 24
<b>Revenues wholesale division - Italy</b>	<b>48,710</b>	<b>40,077</b>	<b>43,450</b>	<b>42,457</b>	<b>21.54%</b>	<b>7.11%</b>
<b>Revenues from wholesale division - Foreign markets</b>	<b>235,656</b>	<b>271,768</b>	<b>260,021</b>	<b>236,557</b>	<b>(13.29%)</b>	<b>(0.19%)</b>
UK	51,082	71,153	64,502	62,423	(28.21%)	(9.54%)
Switzerland	38,284	38,100	40,017	39,152	0.48%	(1.12%)
Germany	30,902	39,623	41,327	30,394	(22.01%)	0.83%
US	25,777	22,871	23,340	21,945	12.71%	8.38%
Austria	11,924	14,838	14,205	14,157	(19.64%)	(8.22%)
Poland	11,285	10,740	10,321	6,922	5.07%	27.68%
Belgium	6,435	7,124	7,560	7,166	(9.67%)	(5.24%)
Netherlands	6,259	7,508	6,497	4,943	(16.64%)	12.53%
France	5,706	12,567	9,654	9,654	(54.59%)	(23.12%)
Denmark	5,364	5,584	7,305	7,099	(3.94%)	(13.07%)
Ireland	4,516	6,942	5,744	5,267	(34.95%)	(7.41%)
Canada	4,383	4,626	4,234	3,534	(5.25%)	11.36%
Sweden	2,094	2,490	2,282	1,764	(15.89%)	8.96%
Hungary	1,283	1,719	1,799	1,724	(25.37%)	(13.74%)
China	612	711	1,220	1,220	(14.05%)	(29.22%)
Other countries	29,750	25,170	20,014	19,192	18.19%	24.50%
<b>Total Revenues from sales - wholesale division</b>	<b>284,366</b>	<b>311,845</b>	<b>303,471</b>	<b>279,013</b>	<b>(8.81%)</b>	<b>0.95%</b>

In particular, the following:

- the increase in revenue in Italy, both compared with 2023 and in terms of 3-year CAGR; this growth is the result of the Group's strategy to increase its commercial presence on the domestic market, especially in the product segments and channels with the highest margins;
- the continued revenue growth in the USA, which is the most important market for Italian wine exports and one of the main growth drivers for the Group;
- the increase in revenue in Poland, both compared with 2023 and in terms of 3-year CAGR, which reflects the rapid increase in sales in one of the fastest-growing geographical areas in recent years;
- It is also worth mentioning the 18% increase in revenue in Other Countries thanks to the widespread presence of the sales team and the breadth of the product portfolio.



In the **Direct Sales** market, the repositioning of consumption that began in the post-pandemic period continues in favour of other channels, particularly Ho.Re.Ca. The channel also reflects the decline in appeal of traditional selling methods (mailing and teleselling) and suffers from the greater competition on digital channels that allow the consumer to appreciate better what is being offered. The cumulative annual result of online sales registered by the Nielsen panel is negative, both in value (-5.4%) and in volume (-2.2%).

In this context, Giordano Vini's performance is extremely positive, with digital channels recording growth of 8.27% in Italy and 3.81% abroad, thanks in particular to sales on the Svinando websites.

The following shows the distance selling division's sales revenues divided by country.

*Amounts in €000*

	31.12.2024	31.12.2023	31.12.2022 pro-forma	31.12.2022	Δ % 23 / 24	Cagr 22 / 24
Revenues from distance selling division - Italy	22,735	24,446	27,682	27,639	(7.00%)	(9.30%)
Revenues from distance selling div - Foreign markets	35,389	37,812	40,864	40,864	(6.41%)	(6.94%)
Germany	21,918	23,214	24,594	24,594	(5.59%)	(5.60%)
UK	5,063	5,425	6,169	6,169	(6.67%)	(9.41%)
France	3,405	3,951	4,183	4,183	(13.83%)	(9.78%)
Switzerland	2,323	2,502	2,798	2,798	(7.15%)	(8.89%)
Austria	1,974	2,074	2,246	2,246	(4.80%)	(6.24%)
Netherlands	408	353	417	417	15.60%	(1.18%)
Belgium	261	261	427	427	0.25%	(21.78%)
Other countries	38	33	30	30	14.96%	12.28%
<b>Total Revenues from sales - distance selling division</b>	<b>58,124</b>	<b>62,257</b>	<b>68,545</b>	<b>68,502</b>	<b>(6.64%)</b>	<b>(7.89%)</b>

Worth noting is the contribution of sales made through digital platforms, which came to represent 35.7% of the division's overall sales compared with 19% in 2019.

Furthermore, we have introduced (x) new features to support online sales and improve the customer experience, and (y) new payment methods, including instalment payments, which should help maintain the customer base and encourage repurchases. These positive results are the fruit of the strategy undertaken since the beginning of 2017 and aimed at progressively shifting outbound telephone sales towards order conversion on digital channels.



The table below shows the revenues of the distance selling division split by sales channel.

Amounts in €000

	31.12.2024	31.12.2023	31.12.2022 pro-forma	31.12.2022	Δ % 23 / 24	Cagr 22 / 24
<b>Revenues from distance selling division - Italy</b>	<b>22,735</b>	<b>24,446</b>	<b>27,682</b>	<b>27,639</b>	<b>(7.00%)</b>	<b>(9.30%)</b>
Direct Mailing	8,547	9,911	12,292	12,292	(13.76%)	(16.61%)
Teleselling	6,448	7,386	8,376	8,376	(12.70%)	(12.26%)
Digital / WEB	7,739	7,148	7,013	6,970	8.27%	5.37%
<i>% Direct Mailing on total Italy</i>	<i>37.60%</i>	<i>40.54%</i>	<i>44.41%</i>	<i>44.48%</i>		
<i>% Teleselling on total Italy</i>	<i>28.36%</i>	<i>30.21%</i>	<i>30.26%</i>	<i>30.30%</i>		
<i>% Digital / WEB on total Italy</i>	<i>34.04%</i>	<i>29.24%</i>	<i>25.34%</i>	<i>25.22%</i>		
<b>Revenues from distance selling div - Foreign markets</b>	<b>35,389</b>	<b>37,812</b>	<b>40,864</b>	<b>40,864</b>	<b>(6.41%)</b>	<b>(6.94%)</b>
Direct Mailing	18,405	20,514	22,247	22,247	(10.28%)	(9.04%)
Teleselling	3,978	4,769	5,526	5,526	(16.58%)	(15.15%)
Digital / WEB	13,006	12,529	13,091	13,091	3.81%	(0.33%)
<i>% Direct Mailing on total International revenues</i>	<i>52.01%</i>	<i>54.25%</i>	<i>54.44%</i>	<i>54.44%</i>		
<i>% Teleselling on total International revenues</i>	<i>11.24%</i>	<i>12.61%</i>	<i>13.52%</i>	<i>13.52%</i>		
<i>% Digital / WEB on total International revenues</i>	<i>36.75%</i>	<i>33.13%</i>	<i>32.04%</i>	<i>32.04%</i>		
<b>Total Revenues from sales - distance selling division</b>	<b>58,124</b>	<b>62,257</b>	<b>68,545</b>	<b>68,502</b>	<b>(6.64%)</b>	<b>(7.89%)</b>



## **Analysis of profit margins**

The cost components that are deducted from total revenue to form the adjusted gross operating profit of the Italian Wine Brands Group are detailed below.

### **Analysis of operating margins**

Amounts in €000

	31.12.2024	31.12.2023	31.12.2022 pro-forma	31.12.2022	Δ % 23/24	CAGR Δ % PF 22 / 24
<b>Revenue from sales and other income</b>	<b>405,198</b>	<b>433,537</b>	<b>436,209</b>	<b>396,228</b>	<b>(6.54%)</b>	<b>(3.62%)</b>
Raw materials consumed	(262,266)	(291,612)	(295,066)	(271,180)	(10.06%)	(5.72%)
% of total revenue	(64.73%)	(67.26%)	(67.64%)	(68.44%)		
Costs for services	(65,657)	(70,911)	(78,190)	(70,990)	(7.41%)	(8.36%)
% of total revenue	(16.20%)	(16.36%)	(17.92%)	(17.92%)		
Personnel	(25,435)	(25,078)	(24,256)	(21,633)	1.42%	2.40%
% of total revenue	(6.28%)	(5.78%)	(5.56%)	(5.46%)		
Other operating costs	(1,458)	(1,606)	(1,520)	(1,368)	(9.25%)	(2.07%)
% of total revenue	(0.36%)	(0.37%)	(0.35%)	(0.35%)		
<b>Adjusted EBITDA</b>	<b>50,382</b>	<b>44,330</b>	<b>37,177</b>	<b>31,057</b>	<b>13.65%</b>	<b>16.41%</b>
% of total revenue	12.43%	10.23%	8.52%	7.84%		

The Group's profit margins returned to all-time highs in 2024.

The table above shows:

- a reduction in the proportion of Consumption of raw materials on turnover due to (i) a better product mix with growth in both volume and value of the Top Brands with a profit margin (defined as the difference between revenue and the cost of raw materials) equal to or greater than 45%, and (ii) lower production costs, in particular the unit cost of dry materials decreased by 12% compared with 2023, more than offsetting the fall in prices resulting from the market repositioning towards pre-inflation levels.
- Costs for Services, equal to Euro 65.66 million, considerably lower than in 2023 and previous years mainly due to (i) lower energy costs (ii) optimisation of transport costs (iii) reduction of commissions not only due to lower volumes, but as a further synergy from the commercial integration of B2B; this in addition to the reductions resulting from lower B2C volumes (tariffs and excise duties, postal delivery). The higher investments in advertising were therefore more than compensated.



The following is a breakdown of the costs for services incurred by the Group during 2024 compared with the equivalent figures in 2023 and 2022.

Amounts in €000

	31.12.2024	31.12.2023	31.12.2022 pro-forma	31.12.2022
Services from third parties	11,525	11,509	12,892	11,868
Customs and excise duty	6,199	6,476	7,886	7,887
Transport	14,957	17,769	19,873	18,518
Postage expenses	3,229	3,566	3,921	3,921
Leases and rentals	1,712	1,836	1,308	1,138
Consulting	2,413	3,044	2,898	2,175
Advertising costs	1,938	1,826	1,562	1,183
Utilities	2,685	3,201	5,866	5,582
Remuneration of Directors, Statutory Auditors and Supervisory Body	3,191	3,630	1,606	1,514
Maintenance	2,134	2,003	2,074	1,775
Outsourcing costs	6,784	7,169	7,721	7,721
Commissions	2,403	3,176	2,863	1,599
Other costs for services	8,055	8,457	8,143	6,532
Non-recurring expenses	(1,567)	(2,751)	(424)	(424)
<b>Total</b>	<b>65,657</b>	<b>70,911</b>	<b>78,190</b>	<b>70,990</b>

Personnel costs increased in absolute terms from Euro 25.1 million in 2023 to Euro 25.4 million in 2024. This was attributable to the higher percentage of wine production and bottling carried out internally, which made it possible to significantly reduce external processing costs and to increase the overall operating margin.

The revenue and cost dynamics described above have allowed us to achieve an adjusted gross operating profit of Euro 50.4 million (12.5% of sales), a significant improvement both in absolute terms and in percentage terms compared with 2023 and an all-time record for the Group.



The following is a breakdown of the costs that take the gross operating profit to the profit before taxes of the Italian Wine Brands Group.

Amounts in €000

	31.12.2024	31.12.2023	31.12.2022 pro-forma	31.12.2022	Δ % 23/24	CAGR Δ % PF 22 / 24
<b>Adjusted EBITDA</b>	<b>50,382</b>	<b>44,330</b>	<b>37,177</b>	<b>31,057</b>	<b>13.65%</b>	<b>16.41%</b>
Write-down	(857)	(1,601)	(833)	(803)	(46.49%)	1.43%
<i>% of total revenue</i>	<i>(0.21%)</i>	<i>(0.37%)</i>	<i>(0.19%)</i>	<i>(0.20%)</i>		
Depreciation and amortization	(9,968)	(11,965)	(11,450)	(9,666)	(16.69%)	(6.69%)
<i>% of total revenue</i>	<i>(2.46%)</i>	<i>(2.76%)</i>	<i>(2.62%)</i>	<i>(2.44%)</i>		
Non-recurring items	(3,762)	(3,368)	(1,306)	(1,322)	11.71%	69.72%
<i>% of total revenue</i>	<i>(0.93%)</i>	<i>(0.78%)</i>	<i>(0.30%)</i>	<i>(0.33%)</i>		
Release (accrual) of provision for risk	-	(24)	(59)	(54)	(100.00%)	(100.00%)
<i>% of total revenue</i>	<i>-</i>	<i>(0.01%)</i>	<i>(0.01%)</i>	<i>(0.01%)</i>		
<b>Operating profit (loss)</b>	<b>35,795</b>	<b>27,372</b>	<b>23,530</b>	<b>19,213</b>	<b>30.77%</b>	<b>23.34%</b>
<i>% of total revenue</i>	<i>8.83%</i>	<i>6.31%</i>	<i>5.39%</i>	<i>4.85%</i>		
Financial income (expenses)	(4,951)	(7,798)	(5,645)	(5,518)	(36.50%)	(6.34%)
<i>% of total revenue</i>	<i>(1.22%)</i>	<i>(1.80%)</i>	<i>(1.29%)</i>	<i>(1.39%)</i>		
<b>EBT</b>	<b>30,844</b>	<b>19,574</b>	<b>17,885</b>	<b>13,695</b>	<b>57.58%</b>	<b>31.32%</b>
<i>% of total revenue</i>	<i>7.61%</i>	<i>4.51%</i>	<i>4.10%</i>	<i>3.46%</i>		

From the table above, it emerges that the income statement of the Italian Wine Brands Group in 2024 featured a significant improvement in the operating result, despite the increase in non-recurring costs brought about by the reorganisation of production and teleselling, from which significant benefits were obtained from the second half of 2024.

All cost items improved, in particular:

- (i) a significant reduction in write-downs, which includes uncollected B2C receivables thanks to continuous improvement in credit management;
- (ii) a reduction in depreciation by Euro 2 million, partly due to the concentration of production and the closure/sale of two plants, and partly to a review of the useful life of the fixed assets resulting from the rationalisation in line with accounting standards.

Financial charges decreased by Euro 3 million due to a further reduction in the net financial position, which made it possible to eliminate the use of credit lines other than the bond.



### **Investments in fixed capital, net working capital and the financial situation**

During 2024, investments in fixed capital amounted to Euro 6.3 million, split between tangible fixed assets (Euro 3.0 million, mainly for plant at the Montebello production site, safety measures at the Calmasino site and completion of the photovoltaic system) and intangible assets (Euro 3.3 million, mainly customer lists for Euro 3.1 million and trademark registration for Euro 0.2 million).

The sale of the Torricella winery for Euro 1.3 million partially offset the investments in tangible fixed assets.

Net working capital shows a further improvement, falling to Euro 6.8 million compared with Euro 12.1 million at 31 December 2023, due to:

- (i) a further reduction in inventory resulting from the optimisation of supply chain processes favoured by the corporate and industrial integration and partly attributable to lower production costs;
- (ii) the decrease in trade receivables resulting from lower revenue;
- (iii) partially offset:
  - a. by the reduction in trade payables thanks to (a) lower purchases (b) more favourable payment conditions granted to obtain better discounts, and (c) measures to build loyalty in the production chain;
  - b. by the decrease in "Other receivables/payables" mainly attributable to the reduction in receivables from the factoring company, thanks to better management of the credit transfer process. Again, the benefit is a positive side effect of the integration.

These trends, namely i) limited investment in fixed capital, ii) lower inventory, iii) significant cash flows generated by operations, have led to an **improvement in net bank debt which, together with the reduction in debt calculated in accordance with IFRS 16, allows us to achieve a NFP/Adjusted EBITDA ratio of 1.77.**



## 2. Significant events

### 2.1 Significant events during the period

*On 1 January 2024* the merger between Provinco Italia S.p.A., Enoitalia S.p.A., Barbanera S.r.l. and Fossalto S.r.l. took effect, leading to the establishment of IWB Italia S.p.A., the Group's commercial and industrial hub to maximise synergies for all activities in the B2B segment: sales and marketing, production, management and finance.

*On 18 March 2024* The Board of Directors of IWB defined the quantitative and qualitative criteria of materiality of the relationships potentially relevant for the purposes of assessing the independence of its members (the **Materiality Criteria**) in compliance with art. 6-bis of the EGM Regulation currently in force.

*On 24 April 2024* Italian Wine Brands S.p.A. announced that the Group's subsidiaries, Giordano Vini S.p.A. and IWB Italia S.p.A., have communicated to the trade unions their decision to reorganise their teleselling and production operations at the Valle Talloria site in Diano d'Alba (Piedmont), run by Giordano Vini S.p.A. and IWB Italia S.p.A. respectively, to optimise productivity and adapt their respective structures to the changed market conditions:

- a) with reference to the teleselling activities, the reorganisation became necessary following the change in customer purchasing methods, increasingly oriented towards online, to the detriment of telephone sales. Giordano Vini S.p.A. has long developed



the digital part of its business, while telephone sales have undergone a progressive downsizing, which makes it economically unsustainable to maintain an internal organisation dedicated to this and, as such, must therefore be dismantled: a decision that appears even more necessary and strategic considering the higher efficiency in this area of the outsourcing model that has already been implemented for years by Giordano Vini S.p.A. and will be pursued further;

- b) with reference to production, given the significant external growth achieved in recent years, the Group decided to concentrate production, arranging for the transfer of the IWB Italia production personnel operating at Valle Talloria di Diano D'Alba to the Calmasino di Bardolino (VR) site, with a view to rationalisation and, ultimately, a reduction in production costs. It will also make production activities and those related to them more efficient.

The IWB Group has agreed forms of support for the people affected by the reorganisation with the trade unions. The agreements were signed on 22 May 2024 for Giordano Vini S.p.A. and on 28 May 2024 for IWB Italia S.p.A.

*On 30 April 2024 the Shareholders' Meeting:*

- (i) appointed and established the compensation of the Board of Directors, which will remain in office for three years until the approval of the financial statements for 2026, in the persons of: Alessandro Mutinelli, Giorgio Pizzolo, Simone Strocchi, Antonella Lillo (independent director), Sofia Barbanera, Massimiliano Mutinelli and Marta Pizzolo.
- (ii) approved the purchase and disposal of treasury shares pursuant to arts. 2357 and 2357-ter of the Italian Civil Code and art. 132 of the Consolidated Finance Act, according to the methods proposed in the Directors' Report to provide the Company with a strategic investment opportunity for any purpose permitted by the provisions currently in force. This includes the purposes envisaged in art. 5 of Regulation (EU) 596/2014 (Market Abuse Regulation, "MAR") and in the practices permitted pursuant to art. 13 MAR, where applicable, including the purchase of treasury shares with a view to their subsequent cancellation, according to the terms and methods to be decided by the corporate bodies after cancellation of the resolution adopted by the Shareholders' Meeting of 27 April 2023 for the part not carried out.

*On 16 May 2024 IWB Italia signed a partnership and collaboration agreement with Cantine Ermes, which with 14 plants in 6 regions represents one of the main cooperative operators in the transformation of grapes, with a view, on the one hand, to valorisation of its assets at the Torricella winery and, on the other, to continue raising production efficiency. The agreement, which took effect on 20 June, provides for: (i) strengthening and expansion of the collaboration and partnership between IWB and Cantine Ermes for the supply of larger*



volumes of wine, produced according to technical specifications and under the supervision of IWB technicians; (ii) sale of the Torricella plant by IWB Italia to Cantine Ermes.

*On 24 May 2024* Italian Wine Brands S.p.A. joined the Prosecco Consortium with the appointment of its Deputy Chairman Giorgio Pizzolo as a member of the Prosecco DOC Board of Directors.

*On 28 May 2024* Italian Wine Brands S.p.A. strengthened its management structure with the appointment of Alessandro Vella as the new General Manager.

*On 12 September 2024* the boards of directors of Giordano Vini S.p.A. and IWB Italia S.p.A. approved the partial demerger to transfer the Giordano Vini S.p.A. brand to the beneficiary IWB Italia S.p.A. The project completes the corporate reorganisation begun in 2023 to improve operational efficiency and rationalise the business organisation of the companies involved, making it possible to achieve important synergies. In this context, concentrating the Group's brands in a single company, IWB Italia, will help to optimise how they are managed with a view to future development. From an operational standpoint, Giordano will continue to benefit from use of the brand through a specific multi-year agreement for the production of wine that will commence from the Effective Date of the Demerger.

*On 15 October 2024* Alessandro Mutinelli, Chairman and CEO of the Group, was appointed a board member of Unione Italiana Vini, the Italian Association of Wine Companies. This appointment is an important milestone both for Alessandro Mutinelli, who sees his commitment and entrepreneurial vision recognised in promoting Italian wine at a national and international level, and for IWB, which now acquires a prominent role within the most important representative Association for companies in the wine sector: it has 770 corporate members and represents more than 150,000 winemakers, more than 50% of the Italian wine turnover and over 85% of the export turnover of Italian wine.

*On 17 December 2024* the Board of Directors of Italian Wine Brands S.p.A. decided to propose to the Shareholders' Meeting the distribution of an extraordinary dividend of Euro 0.5 per share (gross of legal withholdings and excluding treasury shares) for a total of Euro 4,678,268 (the "Extraordinary Dividend") to be drawn from available reserves formed by retained earnings. The Board of Directors deemed it appropriate to formulate the proposal for the distribution of the Extraordinary Dividend on the occasion of the tenth anniversary of the Company's listing, in consideration of (i) the exceptional growth and value creation achieved by the Company over the course of these ten years, (ii) recognition of the support always granted by the shareholders to the development path of IWB, both organically and through external lines.



## **2.2 Significant subsequent events**

*On 28 January 2025* the following were held at the headquarters of the Italian Stock Exchange:

- the shareholders' meeting which coincides with the tenth anniversary of the listing approved the Board of Directors' proposal to distribute an extraordinary dividend of Euro 0.5 per share in consideration of the exceptional growth and value creation achieved by the company over the course of these ten years and recognition of the shareholders' support for IWB's development path, both organically and through external lines;
- the event that celebrated the tenth anniversary of the listing in the presence of the entire Management Team, Directors and Shareholders who were some of the first investors, for a significant anniversary of the first Italian wine group to be listed on the Italian Stock Exchange. As tangible recognition for the competence, passion and dedication of all its collaborators, the Group paid each employee an extraordinary bonus of Euro 1,000.

*On 18 February 2025* Italian Wine Brands S.p.A. announced that its subsidiary Giordano Vini S.p.A., through the Italian platform Svinando, an international leader in the online sale of food and wine products, had launched "Nando", the first virtual assistant based on artificial intelligence developed internally to offer a browsing and consulting experience tailor-made to the needs of its customers. Thanks to an advanced search engine based on AI technology, "Nando" is able to guide users on broad topics, from the characteristics of the products in the catalogue, to food/wine pairings, the right occasions to drink a certain wine, and the customer's budget. This is a genuinely expert guide, capable of understanding and anticipating the needs of the customer, offering personalised advice with precision and reliability. "Nando" guarantees quick, accurate and targeted responses, breaks down the barriers between technology and user, uses a fluid, natural interaction, increasingly close to human language, giving advice just like a real wine merchant. Svinando is the first Italian e-commerce player in the world of wine to offer a solution of this kind.

*On 26 February 2025* the Board of Directors approved an integration of the incentive plan with the aim of further strengthening the alignment of the Group's objectives with those of the management team. It will allow the Group to continue on the path of growth in revenue, profit margins and cash generation in order to maximise the interests of all stakeholders.



### 3. Outlook

In 2025, the IWB Group will present itself on the market with:

- (i) an integrated organisational structure;
- (ii) an efficient production structure with six months of synergies still to be expressed;
- (iii) a presence on international markets that makes it possible to seize new opportunities and to manage risks adequately;
- (iv) a financial situation which allows us to tackle both organic and external growth with confidence.

On the trade front, while carefully monitoring and trying to anticipate the possible effects of the increase in American tariffs, the Group is continuing with its strategy:

- of developing its Top Brands with a view to a continuous increase in profit margins and the recovery of private label contracts with levels of profitability in line with Group standards, as well as to support volumes;
- of more and more positioning in strategic markets;
- of product innovation with the launch of the first IWB-branded dealcoholised products and products in the “ready to drink” segment on the American market.

On the production and purchasing front:

- the purchasing conditions for the main supplies of raw materials have already been negotiated;
- further cost reductions are expected for utilities.

All the conditions have therefore been created to achieve even better results than in 2024.



#### **4. Code of Ethics and the Organisational Model**

On 23 March 2023, the Board of Directors updated the model introduced in July 2021 to adapt it to the introduction of new crimes and on 14 September 2023, the Whistleblowing procedure was approved to complete the model. On 13 September 2024, the model was further updated to adapt it to regulatory changes.

#### **5. Related-party transactions**

Related-party transactions form part of normal business operations within the typical activity of the parties concerned and they are regulated at standard conditions.

To summarize:

- (i) a commercial lease contract signed on 1 February 2012 by IWB Italia S.p.A. and Provinco S.r.l. under which Provinco S.r.l. has been leasing the property located in Via per Marco 12/b, Rovereto (TN) to Provinco Italia S.p.A.; the lease has a duration of six years (until 31 January 2018) with tacit renewal for the same period unless notice of cancellation is given 12 months before the expiry date; the agreed rent is Euro 60 thousand per year, index-linked to ISTAT inflation statistics, plus VAT. For 2024 the rent came to Euro 69,837.62.
- (ii) a service contract with Electa S.p.A. involving for investor relations support for an annual amount of Euro 40 thousand.

These relationships are regulated at market conditions.

The Parent Company IWB has adopted and follows the Procedure for Related-Party Transactions in compliance with the general provisions of the Euronext Growth Milan Issuers' Regulation.



## 6. Information on food safety, environment and sustainability, health and safety, and ethics

Italian Wine Brands has always accompanied its rapid growth on the markets with a concrete commitment to continuous improvement, gradually pursuing important certification objectives in line with the requests of international customers and coherent with the internal growth of the organisation.

Adherence to certification standards has always been progressive and concretely supported by the internal growth of the organisation with the aim of remaining in line with the expectations of the Group's international clientèle.

### GFSI (FOOD SAFETY) CERTIFICATIONS



The Group's locations (Calmasino, Montebello Vicentino and Cetona) operate and are certified according to the Global Food Safety Initiative (GFSI) in line with the requirements of the food safety standards:

- BRCGS food;
- IFS food (International Featured Standard).

The companies adhere to it for each location in the “unannounced” audit mode, as required by the international large-scale retail trade, confident in the commitment of the entire organisation to respect the rules.

The systems adopted guarantee independent audits on food safety systems to validate and certify the high standards of food safety applied, also with the involvement of the supply chain and to satisfy customer requirements. These certifications are also a prerequisite for access to the global market in line with the Group's mission.

The aim of the GFSI certifications is to ensure the quality and safety of food products offered to consumers by suppliers and retailers of large-scale distribution: they are operational tools used for due diligence and to select suppliers in the agri-food supply chain.

This approach allows us to reduce the overall costs of supply chain management and at the same time to increase and guarantee the level of safety for the entire supply chain up to the end-consumers.

GFSI certifications also represent a great opportunity to demonstrate Group companies' ongoing commitment to safety, quality and compliance with the regulations governing the agri-food sector, ensuring the selection and qualification of suppliers and providing a framework for managing product safety, integrity, legality and quality.



The requirements of the standards relate to the quality management system, the HACCP system and relevant prerequisite programmes, including GMP (Good Manufacturing Practice), GLP (Good Laboratory Practice) and GHP (Good Hygiene Practice).

Certifications include the assessment of the suitability of production departments including storage sites, operating systems and procedures and control plans applied by companies.

This standard offers companies the opportunity to:

- communicate their commitment to safety and, in the event of an accident, to limit the possible legal consequences by demonstrating that they have taken all reasonable measures to avoid it;
- build and operate a management system to check that the rules on quality, safety and legal compliance that regulate the food sector are respected, with specific reference to the laws in force in the countries of destination of the finished products;
- have a tool to improve food safety management, through the control and monitoring of significant factors;
- reduce the incidence of potential deviations, reprocessing and possible product recalls.

GFSI food safety certifications also support efficient supply chain management, reducing the need for external auditing and increasing the overall reliability of the supply chain.

IWB has also maintained the IFS Broker certification with the aim of guaranteeing the safety and quality of the third-party goods that the Group sells, which are not produced at our locations. The standard promotes proper communication between customers and suppliers with the aim of ensuring that product requirements and specifications are met and guaranteed.

The standard monitors the parties involved to ensure that appropriate measures are in place so that suppliers operate in compliance with established quality and safety requirements. Certification also ensures monitoring of supplier compliance so that they provide products that comply with regulations and specifications and offers benefits in terms of quality excellence and customer satisfaction to gain a competitive advantage in the markets.



## ENVIRONMENTAL CERTIFICATION UNI EN ISO 14001:2015



The Calmasino, Montebello and Cetona sites are certified according to the environmental standard ISO 14001:2015.

Certification according to ISO 14001 is not mandatory, but is the result of IWB's voluntary choice to establish, implement, maintain and improve its environmental management system.

The ISO 14001 certification demonstrates that IWB has an adequate management system to monitor the environmental impacts of its activities, and systematically seeks to improve in a coherent, effective and, above all, sustainable manner. ISO 14001 is not a product certification, but rather the certification of a process.

By virtue of this certification, IWB undertakes to:

- carry out an environmental analysis, with in-depth knowledge of the relevant environmental aspects (emissions, resource use, etc.), of the legislative framework and of the requirements applicable to the company, assessing the materiality of the impacts;
- define a company policy;
- establish specific responsibilities in environmental matters;
- define, apply and maintain the activities, procedures and records required by ISO 14001.

The certified environmental management system makes it possible to:

- control and maintain legislative compliance and monitor environmental performance;
- reduce waste (water consumption, energy resources, etc.);
- gain facilitations in financing procedures and bureaucratic/administrative simplifications;
- have a support tool in decisions regarding investment or technological change;
- have a tool for creating and maintaining corporate value, safeguarding corporate assets and ensuring transparency in mergers and acquisitions (risk management);
- ensure a systematic and planned approach to environmental emergencies;



- lay down operational methods for the prevention of environmental crimes;
- improve the relationship and communication with the authorities;
- improve corporate image and reputation (brand integrity).

## "VIVA" SUSTAINABILITY CERTIFICATION



The organisation's commitment to the topic of sustainability, increasingly important also for international markets, is certified through adoption of the specific standard for winemakers. With the commitment of the entire organization, from the workforce to top management, in addition to the operational sites of Calmasino and Montebello, the Cetona site has also been included in the programme and all of the production units are now covered by the sustainability certification valid for 2024-2026.

VIVA is the Programme of the Ministry of the Environment and Energy Security that since 2011 has promoted sustainability in the Italian wine industry. The Programme aims to **create a production model that respects the environment and enhances the territory**, to protect the quality of Italian wines and offer opportunities on the international market. VIVA represents the public standard for measuring and improving the sustainability performance of viticulture in Italy.

The VIVA programme is designed for **companies** because it allows you to evaluate **the optimal use of resources** and measure improvements over time. It is also intended for **consumers**, because it provides a **transparent and traceable system** to verify the commitment of producers in both the environmental and socio-economic fields. In fact, VIVA is also an innovative organisation label, which makes sustainability data accessible, expressed in three indicators: Air, Water and Territory, validated by a verification body and guaranteed by the Ministry of the Environment and Energy Security. Application of the indicators, developed on the basis of the main international standards and norms, and use of the "Improvement Plans" provided for in the Programme, allow producers to develop effective strategies for reducing any impacts that they generate.

In 2024, the VIVA sustainability certification was renewed for the third time and is valid for two years. IWB is a corporate member of VIVA, which aims to improve and communicate to consumers and all stakeholders in the wine sector their commitment to a transition towards increasingly sustainable production and consumption models.

**Advantages:**

- Reduces environmental impacts: a detailed analysis of wine production increases companies' awareness of their impact on climate change, water resources, agricultural land and the territory in a broader sense (social impacts), while providing the tools to reduce it over time.
- Competitiveness and Marketing: the environmental values associated with a product are an important driver of competitiveness in the national and international market.
- Savings: measures to reduce greenhouse gases and water consumption, including energy efficiency and technological renewal, are able to reduce not only the impact of the winery on the environment, but also production costs and waste.
- Credibility and reliability: the work carried out, certified by an independent third party, obtains recognition from distribution and consumers at a national and international level, making it possible not only to access incentives and tenders, but also to compete on foreign markets that are very keen on environmental issues.

**HEALTH AND SAFETY IN THE WORKPLACE - UNI ISO 45001:2018 CERTIFICATION**

Since 2024, all operating sites of the Italian Wine Brands Group (including the Cetona site) have adopted and implemented an Occupational Health and Safety Management System that is compliant with the UNI-ISO 45001:2018 standard.

The IWB Group's main resource is its human capital: the health and well-being of employees are two of the keys to the Group's success.

The organisation is committed to providing its employees with a safe and healthy work environment, pro-actively anticipating possible improvements in operational procedures and work environments.

By adhering to the ISO 45001 standard, IWB aims to create a Management System for Health and Safety at Work, based on organisational awareness, improvements in health and safety conditions and working conditions at a global level and the minimisation of professional risks. The system aims to continuously monitor, identify, analyse and evaluate the risks affecting



personnel, in order to adopt appropriate measures that improve the working environment and operating conditions.

This is therefore a strategic and operational decision which confirms the commitment to:

- promote employee motivation and involvement by strengthening collaboration, participation and awareness;
- reduce injuries and prevent health problems due to work practices through careful monitoring and involvement of the workforce;
- support the appropriate development and dissemination of the Health and Safety at Work policy, with clear and evident leadership from management and a commitment to comply with current legislation;
- define objectives in the field of safety and health at work which are monitored in their application by a multidisciplinary team;
- monitor performance and results in terms of safety and health at work.
- improve and protect the organisation's reputation;

With this certification, the accredited external body SGS ITALIA S.p.A., has recognised all the Group's operating sites for having implemented a management system in line with the highest safety standards and for having pursued their objectives continuously, bringing measurable improvements to safety conditions in the workplace.

## ISO 9001 QUALITY



The IWB Italia head office within the Group is ISO 9001:2015 certified. The standard is intended as the point of reference for planning, implementing, monitoring and improving both operational and support processes. The quality management system is implemented and enforced as a means to achieve the objectives. The customer and their satisfaction are at the centre of the Company's logic; every activity, application and monitoring of activities/processes is in fact aimed at determining maximum customer satisfaction. Application of the standard starts from the definition of procedures and registrations for each single process or macro-process identified within the organisation in accordance with a careful analysis of the opportunities, mission and vision expressed through the quality policy.

**ETHICS: Sedex – SMETA (ETHICAL)**

SEDEX (Supplier Ethical Data Exchange) is a London-based non-profit organisation committed to advancing the spread of ethical principles along global supply chains and is the largest platform in Europe that collects and processes data on ethical behaviour in supply chains. Sedex is a web-based system designed to help organisations manage data on working practices in their supply chain. The SEDEX global collaborative platform provides an effective solution for sharing ethical data between trading partners, supporting effective supply chain management and improved procedures to be followed within it.

Sedex SMETA (Sedex Member Ethical Trade Audit) is a common audit and reporting methodology developed by Sedex members to meet the multiple needs of customers. In addition to the principles contained in the ETI (Ethical Trade Initiative) basic code and integrating them with applicable national and local laws, the SMETA service also verifies performance with respect to immigrants' right to work, management systems, implementation and environmental issues.

All of the production sites at Calmasino, Montebello and Cetona are registered on the portal which, through a periodically updated self-assessment questionnaire, evaluates compliance with the ethical requirements and makes the company profile available in a transparent way to the supply chain and to customers and commercial partners.

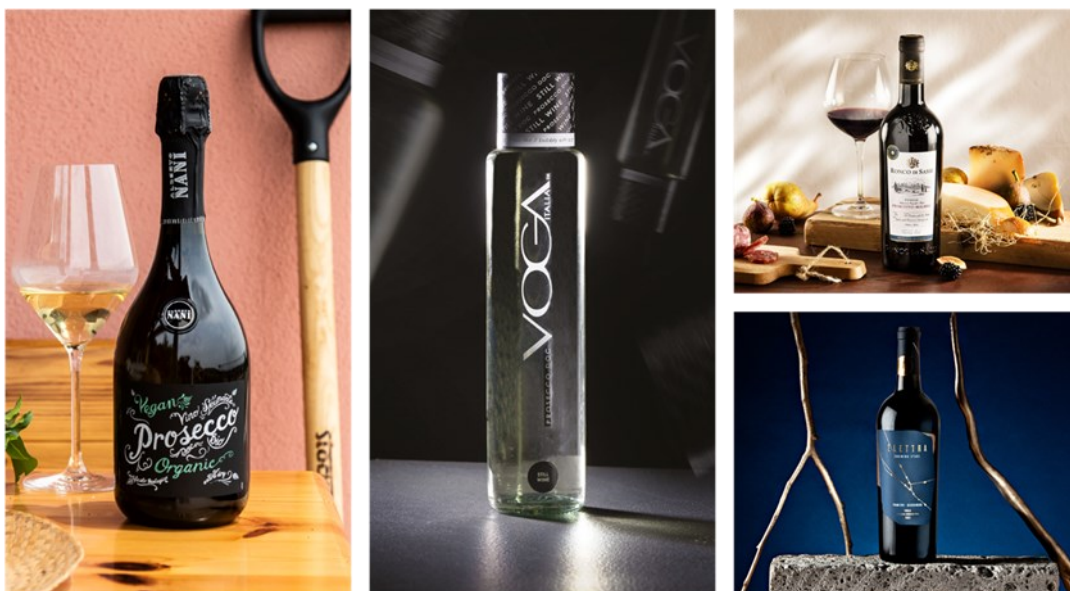
Since September 2024, the Cetona site has also been included in the biennial auditing system according to the Sedex Smeta 2-pillar scheme (verification of working conditions and health and safety) certified by Bureau Veritas to further validate the commitment to compliance with the ethical rules defined internally and expected by customers.



## GROUP STAFF

The specific and average number by category as of 31 December 2024, 31 December 2023 and 31 December 2022 is shown below.

	No. at 31.12.2024	Average no. 31.12.2024	No. at 31.12.2023	Average no. 31.12.2023	No. at 31.12.2022	Average no. 31.12.2022
Managers	7	7	7	8	8	8
Middle managers	20	20	20	21	23	23
Office workers	182	194	211	210	202	205
Factory workers	128	134	138	141	140	144
<b>Total</b>	<b>337</b>	<b>355</b>	<b>376</b>	<b>380</b>	<b>373</b>	<b>379</b>



## 7. Treasury shares

At 31 December 2024, the Parent Company holds 104,297 of its own ordinary stock as treasury shares, representing 1.10% of the ordinary share capital. During 2024:

- 76,613 treasury shares were bought;
- 37,575 shares were assigned.



## 8. Risks

The Group is mainly exposed to risks from exchange rate and interest rate fluctuations, credit risk and liquidity risk.

### Risks from exchange rate fluctuations

The Group is subject to market risk from exchange rate fluctuations, as it operates in an international context, with transactions conducted in different currencies while maintaining a very significant prevalence of sales in euro. Risk exposure derives primarily from intercompany transactions between IWB Italia S.p.A. and Enovation Brands Inc.

### Risks from interest rate fluctuations

Even though most of the Group's debt is fixed interest, it is still exposed to the risk of interest rate fluctuations. The evolution of interest rates is constantly monitored by the Company and, depending on how they evolve, hedging of the interest rate risk may be considered. With the exception of an IRS-OTC on a low-value loan, the Group is not currently involved in hedging transactions, given the insignificant impact of changes in interest rates on the income statements.

Derivatives for which it is not possible to identify an active market are recorded at fair value and included in financial assets and liabilities and other assets and liabilities. The fair value was determined using valuation techniques based on market data, i.e. using specific pricing models that are recognised by the market.

### Credit risk

Credit risk represents the exposure of Group companies to potential losses arising from the failure of counterparties to fulfil their obligations.

The receivables with exposure are mainly the amounts due from end-consumers for which the risk of non-collection is moderate and, in any case, individually of small amounts. Group Companies are equipped with preventive control tools to check the solvency of each individual customer, as well as credit monitoring and reminder tools through analysis of collection flows, payment delays and other statistical parameters.

The amounts due from the large-scale retail trade and the Ho.Re.Ca channel are insured; advance payment is required for shipments to high-risk countries.

### Liquidity risk

The Group finances its activities both through cash flows generated by operations and through the use of external sources of finance. It is therefore exposed to liquidity risk, represented by the fact that financial resources may not be sufficient to meet financial and commercial obligations within the pre-established terms and deadlines. The Group's cash flows, financing



requirements and liquidity are kept under control by considering the maturity of financial assets (trade receivables and other financial assets) and the expected cash flows from the related transactions. The Group has both secured and unsecured lines of credit, consisting of revocable short-term lines in the form of hot loans, overdrafts and endorsement credit.

#### **Risk of default and covenants on debt**

The risk in question concerns the presence in loan contracts of provisions that allow counterparties to ask the debtor for immediate repayment of the amounts lent on the occurrence of certain events, consequently generating liquidity risk.

#### **Operational and management risks**

IWB (i) is not an energy-intensive Group and (ii) it is an asset-light Group, meaning that it does not own any land, so its production and revenue are not strictly linked to harvesting from a specific territory.

The strategic value of the Group is the ability of its winemakers to create high-quality blends starting from bulk wines purchased in Italy and to offer them to the market with an excellent quality/price ratio and in packages with high commercial and marketing value.

In a long-term extreme scenario that is not currently conceivable, if global warming, fires or a period of drought were to affect production or the harvest in Italy, IWB could consider producing and selling bulk wine purchased outside of Italy, by “broadening” its business name and scope of application. Furthermore, in the event of different conditions being applied by suppliers, IWB could review its agreements with customers, as it did in 2022 when the lack of dry material and inflation affected production costs. Any negative effects from climate change would therefore be temporary.

Harvest risk is monitored through constant contact with suppliers and wine-making associations

The investment in the photovoltaic system (x) is part of the sustainability path that IWB has undertaken on a voluntary basis by obtaining the Viva certification for its subsidiary IWB Italia (y) and is contributing to reducing energy costs and the risk of any unexpected fluctuations in the cost of electricity.

For the above reasons, climate change risk is not included in the impairment assessments.



## 9. Statement of Directors' Responsibility

The directors are responsible for preparing the annual report and financial statements in accordance with applicable laws and regulations. The Directors must prepare financial statements for each financial year, which give a true and fair view of the assets, liabilities and financial position of the Company and the Group and of the Group's profit or loss for that period. The Directors have elected to prepare the financial statements of the Group and of the Holding Company in accordance with International Financial Reporting Standards (IFRS). In preparing the financial statements, the Directors are required to:

- identify suitable accounting policies and apply them consistently;
- make reasonable and prudent judgements and estimates;
- certify that the financial statements comply with the IFRS adopted by the European Union; and
- prepare the financial statements on a going-concern basis, unless it is inappropriate to assume that the Group will continue in business.

The Directors are responsible for ensuring that the Company keeps adequate accounting records which explain and record the Company's transactions in a correct manner, enabling its assets, liabilities, financial position and profits or losses to be determined at all times with reasonable accuracy and ensuring that the financial statements are prepared in accordance with the IFRS adopted by the European Union.

The Directors are also responsible for safeguarding the Company's assets and therefore for taking reasonable measures for the prevention and detection of fraud and other irregularities. The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website [Italianwinebrands.it](http://Italianwinebrands.it).

Legislation governing the preparation and dissemination of financial statements may differ from the legislation of other jurisdictions. The Directors are nevertheless required to prepare a report on operations that contains a fair analysis of the business and a description of the main risks and uncertainties that the Group faces. Furthermore, they are required, under applicable law and the Listing Rules issued by Euronext Dublin, to prepare a Directors' Report and a Corporate Governance Report.

Each of the Directors, whose names and functions are listed on page 4, confirms that, to the best of their knowledge and belief:

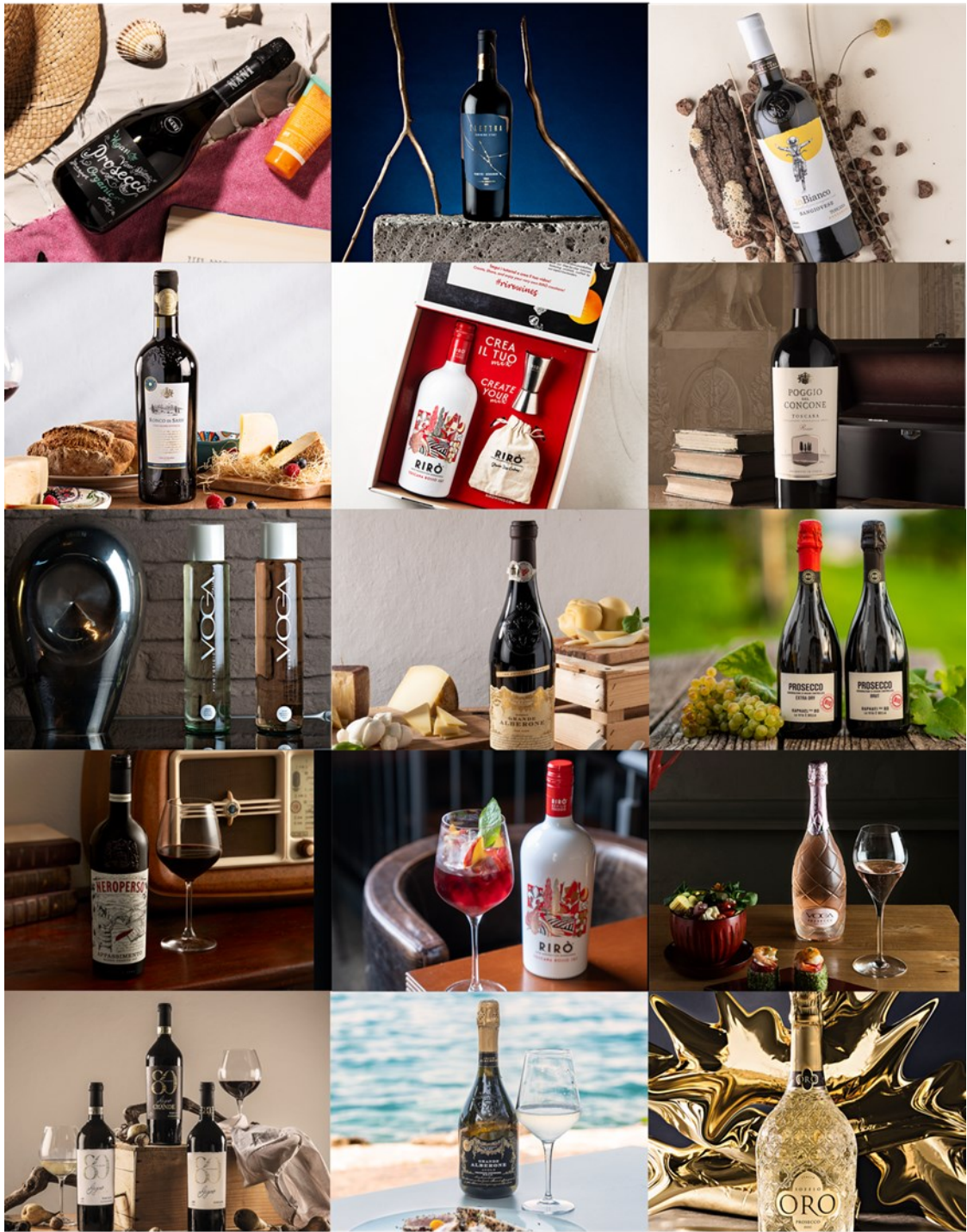
- The Consolidated Financial Statements for the year ended 31 December 2024 have been prepared in accordance with the IFRS adopted by the European Union. They provide a true and fair view of the financial position of the Group and of the companies included in the consolidation, taken as a whole, and of the profit for the year;
- the Company's financial statements, drawn up in accordance with the IFRS adopted by the European Union, provide a true and fair view of the Company's financial position and assets at 31 December 2024;



- the Directors' Report on pages 8-38 includes a fair analysis of the business performance for the year ended 31 December 2024 and of the financial position of the Company and the Group at the end of the year;
- the Risk Management Report provides a description of the main risks and uncertainties at the end of the financial year that could affect the future performance of the Company and the Group; and
- the Annual Report and the Consolidated Financial Statements, taken as a whole, provide the information necessary for shareholders to evaluate the situation and performance of the Company and the Group, the business model and the strategy and are fair, balanced and comprehensible.

Alessandro Mutinelli

Chairman and Chief Executive Officer





## Consolidated Annual Financial Report

### Consolidated financial position

	Note	31.12.2024	31.12.2023
<i>Amounts in Euro</i>			
<b>Non-current assets</b>			
Intangible assets	5	38,469,167	38,774,598
Goodwill	6	215,968,880	215,968,880
Land, property, plant and equipment	7	40,856,412	51,823,036
Right-of-use assets	7 B	13,398,871	15,464,554
Equity investments	9	5,109	5,109
Other non-current assets	10	222,324	235,310
Non-current financial assets		-	-
Deferred tax assets	11	1,686,119	2,693,710
<b>Total non-current assets</b>		<b>310,606,882</b>	<b>324,965,198</b>
<b>Current assets</b>			
Inventory	12	65,264,485	78,552,355
Trade receivables	13	50,612,573	52,129,713
Other current assets	14	2,631,151	8,310,750
Current tax assets	15	721,156	1,674,105
Current financial assets		528,760	524,162
Cash and cash equivalents	16	59,500,216	70,900,191
<b>Total current assets</b>		<b>179,258,341</b>	<b>212,091,275</b>
Non-current assets held for sale	8	9,740,033	-
<b>Total assets</b>		<b>499,605,256</b>	<b>537,056,473</b>
<b>Shareholders' equity</b>			
Share capital		1,124,468	1,124,468
Reserves		155,125,347	145,344,279
Reserve for defined benefit plans		30,958	(63,762)
Reserve for stock grants		794,385	789,694
Profit (loss) carried forward		47,061,082	46,203,906
Net profit (loss) for the period		22,335,624	16,300,463
<b>Total shareholders' equity of parent company shareholders</b>		<b>226,471,864</b>	<b>209,699,049</b>
Non-controlling interests		62,505	(208,671)
<b>Total shareholders' equity</b>	17	<b>226,534,369</b>	<b>209,490,377</b>
<b>Non-current liabilities</b>			
Financial payables	18	133,529,737	143,336,515
Lease liabilities	18	10,048,538	12,107,779
Provision for other employee benefits	19	1,548,228	1,654,245
Provisions for future risks and charges	20	165,610	300,637
Deferred tax liabilities	11	9,379,847	9,490,667
Other non-current liabilities	22	-	-
<b>Total non-current liabilities</b>		<b>154,671,959</b>	<b>166,889,843</b>
<b>Current liabilities</b>			
Financial payables	18	2,450,424	28,805,836
Lease liabilities	18	3,316,648	3,106,456
Trade payables	21	94,697,725	113,789,742
Other current liabilities	22	10,093,388	10,758,709
Current tax liabilities	23	7,840,742	4,215,509
Provisions for future risks and charges	20	-	-
<b>Total current liabilities</b>		<b>118,398,928</b>	<b>160,676,252</b>
Liabilities directly related to assets held for sale		-	-
<b>Total shareholders' equity and liabilities</b>		<b>499,605,256</b>	<b>537,056,473</b>

**Comprehensive income statement**

	Note	31.12.2024	31.12.2023
<i>Amounts in EUR</i>			
Revenue from sales	24	401,937,029	429,127,486
Change in inventories	12	(14,154,988)	(19,764,596)
Other income	25	3,261,215	4,409,594
<b>Total revenue</b>		<b>391,043,255</b>	<b>413,772,484</b>
Purchase costs	26	(248,332,447)	(271,847,220)
Costs for services	27	(67,224,590)	(73,661,770)
Personnel costs	28	(27,408,277)	(25,653,665)
Other operating costs	29	(1,457,644)	(1,647,420)
<b>Operating costs</b>		<b>(344,422,958)</b>	<b>(372,810,074)</b>
<b>EBITDA</b>		<b>46,620,297</b>	<b>40,962,410</b>
Depreciation and amortization	5-7	(9,968,066)	(11,964,772)
Provision for risks	20	-	(24,441)
Write-ups / (Write-downs)	30	(857,024)	(1,601,476)
<b>Operating profit/(loss)</b>		<b>35,795,207</b>	<b>27,371,721</b>
Financial income		1,916,655	1,489,920
Borrowing costs		(6,867,976)	(9,287,567)
<b>Net financial income/(expenses)</b>	31	<b>(4,951,320)</b>	<b>(7,797,647)</b>
<b>EBT</b>		<b>30,843,886</b>	<b>19,574,074</b>
Taxes	32	(8,237,085)	(3,116,150)
(Loss) Profit from discontinued operations		-	-
<b>Profit (loss) (A)</b>		<b>22,606,801</b>	<b>16,457,924</b>
<b>Attributable to:</b>			
Non-controlling interests		(271,176)	(157,461)
<b>Group profit (loss)</b>		<b>22,335,624</b>	<b>16,300,463</b>
<b>Other profit/(loss) of comprehensive income statement:</b>			
<b>Other items of the comprehensive income statement for the period to be subsequently released to profit or loss</b>		(179,914)	251,734
<b>Other items of the comprehensive income statement for the period not to be subsequently released to profit or loss</b>			
Actuarial gains/(losses) on defined benefit plans	19	94,720	(41,103)
Tax effect of Other profit/(loss)		-	-
<b>Total other profit/(loss), net of tax effect (B)</b>		<b>(85,195)</b>	<b>210,632</b>
<b>Total comprehensive profit/(loss) (A) + (B)</b>		<b>22,521,606</b>	<b>16,668,555</b>



## Statement of changes in consolidated equity

Amounts in Euro

	Share capital	Capital reserves	Translation reserve	Reserve for stock grants	Reserve for defined benefit plans	Retained earnings	Non-controlling interests	Total
<b>Balance at 1 January 2023</b>	<b>1,124,468</b>	<b>142,063,626</b>	<b>214,032</b>	<b>65,947</b>	<b>(22,659)</b>	<b>50,235,340</b>	<b>(366,135)</b>	<b>193,314,619</b>
Increase in capital								-
Purchase of treasury shares		(984,657)						(984,657)
Sale of treasury shares								-
Dividends						(944,930)		(944,930)
Stock grants				789,694				789,694
Legal reserve								-
Reclassification and other changes		3,799,544		(65,947)		(3,086,504)	3	647,096
<b>Total comprehensive profit/ (loss)</b>			251,734		(41,103)	16,300,463	157,461	<b>16,668,555</b>
<b>Balance at 31 December 2023</b>	<b>1,124,468</b>	<b>144,878,513</b>	<b>465,766</b>	<b>789,694</b>	<b>(63,762)</b>	<b>62,504,369</b>	<b>(208,671)</b>	<b>209,490,377</b>
Increase in capital								-
Purchase of treasury shares		(1,666,343)						(1,666,343)
Sale of treasury shares								-
Dividends						(4,713,413)		(4,713,413)
Stock grants		692,132		4,691		97,562		794,385
Legal reserve		15,641				(15,641)		-
Reclassification and other changes		10,919,552				(10,811,795)		107,757
<b>Total comprehensive profit/ (loss)</b>			(179,914)		94,720	22,335,624	271,176	<b>22,521,606</b>
<b>Balance at 31 December 2024</b>	<b>1,124,468</b>	<b>154,839,495</b>	<b>285,852</b>	<b>794,385</b>	<b>30,958</b>	<b>69,396,706</b>	<b>62,505</b>	<b>226,534,369</b>



## Statement of cash flows

Amounts in Euro

	Notes	31.12.2024	31.12.2023
Profit (loss) before taxes		30,843,886	19,574,074
Adjustments for:			
- non-monetary items - stock grant		-	-
- increases in the provision for bad and doubtful accounts, net of utilisations		857,024	1,601,476
- non-monetary items - provisions / (releases)		-	24,441
- non-monetary items - amortisation/depreciation		9,968,066	11,964,772
<b>Adjusted profit (loss) for the period before taxes</b>		<b>41,668,977</b>	<b>33,164,763</b>
<b>Cash flow generated by operations</b>			
Income tax paid		(2,542,552)	(1,993,366)
Other financial (income)/expenses without cash flow		3,489,590	3,479,355
Total		<b>947,038</b>	<b>1,485,989</b>
<b>Changes in working capital</b>			
Change in trade receivables		660,116	7,868,080
Change in trade payables		(19,092,017)	(22,927,499)
Change in inventories		12,715,585	22,661,239
Change in other receivables and payables		3,910,912	1,789,065
Other changes		708,485	(11,635)
Change in post-employment benefits and other provisions		(146,325)	157,242
Change in other provisions and deferred taxes		896,771	(686,277)
Total		<b>(346,473)</b>	<b>8,850,215</b>
<b>Cash flow from operations (1)</b>		<b>42,269,542</b>	<b>43,500,966</b>
<b>Capital expenditure:</b>			
- Tangible		(1,661,530)	(4,264,347)
- Intangible		(3,354,595)	(3,356,446)
- Financial		-	-
<b>Cash flow from investment activities (2)</b>		<b>(5,016,125)</b>	<b>(7,620,793)</b>
<b>Financial assets</b>			
Long-term borrowings/ (repayments) - Bond		(3,250,000)	(3,250,000)
Short-term borrowings (paid)		-	3,000,000
Long-term borrowings/ (repayments) - Bond		(7,034,000)	(10,246,000)
Collections / (repayments) revolving loan		(20,000,000)	(3,500,000)
Collections / (repayments) other financial payables		(4,694,153)	(5,730,000)
Change in other financial assets		(4,598)	150,076
Change in other financial liabilities		(8,013,111)	(6,212,143)
Purchase of treasury shares		(1,666,343)	(984,657)
Sale of treasury shares		-	-
Dividends paid		(4,713,413)	(944,930)
Cash increases in capital		-	-
Change in reserve for stock grants		794,385	789,694
Other changes in shareholders equity		(72,158)	898,829
<b>Cash flow from financing activities (3)</b>		<b>(48,653,391)</b>	<b>(26,029,131)</b>
<b>Cash flow from continuing operations</b>		<b>(11,399,974)</b>	<b>9,851,042</b>
<b>Change in cash and cash equivalents (1+2+3)</b>		<b>(11,399,974)</b>	<b>9,851,042</b>
<b>Cash and cash equivalents at beginning of period</b>		<b>70,900,191</b>	<b>61,049,148</b>
<b>Cash and cash equivalents at end of period</b>		<b>59,500,216</b>	<b>70,900,191</b>



## FORM AND CONTENT OF THE CONSOLIDATED ANNUAL FINANCIAL REPORT

### Introduction

This Financial Report at 31 December 2024 has been prepared pursuant to the EGM Regulation and in compliance with the International Accounting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and endorsed by the European Union. IFRS also means the International Accounting Standards (IAS) still in force, as well as all the interpretative documents issued by the Interpretation Committee, previously called the International Financial Reporting Interpretations Committee (IFRIC) and before that the Standing Interpretations Committee (SIC).

Directive 2004/109/EC (the “Transparency Directive”) and Delegated Regulation (EU) 2019/815 introduced a requirement for issuers of securities listed on regulated markets in the European Union to draw up their annual financial report in XHTML, based on the ESEF (European Single Electronic Format), approved by ESMA. The Directors' Report and the Notes to the Financial Statements at 31 December 2024 have been linked to the ESEF taxonomy using an integrated computer language (iXBRL) for both the consolidated and separate financial statements of IWB S.p.A.

### Financial statement formats

This Financial Report at 31 December 2024 consists of the Statement of consolidated Financial Position, the Comprehensive Income Statement, the Statement of Changes in Shareholders' Equity, the Statement of Cash Flows and the Explanatory Notes, and is accompanied by the Directors' Report on the results of operations.

The format used for the Statement of consolidated Financial Position distinguishes current and non-current assets and liabilities.

The Group has chosen to present its P&L items in a single Statement of Comprehensive Income, which includes the result for the year and those items which, according to IFRS, are charged directly to equity, shown in homogeneous categories. The income statement format adopted classifies costs by nature.

The Statement of Changes in Shareholders' Equity includes the overall profits or losses for the period, as well as transactions with the owners of capital and movements in reserves during the year.

In the Statement of Cash Flows, the financial flows deriving from operations are presented using the indirect method, whereby the profit or loss for the year is adjusted by the effects of non-monetary transactions, any deferral or provision of previous or future operating receipts



or payments, and any elements of revenue or costs connected to the financial flows deriving from investing or financial activity.

## 1. Scope of consolidation

The scope of consolidation includes: (i) Italian Wine Brands S.p.A., an Italian company listed on the EGM which operates in the production and sale of wine, mainly on international markets through a range of sales channels (wholesale, ho.re.ca, direct sales); (ii) the subsidiaries.

Subsidiaries are all investee companies in which the Group simultaneously has:

- decision-making power, i.e. the ability to direct the investee's key activities, i.e. those that have a significant influence on the results of the investee;
- a right to variable results (positive or negative) deriving from the investment in the consolidated entity;
- the ability to use its decision-making power to determine the amount of the results deriving from the investment in the consolidated entity.

The financial statements of the subsidiaries are included in the consolidated financial statements from the date on which control is assumed until the moment in which such control ceases to exist. The portions of shareholders' equity and the result attributable to non-controlling interests are shown separately in the consolidated Statement of Financial Position and the Statement of Comprehensive Income, respectively.

The entities included in the scope of consolidation and the related percentages of direct or indirect ownership by the Group are listed below:

Company	Country	Share capital		Parent Company	Percentage held	Percentage held directly
		Currency	Amount			
IWB S.p.A.	Italy	EUR	1,124,469	-	Holding company	
Giordano Vini S.p.A.	Italy	EUR	500,000	IWB S.p.A.	100%	100%
IWB Italia S.p.A.	Italy	EUR	1,453,055	IWB S.p.A.	100%	100%
Enovation Brands Inc	USA	USD	1,000	IWB S.p.A.	85%	85%
Italian Wine Brands Uk Ltd	UK	GBP	1	IWB S.p.A.	100%	100%
Provinco Deutschland GmbH*	Germany	EUR	25,000	IWB Italia S.p.A.	100%	-
Raphael Dal Bo AG	Switzerland	CHF	100,000	IWB Italia S.p.A.	100%	-

\* in liquidation

The merger which brought about the aggregation of Enoitalia S.p.A, Provinco Italia S.p.A, Barbanera S.r.l., Fossalto S.r.l. and the B2B and production unit of Giordano Vini S.p.A. took effect on 1 January 2024.



## **2. Basis of preparation**

The Consolidated Annual Financial Report has been drawn up on a going-concern basis with the Euro as the presentation currency; amounts are rounded to the nearest whole number, as are those mentioned in the notes, unless indicated otherwise.

The basis of preparation adopted in preparing this Consolidated Annual Financial Report is that of cost, except for derivatives which are measured at fair value.

### **2.1 Accounting policies**

The more important accounting policies used in preparing these consolidated financial statements are as follows:

#### **Business combinations**

Business combinations are accounted for using the purchase method. The cost of an acquisition is calculated as the sum of the consideration paid, measured at fair value at the acquisition date, and the amount of any non-controlling interest held in the acquiree. For each business combination, the purchaser must assess any non-controlling interest held in the acquired property at fair value or proportionate to the non-controlling interests held in the net identifiable assets of the acquiree. Acquisition costs are expensed and classified as administrative expenses.

The identifiable assets and liabilities acquired are recognised at their fair value at the acquisition date; exceptions to this are deferred tax assets and liabilities, assets and liabilities for employee benefits, liabilities or equity instruments relating to share-based payments of the acquired company or share-based payments issued in place of contracts of the acquired company, and assets (or groups of assets and liabilities) held for sale, which are measured according to the relevant accounting standard.

Any contingent consideration must be recorded by the purchaser at fair value at the date of acquisition and classified according to IAS 32.

Goodwill is initially measured at cost, which is the excess of the sum of the consideration transferred in the business combination, the value of shareholders' equity attributable to non-controlling interests and the fair value of any investment previously held in the acquiree over the fair value of the net assets and liabilities acquired at the acquisition date. If the value of the net assets and liabilities acquired at the acquisition date exceeds the sum of the consideration paid, the value of the shareholders' equity pertaining to non-controlling interests and the fair value of any investment previously held in the acquiree, this excess is immediately recognised in profit or loss as income from the transaction.



The portions of shareholders' equity pertaining to non-controlling interests at the acquisition date can be measured at fair value or at the pro-rata value of the net assets recognised for the acquiree. The choice of valuation method is made on a transaction-by-transaction basis.

Any contingent consideration provided for in the business combination contract is measured at fair value at the acquisition date and included in the value of the consideration paid in the business combination for the purpose of determining goodwill. Any subsequent changes in this fair value, which qualify as adjustments arising during the measurement period, are included retrospectively in goodwill. Changes in fair value that qualify as adjustments arising during the measurement period are those resulting from additional information on facts and circumstances that existed at the acquisition date, but which were obtained during the measurement period (which cannot exceed one year from the business combination).

In the case of business combinations achieved in stages, the investment previously held in the acquiree is revalued at fair value at the date of acquisition of control and any resulting profit or loss is recognised in the income statement. Any amounts deriving from the investment previously held and recognised in Other comprehensive income are restated in profit or loss as if the investment had been sold.

If the initial amounts of a business combination are incomplete at the reporting date of the period in which the business combination took place, provisional amounts of the items for which recognition cannot be completed are reported in the consolidated financial statements. These provisional amounts are adjusted during the measurement period to take into account new information obtained about facts and circumstances existing at the acquisition date that, if known, would have affected the amount of the assets and liabilities recognised at that date.

Transactions in which the parent company acquires or sells further non-controlling interests without changing the control exercised over the subsidiary are transactions with shareholders and the related effects must be recognised in shareholders' equity: there will be no adjustments to goodwill and no gains or losses recognised in the income statement.

Ancillary charges relating to business combinations are recognised in profit or loss in the period in which they are incurred.

### ***Intangible assets with an indefinite useful life***

#### ***Goodwill***

Goodwill is recognised as an asset with an indefinite useful life and is not amortised, but tested for impairment once a year, or more frequently if there are signs that specific events or changed circumstances may have caused an impairment loss. Impairment losses are recognized immediately in the income statement and are not subsequently reversed. After initial recognition, goodwill is measured net of any accumulated impairment losses.



In order to test for impairment, goodwill acquired in a business combination is allocated at the acquisition date to the individual cash-generating units or groups of cash-generating units that are expected to benefit from the synergies of the combination, regardless of whether other assets or liabilities of the acquiree are allocated to those units or groups of units.

Each unit or Group of units to which goodwill is allocated represents the lowest level at which goodwill is monitored for internal management purposes.

Any impairment loss is identified by comparing the carrying amount of the cash-generating unit with its recoverable amount. In the event that the recoverable value of the cash-generating unit is lower than the carrying amount attributed to it, the impairment loss is recognized. This loss in value is not reversed if the reasons that generated it no longer apply.

If goodwill has been allocated to a cash-generating unit and the entity disposes of part of the assets of that unit, the goodwill associated with the disposed asset is included in the carrying amount of the asset when determining the gain or loss on disposal. Goodwill associated with the discontinued operation is determined on the basis of the relative values of the discontinued operation and the retained portion of the cash-generating unit.

### ***Trademark***

Effective 1 January 2014, the Directors of Giordano Vini S.p.A., with the support of an independent expert, assigned an indefinite useful life to the trademark acquired as part of a business combination. As part of the business combination carried out in 2015, with regard to Provinco Italia S.p.A., part of the purchase price was allocated to the trademarks owned by Provinco, attributing an indefinite useful life to them as well.

### ***Intangible assets with a finite useful life***

Intangible assets with a finite useful life are measured at purchase or production cost less accumulated amortization and impairment losses. Amortization is measured over the expected useful life of the asset and begins when the asset is available for use. The useful life is reviewed annually and any changes are accounted for prospectively.

Whenever appropriate, intangible assets with a finite useful life are subjected to impairment testing.

### ***Other intangible assets***

Other intangible assets are only recognized in the statement of financial position if it is probable that using the asset will generate future economic benefits and if the cost of the asset



can be measured reliably. Once these conditions are met, intangible assets are recorded at cost, which is equal to the price paid plus any ancillary costs.

The gross carrying amount of other intangible assets with a finite useful life is systematically split over the years in which they are used, by charging amortization on a straight-line basis in relation to their estimated useful life. Amortization begins when the asset is available for use and for the first year is charged in proportion to the period of actual use. The amortization rates used are based on the useful life of the assets concerned.

The useful lives used in preparing this Consolidated Annual Financial Report are as follows.

CATEGORY	USEFUL LIFE
Concessions, licences, trademarks and similar rights	10 years
Industrial patents and intellectual property rights	3 years
Management accounting upgrade project	3 years
Software and other intangible assets	3-4 years

### ***Right-of-use assets***

Leases are accounted for as rights to use non-current assets with a corresponding financial liability. Each lease instalment is broken down into its component parts: a financial charge, recognized in the income statement over the duration of the contract, and the principal payment, recognized as a reduction of the financial liability. The right of use is amortized each month on a straight-line basis over the useful life of the asset or the duration of the contract, whichever is the shorter. Rights of use and financial liabilities are initially measured at the present value of future payments discounted using the incremental borrowing rate.

### ***Land, buildings, plant and machinery***

Tangible assets are made up of:

- industrial land and buildings;
- plant and machinery;
- industrial and commercial equipment;
- other assets.

These are recognized at purchase or production cost, including directly attributable ancillary costs needed to put the asset into operation for its intended use.

The cost is reduced by depreciation, with the exception of land which is not depreciated as it has an indefinite useful life, and by any impairment losses.



Depreciation is calculated on a straight-line basis using percentages that reflect the economic and technical wear and tear of the asset, starting from the moment that the asset is available for use.

Significant parts of tangible assets that have different useful lives are accounted for separately and depreciated over their useful lives.

Useful lives and residual values are reviewed annually at the time the financial statements are being prepared. The useful lives used in preparing this Consolidated Annual Financial Report are as follows.

CATEGORY	USEFUL LIFE
Land	Indefinite
Buildings	18-50 years
Plant and machinery:	
- Internal means of transport	10-12 years
- Generic plant	8-18 years
- Machinery	6-15 years
- Vats and tanks	4-20 years
Industrial and commercial equipment:	
- Cars	5-8 years
- Equipment	8-12 years
- Electronic machines	4-8 years
- Ordinary office machines and furniture	15-8 years
- Goods on loan for use	4-8 years

Costs for ordinary maintenance and repairs are charged directly to the income statement in the period that they are incurred.

Gains and losses arising from the sale or disposal of tangible assets are determined as the difference between the sales proceeds and the net carrying amount of the asset and are charged to the income statement of that year.

Improvements to third-party assets that have the characteristics of fixed assets are capitalised in the category of the asset to which they refer and depreciated according to their useful life or, if shorter, over the duration of the lease contract.

Borrowing costs incurred in connection with investments in assets for which a period of time normally elapses to make the asset ready for use or sale ("qualifying assets" according to IAS 23 – Borrowing Costs) are capitalised and depreciated over the useful life of the category of assets to which they refer.

All other financial charges are written off in the period when they are incurred.



### ***Impairment of assets***

At least once a year, a review is carried out to determine whether the assets and/or cash-generating units (CGUs) to which the assets are allocated have suffered an impairment loss. If such evidence exists, the recoverable amount of the assets/CGU is estimated. Goodwill and other intangible assets with indefinite useful lives are tested for impairment once a year, or more frequently if there are signs that an asset may be impaired.

The recoverable amount is the greater of its fair value less selling costs and its value in use. Value in use is calculated by discounting the expected future cash flows from using the asset, before taxes, applying a discount rate that reflects current market variations in the time value of money and the risks inherent in the business activity.

When it is not possible to estimate the recoverable amount of a single asset, the recoverable amount of the CGU to which the asset belongs is estimated.

In the event that the recoverable amount of an asset (or CGU unit) is lower than the carrying amount, the latter is reduced to the recoverable amount and the loss is charged to the income statement. Subsequently, if a loss on assets other than goodwill ceases or decreases, the carrying amount of the asset (or CGU) is increased to the new estimated recoverable amount (which in any case cannot exceed the net carrying amount that the asset would have had if the write-down for impairment had never been made). This write-back is recorded immediately in the income statement.

### ***Equity investments***

Investments in subsidiaries not included in the scope of consolidation are shown at cost, adjusted for impairment. Any positive difference emerging from the purchase between the cost and the share of net equity in the investee company at replacement cost is therefore included in the carrying amount of the investment. If there is evidence that such investments have suffered impairment, the loss is recognized in the income statement as a write-down. If the potential share of the investee's losses exceeds the carrying amount of the investment, and the entity is required to cover them, the value of the investment is written off and the share of the additional losses is recognized as a provision under liabilities. If, subsequently, the impairment no longer exists or decreases in amount, a write-up is recorded in the income statement up to a maximum of the original cost.

All companies over which the Group is able to exercise significant influence as defined by IAS 28 – Investments in Associates and Joint Ventures are considered associated companies. Such influence is normally presumed to exist when the Group holds a percentage of voting rights between 20% and 50%, or when – even with a lower percentage of voting rights – it has the power to participate in the determination of financial and management policies by virtue of



particular legal ties, such as participation in shareholders' agreements together with other ways of exercising governance rights to a significant extent.

Joint arrangements are agreements whereby two or more parties have joint control on the basis of a contract. Joint control involves sharing control of a business activity according to an agreement; control only exists when decisions relating to the activity require the unanimous consent of all of the parties sharing control. Such agreements may give rise to joint ventures or joint operations.

A joint venture is a joint arrangement involving the control of an entity under which the parties that have joint control have rights to the net assets of the entity. Joint ventures are different from joint operations. The latter are agreements that give the parties to the agreement, who have joint control of the initiative, rights to the individual assets and obligations for the individual liabilities governed by the agreement. In the case of joint operations, the assets and liabilities, costs and revenues governed by the agreement have to be recognized in accordance with the relevant accounting standards. The Group does not have any joint operations.

### ***Financial instruments***

Financial instruments are shown in the following balance sheet items. Equity investments and other non-current financial assets include (i) investments in subsidiaries, and (ii) Other non-current financial assets. Current financial assets include (a) trade receivables and (b) cash and cash equivalents. Cash and cash equivalents include bank deposits. Financial liabilities refer to financial payables, including advances on orders, assignment of receivables and other financial liabilities (which include the positive or negative fair value of derivatives).

### ***Non-current financial assets***

Non-current financial assets other than equity investments, as well as financial liabilities, are accounted for in accordance with IFRS 9. Loans and receivables not held for trading purposes, assets held with the intent to hold them to maturity are valued at amortized cost, using the effective interest method. When financial assets do not have a fixed maturity, they are valued at cost. Valuations are carried out regularly to see whether there is objective evidence that a financial asset has suffered impairment. If there is objective evidence, the loss has to be recognized as an expense in the income statement for the period. With the exception of derivatives, financial liabilities are stated at amortized cost using the effective interest method.

***Trade receivables/payables and other payables***

Trade receivables are initially recognized at amortised cost which coincides with the face value adjusted to bring it into line with the estimated realisable value by booking a provision for bad and doubtful accounts. The size of this provision has to reflect the risks relating to specific receivables, as well as the general risk of non-collection that applies to the mass of receivables; this is estimated prudentially on the basis of past experience and the degree of financial equilibrium of debtors in general, to the extent that this is known.

Trade and other payables are recorded at their face value, which is likely to be the amount at which they will be settled. Receivables and payables in foreign currencies are aligned to the exchange rates ruling at the end of the period and any translation gains or losses are charged to the income statement.

Receivables that are assigned as part of factoring transactions are eliminated from the assets side of the balance sheet if the risks and benefits of ownership have been substantially transferred to the assignee, making it a non-recourse assignment. The portion of the assignment costs that is certain in terms of amount is recorded under financial liabilities.

Proceeds received on behalf of the factoring company and not yet transferred, generated by contractual conditions that provide for a periodic and predetermined transfer, are classified under financial liabilities.

***Cash and cash equivalents***

Cash and cash equivalents include cash in hand, bank current accounts, postal current accounts, deposits repayable on demand and other highly liquid short-term financial investments that are readily convertible into cash and highly unlikely to change in value.

***Financial payables***

Financial liabilities include financial payables, including the deferred portions of non-recourse assignments, as well as other financial liabilities.

Financial liabilities, other than derivatives, which are recorded at fair value, are initially recorded at market value (fair value) less transaction costs; they are subsequently measured at amortized cost, i.e. at the initial amount, net of repayments of principal already made, adjusted (upwards or downwards) based on the amortization (using the effective interest method) of any differences between the initial amount and the amount on maturity.



### ***Inventory***

Inventory is shown at the lower of purchase or production cost and realisable value, which is the amount the entity expects to obtain from their sale in the normal course of business. The cost configuration adopted is the weighted average cost. Purchase costs include the prices paid to suppliers plus any ancillary costs incurred up to when the goods arrive in the warehouse, net of discounts and rebates. Production costs include both direct costs of materials and labour, as well as reasonably attributable indirect production costs. Normal plant capacity is taken into account when allocating production overheads to products.

Against the value of inventory calculated in this way, provisions are made to take into account any stocks that are considered obsolete or slow-moving.

Inventory also includes the production cost of expected returns in future periods relating to deliveries that have already been made, estimated on the basis of the sales value less the average profit margin applied.

### ***Non-current assets and liabilities held for sale***

Non-current assets and liabilities held for sale and discontinued operations are classified as such if their carrying amount will be recovered primarily through sale rather than through continuing use. These conditions are considered to have occurred when the sale or discontinuation of the group of assets held for sale is considered highly probable and the assets and liabilities are immediately available for sale in their current condition.

When an entity is involved in a disposal plan that results in a loss of control over an investee, all of the assets and liabilities of that investee are classified as held for sale when the above conditions are met, even if the entity continues to hold a non-controlling interest in the company after the disposal.

Non-current assets held for sale are valued at the lower of their net carrying amount and their fair value, net of selling costs.

### ***Employee benefits***

Premiums paid under defined contribution plans are recognized in the income statement for the portion accrued during the period.

Until 31 December 2006, the provision for severance indemnities (TFR) was considered a defined benefit plan. The rules governing severance indemnities were changed by Law no. 296 of 27 December 2006 (the 2007 Budget Law) and subsequent decrees and regulations issued in early 2007. In light of these changes, and in particular with reference to companies with at



least 50 employees, TFR is now to be considered a defined benefit plan exclusively for the portions accrued before 1 January 2007 (and not yet paid at the balance sheet date), whereas for the portions accrued after that date it is considered more like a defined contribution plan.

Defined benefit pension plans, which include the severance indemnities due to employees under art. 2120 of the Italian Civil Code, are based on the working life of employees and the remuneration received by the employee during a predetermined period of service. In particular, the liability representing the benefit due to employees under defined benefit plans is recorded in the financial statements at its actuarial value.

The recognition of defined benefit plans in the financial statements requires an actuarial estimate of the benefits accrued by employees in exchange for the work performed in the current and prior periods, discounting the benefits to determine the present value of the entity's commitments. Determining the present value of such commitments is carried out by an independent actuary using the Projected Unit Credit Method. This method considers each period of service by workers at the company as an additional unit of entitlement: the actuarial liability must therefore be quantified only on the basis of the seniority accrued at the valuation date; the total liability is normally re-proportioned on the basis of the ratio between the years of service accrued at the valuation date and the overall seniority achieved at the time the benefit is expected to be liquidated. This method also envisages taking into consideration future pay increases for whatever reason (inflation, promotion, contract renewals, etc.), up to the termination of employment.

The cost for defined benefit plans accrued during the year and recorded in the income statement as part of personnel expenses is equal to the sum of the average present value of the rights accrued by the workers present for the work performed during the financial year, and the annual interest accrued on the present value of the entity's commitments at the beginning of the year, calculated using the discount rate of future disbursements used to estimate the liability at the end of the previous period. The annual discount rate used for the calculations is assumed to be equal to the period-end market rate for zero coupon bonds with a maturity equal to the average residual duration of the liability.

The actuarial gains and losses resulting from changes in estimates is charged to the income statement.

Please note that the TFR valuation according to IAS 19 concerned IWB S.p.A., Giordano Vini S.p.A. and IWB Italia S.p.A., whose financial statements and reporting packages are drawn up according to IAS/IFRS.



### ***Salary benefits in the form of equity participation***

The Group also rewards its top management through incentive plans that involve stock grants. In this case, the theoretical benefit to the persons concerned is charged to the income statement in the reference periods of the plan with a contra-entry to an equity reserve for the stock grant and to payables to employees and/or directors for the portion to be paid in cash. This benefit is quantified by measuring at the assignment date the fair value of the instrument assigned through financial valuation techniques, including any market conditions in the valuation and adjusting the number of rights that are expected to be assigned at each reporting date.

### ***Provisions for future risks and charges***

These are provisions arising from current obligations (legal or implicit) and relating to a past event, the fulfilment of which will probably require an outlay of resources, the amount of which can be reliably estimated. If the expected outlay of resources goes beyond the next financial year, the obligation is recorded at the present value determined by discounting the expected future flows at a rate that also takes into account the cost of money and the risk of the liability.

Provisions are reviewed at each reporting date and, if necessary, adjusted to reflect the current best estimate; any changes in estimate are reflected in the income statement for the period in which the change took place.

Risks for which the occurrence of a liability is only possible are mentioned in the notes without making any provision.

### ***Revenue from sales***

Revenue is recognized to the extent that it is probable that economic benefits will flow to the entity and the amount can be measured reliably. Revenue is recognized net of discounts, rebates and returns.

The revenue related to distance selling division is recognized when the carrier delivers the goods to the customer. Sales of wine, food products and gadgets are recognized as a single item of revenue.

For commercial reasons, the distance selling division accepts returns from customers according to the terms laid down in the conditions of sale. Accordingly, the amounts invoiced at the time of shipment of the goods are adjusted by the amounts which, based on historical experience, it can reasonably be expected that not all the significant risks and benefits of



ownership of the goods have been transferred at the reporting date. The returns calculated in this way are recorded in the income statement as a reduction of revenue.

### ***Financial income***

Interest income is recorded in the income statement on an accruals basis according to the effective rate of return method. The interest refers mainly to bank accounts.

### ***Public grants***

Public grants are recorded when there is reasonable certainty that they will be received (this moment coincides with the formal resolution of the public bodies providing the grants) and all of the requirements laid down in the conditions for obtaining them have been met.

Revenue from public grants is recorded in the income statement based on the costs incurred for which they were granted.

### ***Dividends***

The distribution of dividends to the shareholders, if approved, generates a liability at the time of approval by the Shareholders' Meeting.

### ***Cost recognition***

Selling and marketing expenses are recognized in the income statement when they are incurred or the service is rendered.

Costs for promotional campaigns, mailings or other means of communication are expensed at the time the material is shipped.

Non-capitalisable research and development costs, consisting exclusively of personnel costs, are expensed in the period when they are incurred.

### ***Financial expenses***

Interest expense is recorded in accordance with the accruals principle, based on the amount financed and the effective interest rate applied.



## **Taxes**

Taxes for the year represent the sum of current and deferred taxes.

Current taxes are based on the taxable income for the year. Taxable income differs from the result shown in the income statement because it excludes positive and negative components that will be taxable or deductible in other periods and excludes items that will never be taxable or deductible. The current tax liability is calculated using the tax rates in force or effectively in force at the reporting date; or, if known, those that will be in force at the time the asset is realised or the liability is settled.

Deferred tax assets and liabilities are taxes expected to be paid or recovered on temporary differences between the carrying amount of assets and liabilities in the balance sheet and the corresponding tax base used in calculating taxable income, accounted for using the global liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences, whereas deferred tax assets are recognized to the extent that it is probable that there will be sufficient taxable income in the future to absorb the deductible temporary differences. Such assets and liabilities are not recognized if the temporary differences arise from goodwill or from the initial recognition (other than in business combinations) of other assets or liabilities in transactions that affected neither the accounting result nor the taxable profit or loss. The tax benefit arising from the carry-forward of tax losses is recognized when and to the extent that there will probably be sufficient taxable income in the future to offset such losses.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the assets to be recovered.

Deferred taxes are calculated on the basis of the tax rate that is expected to apply when the asset is realised or the liability is settled.

Deferred taxes are charged directly to the income statement, except for those relating to items recognised directly in equity, in which case the related deferred taxes are also charged to equity.

### ***Financial assets measured at fair value through other comprehensive income (FVOCI)***

This measurement category includes equity instruments for which the Group - at the time of initial recognition or at the transition - exercised the irrevocable option to present gains and losses arising from changes in fair value in equity (FVOCI).

- They are classified under non-current assets in “Other financial assets at fair value through other comprehensive income”.



- They are initially recognized at fair value, including transaction costs directly attributable to the purchase.
- They are subsequently measured at fair value, and the gains and losses arising from changes in fair value are recognized in a specific equity reserve. This reserve will not be transferred to the income statement. In the event of a sale of the financial asset, the amount suspended in equity is reclassified to retained earnings.

Dividends arising from such financial assets are recognized in the income statement when the right to receive them arises.

### ***Financial assets measured at fair value through profit or loss (FVPL)***

This valuation category includes:

- i. equity instruments for which the Group - at the time of initial recognition or at the transition - did not exercise the irrevocable option to present gains and losses arising from changes in fair value in equity. They are classified under non-current assets in "Other financial assets at fair value through profit or loss";
- ii. debt instruments for which the Group's business model for managing assets involves the sale of the instruments and the cash flows associated with the financing activity represent the payment of outstanding principal. They are classified under current assets in "Other financial assets at fair value through profit or loss";
- iii. derivatives, except those designated as hedging instruments, classified as "derivatives".

They are initially recognized at fair value. Transaction costs directly attributable to the purchase are recognized in the income statement. They are subsequently measured at fair value and the gains and losses arising from changes in fair value are recognized in the income statement.

### ***Derivatives designated as hedging instruments***

In accordance with IFRS 9, derivatives are only accounted for using hedge accounting methods when:

- the items being hedged and the hedging instruments meet the eligibility requirements;
- at the start of the hedging relationship there is a formal designation and documentation of the hedging relationship, the Group's risk management objectives and strategy in undertaking the hedging;
- the hedging relationship meets all of the following effectiveness requirements:



- there is an economic relationship between the item being hedged and the hedging instrument;
- the effect of credit risk is not dominant compared with the variations associated with the risk being hedged;
- the hedge ratio defined in the hedging relationship is respected, also by rebalancing, and is consistent with the risk management strategy adopted by the Group.

Such derivatives are measured at fair value.

Depending on the type of hedge, the following accounting treatments apply:

- *Fair value hedge* – if a derivative is designated as a fair value hedge, i.e. as a hedge against changes in the fair value of an asset or liability attributable to a particular risk, the gain or loss arising from subsequent changes in fair value of the hedging instrument is recognized in profit or loss. The gain or loss on the hedged item, to the extent attributable to the hedged risk, changes the carrying amount of the asset or liability ("basis adjustment") and is also recognized in profit or loss
- *Cash flow hedge* - if a derivative is designated as a cash flow hedge, i.e. as a hedge against the variability of cash flows of an asset or liability recorded in the balance sheet or of a highly probable future transaction, the effective portion of the change in fair value of the hedging derivative is recognized directly in equity, while the ineffective portion is recognized immediately in profit or loss. Amounts that have been recognized directly in equity are reclassified to profit or loss in the period when the hedged item has an impact on the income statement.

If the hedge of a highly probable future transaction subsequently results in the recognition of a non-financial asset or liability, the amounts that are deferred in equity are included in the initial amount of the non-financial asset or liability.

### ***Estimating fair value***

The fair value of financial instruments listed on an active market is based on their market prices at the reporting date. The market price for financial assets held is the current selling price (purchase price for financial liabilities). The fair value of financial instruments that are not traded on an active market is determined through various valuation techniques and assumptions based on market conditions existing at the reporting date. For medium and long-term liabilities, the prices of similar listed financial instruments are compared, while for other categories of financial instruments, the cash flows are discounted.

The fair value of interest rate swaps (IRS) is determined by discounting their estimated cash flows at the reporting date. For loans and other financial receivables, it is assumed that the



face value, net of any adjustments made to take into account the risk that they may not be recovered, approximates the fair value. The fair value of financial liabilities for disclosure purposes is determined by discounting the contractual cash flows at an interest rate that approximates the market rate at which the entity finances itself.

### Measuring fair value

As regards financial instruments measured at fair value, the classification of these instruments is reported below on the basis of the hierarchy provided for in IFRS 13, which reflects the significance of the inputs used in determining fair value. The fair value hierarchy consists of the following levels:

Level 1 – unadjusted quotes from an active market for the assets or liabilities being measured;

Level 2 – inputs other than the quoted prices referred to in the previous point, which are observable on the market, either directly (as in the case of prices) or indirectly (i.e. being derived from prices);

Level 3 – inputs that are not based on observable market data.

<i>Amounts in €000</i>	<b>31.12.2024</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
<i>Financial assets</i>				
Derivatives	12		12	

<i>Amounts in €000</i>	<b>31.12.2023</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
<i>Financial assets</i>				
Derivatives	43		43	

At 31 December 2024, an IRS-OTC derivative contract is recorded in the financial statements to hedge the interest rate risk for the entire duration of the loan; this contract provides for an exchange of flows between the Company and Crédit Agricole based on the residual amount of the underlying loan in each period; the Mark To Model value of the derivative is positive for Euro 12.0 thousand. (see Note 18).

The Group believes that the carrying amount of the following financial assets and financial liabilities is a reasonable approximation of their fair value:

- Trade receivables
- Trade payables



- Cash and cash equivalents

<i>Amounts in €000</i>	<b>31.12.2024</b>		<b>31.12.2023</b>	
	<b>Carrying amount</b>	<b>Fair Value</b>	<b>Carrying amount</b>	<b>Fair Value</b>
<i>Financial assets</i>				
Financial receivables	529	529	524	524
<i>Financial liabilities</i>				
Financial payables	135,980	135,980	172,142	172,142

## 2.2 Accounting judgements and estimates

Preparing the Consolidated Annual Financial Report and the notes in application of IFRS requires management to make estimates and assumptions that have an effect on the quantification of revenue, costs, assets and liabilities recorded in the financial statements and on the disclosure of contingent assets and liabilities at the reporting date. The estimates and assumptions used are based on experience, other factors considered relevant and the information available at the time. The actual results may therefore differ from these estimates. Estimates and assumptions can vary from one financial year to another and are therefore reviewed periodically; the effects of any changes made to them are reflected in the income statement in the period in which the estimate is revised. The main estimates, for which the use of subjective assessments by management is most frequent, are typically used in:

- determining the amounts to be allocated to the provisions for bad and doubtful accounts of the Direct Sales Division (Wholesale and Ho.re.ca sales are insured) and any other asset write-downs;
- acquisitions of companies and the related determination of fair values;
- in making provisions for risks, in particular, the assessments involve determining the degree of probability that the conditions that could lead to a financial outlay will occur, as well as quantifying the amount concerned;
- calculation of taxes and deferred tax assets, recognition of which depends on the Group's taxation prospects resulting from the expected profitability forecast in its business plans and the tax consolidation;
- definition of the useful life of fixed assets and the related depreciation;
- verification of the ability of tangible and intangible assets, equity investments and goodwill to maintain their value. As regards the estimate of value in use, this verification is based on financial plans that have been drawn up on a set of assumptions and hypotheses of future events that will not necessarily occur. Choosing a discount rate is also based on assumptions.
- defined benefit pension plan – actuarial assumptions;



- Determining the lease term for certain lease agreements in which the Group is a lessee, even if the Company is reasonably certain to exercise the options reserved for lessees; the interest rate for rent.

As of the date of the Consolidated Annual Financial Report, no further impacts are expected other than those shown in the income statement, statement of financial position and statement of cash flows, except for those arising from the revaluation of the useful life of fixed assets as detailed in Note 7.

### **3. Risks**

The Group is mainly exposed to risks from exchange rate and interest rate fluctuations, credit risk and liquidity risk.

#### **Risks arising from changes in exchange rates**

The Group is subject to market risk from exchange rate fluctuations, as it operates in an international context, with transactions conducted in different currencies while maintaining a very significant prevalence of sales in euro. Risk exposure derives primarily from intercompany transactions between IWB Italia S.p.A. and Enovation Brands Inc.

#### **Risks arising from changes in interest rates**

Even though most of the Group's debt is fixed interest, it is still exposed to the risk of interest rate fluctuations. The evolution of interest rates is constantly monitored by the Company and, depending on how they evolve, hedging of the interest rate risk may be considered. With the exception of an IRS-OTC on a low-value loan, the Group is not currently involved in hedging transactions, given the insignificant impact of changes in interest rates on the income statements.

Derivatives for which it is not possible to identify an active market are recorded at fair value and included in financial assets and liabilities and other assets and liabilities. The fair value was determined using valuation techniques based on market data, i.e. using specific pricing models that are recognized by the market.

#### **Credit risk**

Credit risk represents the exposure of Group companies to potential losses arising from the failure of counterparties to fulfil their obligations.

The receivables with exposure are mainly the amounts due from end-consumers for which the risk of non-collection is moderate and, in any case, individually of small amounts. Group Companies are equipped with preventive control tools to check the solvency of each individual



customer, as well as credit monitoring and reminder tools through analysis of collection flows, payment delays and other statistical parameters.

The amounts due from the large-scale retail trade and the Ho.Re.Ca channel are insured; advance payment is required for shipments to high-risk countries.

### **Liquidity risk**

The Group finances its activities both through cash flows generated by operations and through the use of external sources of finance. It is therefore exposed to liquidity risk, represented by the fact that financial resources may not be sufficient to meet financial and commercial obligations within the pre-established terms and deadlines. The Group's cash flows, financing requirements and liquidity are kept under control by considering the maturity of financial assets (trade receivables and other financial assets) and the expected cash flows from the related transactions. The Group has both secured and unsecured lines of credit, consisting of revocable short-term lines in the form of hot loans, overdrafts and endorsement credit.

### **Risk of default and covenant on the debt**

The risk in question concerns the presence in loan contracts of provisions that allow counterparties to ask the debtor for immediate repayment of the amounts lent on the occurrence of certain events, consequently generating liquidity risk.

### **Operational and management risks**

IWB (i) is not an energy-intensive Group and (ii) it is an asset-light Group, meaning that it does not own any land, so its production and revenue are not strictly linked to the harvesting from a specific territory.

The strategic value of the Group is the ability of its winemakers to create high-quality blends starting from bulk wines purchased in Italy and to offer them to the market with an excellent quality/price ratio and in packages with high commercial and marketing value.

In a long-term extreme scenario that is not currently conceivable, if global warming, fires or a period of drought were to affect production or the harvest in Italy, IWB could consider producing and selling bulk wine purchased outside of Italy, by "broadening" its business name and scope of application. Furthermore, in the event of different conditions being applied by suppliers, IWB could review its agreements with customers, as it did in 2022 when the lack of dry material and inflation affected production costs. Any negative effects from climate change would therefore be temporary.

Harvest risk is monitored through constant contact with suppliers and wine-making associations

The investment in the photovoltaic system is part of the sustainability path that IWB has undertaken on a voluntary basis by obtaining the Viva certification for its subsidiary IWB Italia



and is contributing to reducing energy costs and the risk of any unexpected fluctuations in the cost of electricity.

For the above reasons, climate change risk is not included in the impairment assessments.

#### 4. Accounting policies

##### 4.1 Accounting standards and interpretations endorsed effective from 1 January 2024

Accounting standards and interpretations effective from 1 January 2024:

- **Amendments to IAS 1 - Presentation of Financial Statements - Classification of Liabilities as Current or Non-Current**

The amendments clarify the criteria that have to be applied for the classification of liabilities as current or non-current. They specify that classification of a liability is not affected by the probability that settlement of the liability will be postponed for twelve months after the reporting period. The Group's intention to liquidate the liability in the short term has no impact on the classification.

These changes did not have any impact on the disclosures made regarding the accounting policies applied in the Group's consolidated financial statements.

- **Amendments to IAS 1 - Presentation of Financial Statements – Non-Current Liabilities with covenants**

These amendments specify that covenants to be met after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, the amendments require the company to provide information about such covenants in the notes to the financial statements.

These changes did not have any impact on the disclosures made regarding the accounting policies applied in the Group's consolidated financial statements.

- **Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback**

These amendments clarify the requirements for accounting for a sale and leaseback after the transaction date.

In particular, in the subsequent measurement of the liability arising from the lease contract, the seller-lessee determines the "lease payments" and the "revised lease payments" in such a way as not to recognize gains or losses that relate to the right of use that it retains.



These changes did not have any impact on the disclosures made regarding the accounting policies applied in the Group's consolidated financial statements.

- **Amendments to IAS 7– Statement of Cash Flows and IFRS 7 – Financial Instruments: Disclosures – Supplier Finance Arrangements**

These amendments introduce new disclosure requirements to improve the transparency of information provided in relation to supplier financing arrangements, in particular with regard to the effects of such arrangements on the entity's liabilities, cash flows and liquidity risk exposure.

These changes did not have any impact on the disclosures made regarding the accounting policies applied in the Group's consolidated financial statements.

- **Amendments to IAS 12– Income Tax: International Tax Reform – Pillar Two Model Rules**

These amendments provide a temporary exemption from the accounting for deferred taxes arising from the application of the new European tax rules (the so-called “GloBE rules”) for implementation of the Global Minimum Tax introduced by the Organisation for Economic Co-operation and Development (OECD). The OECD published the Pillar Two Model Rules in December 2021 to ensure that large multinational corporations are subject to a minimum tax rate of 15%. In addition to the above exemption, the amendments provide for the publication of disclosures aimed at helping investors better understand the impact on income taxes resulting from the reform.

These changes did not have any impact on the disclosures made regarding the accounting policies applied in the Group's consolidated financial statements.

#### **4.2 International accounting standards and/or interpretations issued but not yet effective and/or not endorsed**

As required by IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”, the new standards or interpretations already issued, but not yet effective or not yet endorsed by the European Union at 31 December 2024 and therefore not applicable, and the foreseeable impacts on the consolidated financial statements are indicated below.

None of these standards and interpretations have been adopted early by the Group.

- **Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates: lack of exchangeability**

These changes clarify when a currency is exchangeable for another currency and, hence, when it is not. When one currency is not exchangeable for another, these changes define



how the exchange rate to be applied is determined. The amendments also clarify the information that must be provided when a currency is not exchangeable.

These changes, which became effective on 1 January 2025, were endorsed by the European Union on 14 November 2024. The impacts of these changes on the Group's consolidated financial statements are currently being analysed.

- **IFRS 18 Presentation and Disclosure in Financial Statements**

The new standard introduces three sets of new requirements to improve reporting of companies' financial performance and provide investors with a better basis for analysing and comparing companies: better comparability in the income statement, greater transparency of performance measures defined by management and more useful grouping of information in the financial statements. IFRS 18 replaces IAS 1 Presentation of Financial Statements, was issued on 9 April 2024 and will be effective for annual periods beginning on or after 1 January 2027, but companies will be able to apply it earlier. Further investigations are underway into any impacts on financial reporting.

- **IFRS 19 Subsidiaries without Public Accountability: Disclosures**

The new standard is dedicated to subsidiaries of entities that prepare consolidated financial statements in accordance with IFRS; according to certain requirements, such entities, in their own financial statements, will be able to provide a lower level of disclosure that is more suited to the needs of the users of their financial statements. IFRS 19 Subsidiaries without Public Accountability: Disclosure was issued on 9 May 2024, will be effective for annual periods beginning on or after 1 January 2027 and has not yet been endorsed. No impacts on the consolidated financial statements of the Group are expected from adoption of this standard.

- **Amendments to IFRS 9 and IFRS 7 - amendments to the classification and measurement of financial instruments**

The proposed amendments relate to:

- settlement of financial liabilities using an electronic payment system;
- assessment of the characteristics of the contractual cash flows of financial assets, including those with environmental, social and governance (ESG) characteristics.

The document also proposes changes or additions to the disclosure requirements for:

- investments in equity instruments designated at fair value through other comprehensive income;



- financial instruments with contractual terms that could change the timing or amount of contractual cash flows based on the occurrence (or non-occurrence) of a contingent event.

The amendments to IFRS 9 and IFRS 7 were issued on 30 May 2024 and have not yet been endorsed.

## Segment Reporting

An operating segment is a component of an entity:

- (a) that undertakes business activities generating revenue and costs (including revenue and costs relating to transactions with other components of the same entity);
- (b) whose operating results are reviewed periodically by the entity's chief operating decision maker for the purpose of making decisions about the resources to be allocated to the segment and evaluating its performance; and
- c) for which separate financial statement information is available.

IFRS 8 requires an entity to provide financial and descriptive information about its reportable segments. Reportable segments are operating segments or an aggregation of operating segments that meet specific criteria:

- (i) operating segments are components of an entity for which separate financial information is available and which is regularly assessed by the Chief Operating Decision Maker (CODM) to make decisions about the resources to allocate to the segment and to evaluate its performance;
- (ii) in general, information should be presented on the same basis used internally to assess the performance of operating segments and to decide how to allocate resources to them.

Until 31 December 2023, the Group has prepared periodic information relating to the economic and financial situation of the companies and an analysis of net revenue by geographical area and distribution channel which are submitted to the CODM, who uses them to allocate resources and evaluate the performance of the Group as a whole.

Paragraph 11 of IFRS 8 defines the reportable segment and, in particular, requires an entity to provide separate information on each operating segment that:

- has been identified in accordance with paragraphs 5-10 or results from the aggregation of two or more such segments in accordance with paragraph 12, and
- exceeds the quantitative thresholds referred to in paragraph 13.



In light of the reorganisation of the Group, effective from 1 January 2024 as described in detail in paragraph 1.2 page 13, it is possible to conclude that from 1 January 2024 the Group has two segments subject to disclosure under IFRS 8. In any case, it should be noted that:

- the income statement information required by paragraph 32 of IFRS 8 relating to products and services is already included in the consolidated income statement because the Company sells wine and having to prepare more detailed information would be excessively burdensome;
- the information required by paragraph 33a is provided in the Report on page 29 and in the Notes in note 24;
- the investment information required by paragraph 33b of IFRS 8 is shown below:

*Amounts in €000*

	<b>31.12.2024</b>	<b>31.12.2023</b>	<b>31.12.2022</b>
Italy	278,423	291,655	293,239
USA	17,629	17,741	17,917
Switzerland	12,869	12,876	12,883
<b>Total non-current assets *</b>	<b>308,921</b>	<b>322,271</b>	<b>324,039</b>

\* The total does not include:

- Non-current financial assets
- Deferred tax assets

Starting from the Report at 30 June 2024, given the reorganisation that has taken place, the Group has prepared its segment reporting by identifying the following as significant segments:

- a) B2B, i.e. the economic and financial results relating to the Wholesale and Ho.Re.Ca channels;
- b) B2C, or the economic and financial results relating to the Distance Selling channel (which includes revenues and activities relating to Direct Mailing, Teleselling and the Web).



## Segment Reporting

INCOME STATEMENT					
	HOLDING	B2B	B2C	Eliminations	Consolidation
<i>Amounts in €000</i>					
Wholesales		298,551		(14,185)	284,366
Ho.re.ca.		59,344			59,344
Distance selling			59,861	(1,737)	58,124
Others	2,348		370	(2,615)	103
<b>Revenue from sales</b>	<b>2,348</b>	<b>357,895</b>	<b>60,232</b>	<b>(18,537)</b>	<b>401,937</b>
Change in inventories	-	(11,545)	(2,388)	-	(13,933)
Other income	240	2,376	1,087	(441)	3,261
<b>Total revenue</b>	<b>2,587</b>	<b>348,725</b>	<b>58,931</b>	<b>(18,978)</b>	<b>391,265</b>
Purchase costs	-	(237,853)	(26,503)	16,023	(248,332)
Costs for services	(2,114)	(38,364)	(28,136)	2,956	(65,657)
Personnel costs	(1,041)	(21,399)	(2,995)	-	(25,435)
Other operating costs	(165)	(1,197)	(96)	0	(1,458)
<b>Operating costs</b>	<b>(3,319)</b>	<b>(298,813)</b>	<b>(57,729)</b>	<b>18,978</b>	<b>(340,883)</b>
<b>Adjusted EBITDA</b>	<b>(732)</b>	<b>49,912</b>	<b>1,202</b>	<b>-</b>	<b>50,382</b>
Depreciation and amortization	(150)	(5,357)	(4,461)	-	(9,968)
Provision for risks	-	-	-	-	-
Write-ups / (Write-downs)	-	(93)	(764)	-	(857)
<b>Adjusted operating result</b>	<b>(882)</b>	<b>44,462</b>	<b>(4,024)</b>	<b>-</b>	<b>39,557</b>
Non-recurring items	(1,654)	(1,137)	(971)	-	(3,762)
<b>Operating profit/(loss)</b>	<b>(2,536)</b>	<b>43,325</b>	<b>(4,994)</b>	<b>-</b>	<b>35,795</b>
Financial income					1,917
Borrowing costs					(6,868)
<b>Net financial income/(expenses)</b>					<b>(4,951)</b>
<b>EBT</b>					<b>30,844</b>
Taxes					(8,237)
(Loss) Profit from discontinued operations					-
<b>Profit (loss) (A)</b>					<b>22,607</b>
<b>Attributable to:</b>					
Non-controlling interests					(271)
<b>Group profit (loss)</b>					<b>22,336</b>

At income statement level, the allocation of costs and revenue by segment is carried out as far as the calculation of EBIT, as financial and treasury management is centralised and the Italian companies form part of a tax consolidation agreement.

For the same reasons, financial items and equity are not assigned to the segments.



## Segment Reporting

### STATEMENT OF FINANCIAL POSITION

	HOLDING	B2B	B2C	Eliminations	Consolidation
<i>Amounts in €000</i>					
<b>Non-current assets</b>					
Intangible assets	102	23,650	6,132	8,586	38,469
Goodwill	-	44,166	-	171,803	215,969
Land, property, plant and equipment	61	39,978	817	-	40,856
Right-of-use assets	497	7,725	5,177	-	13,399
Equity investments	291,258	13,828	1	(305,082)	5
Other non-current assets	19	202	2	-	222
Non-current financial assets	-	-	-	-	-
Deferred tax assets	217	571	890	8	1,686
<b>Total non-current assets</b>					<b>310,607</b>
<b>Current assets</b>					
Inventory	-	58,435	6,829	-	65,264
Trade receivables	1,274	47,600	6,112	(4,373)	50,613
Other current assets	7,798	2,356	2,583	(10,106)	2,631
Current tax assets	-	689	32	-	721
Current financial assets	-	-	-	-	529
Cash and cash equivalents	-	-	-	-	59,500
<b>Total current assets</b>					<b>179,258</b>
Non-current assets held for sale	-	9,740	-	-	9,740
<b>Total assets</b>					<b>499,605</b>
<b>Shareholders' equity</b>					
Share capital	-	-	-	-	1,124
Reserves	-	-	-	-	155,125
Reserve for defined benefit plans	-	-	-	-	31
Reserve for stock grants	-	-	-	-	794
Profit (loss) carried forward	-	-	-	-	47,061
Net profit (loss) for the period	-	-	-	-	22,336
<b>Total shareholders' equity of parent company shareholders</b>					<b>226,472</b>
Non-controlling interests	-	-	-	-	63
<b>Total shareholders' equity</b>					<b>226,534</b>
<b>Non-current liabilities</b>					
Financial payables	-	-	-	-	133,530
Lease liabilities	410	5,254	4,385	-	10,049
Provision for other employee benefits	86	1,269	194	-	1,548
Provisions for future risks and charges	-	166	-	-	166
Deferred tax liabilities	-	6,984	-	2,395	9,380
Other non-current liabilities	-	-	-	-	-
<b>Total non-current liabilities</b>					<b>154,672</b>
<b>Current liabilities</b>					
Financial payables	-	-	-	-	2,450
Lease liabilities	90	2,033	1,193	-	3,317
Trade payables	356	82,668	15,975	(4,301)	94,698
Other current liabilities	3,957	15,329	985	(10,178)	10,093
Current tax liabilities	4,330	2,256	1,254	-	7,841
Provisions for future risks and charges	-	-	-	-	-
<b>Total current liabilities</b>					<b>118,399</b>
Liabilities directly related to assets held for sale	-	-	-	-	-
<b>Total shareholders' equity and liabilities</b>					<b>499,605</b>



## Notes

First of all, it should be noted that the Group protects its assets and activities through insurance policies that cover:

- receivables: B2B sales are only made up to the line of credit granted for insurance purposes (or against non-recourse assignments, advance payments or letters of credit);
- tangible assets through a property or all risks policy that covers buildings, machinery, equipment, furnishings and inventory;
- potential liabilities through a third-party liability policy);
- as well as Directors and Officers (D&O) and Employment Practices Liability Insurance (EPLI) cover in line with the Group's structure.

## 5. Intangible assets

Intangible assets refer almost entirely to the brands owned by the Group. The changes are shown below.

Amounts in €000

Net carrying amount	INTANGIBLE ASSETS						31.12.2024
	01.01.2024	increases	decreases	depreciation/amortization	reclassifications/other changes	increases through business combinations	
Trademarks & patents	32,154	129	-	(386)	26	-	31,922
Software	1,368	200	-	(845)	3	-	726
Start-up costs	7	65	-	(15)	-	-	57
Other intangible assets	4,928	2,559	-	(2,439)	285	-	5,332
Intangible assets in course of formation	318	402	-	-	(288)	-	432
<b>Net carrying amount of intangible assets</b>	<b>38,774</b>	<b>3,355</b>	<b>-</b>	<b>(3,686)</b>	<b>26</b>	<b>-</b>	<b>38,469</b>

Trademarks and patents are mainly represented by:

- the Giordano Vini brand for 21,116 thousand euro, consisting of the value emerging from the merger of Ferdinando Giordano S.p.A. with Giordano Vini S.p.A. (formerly Alpha S.r.l.) carried out in previous years; on 16 December 2024, the Giordano Vini brand was transferred, with a demerger deed effective from 31 December 2024, to the subsidiary IWB Italia S.p.A. as completion of the corporate reorganisation begun in 2023;
- from the brands owned by Provinco Italia S.p.A. (now IWB Italia S.p.A.) for 8,586 thousand euro valued during the purchase price allocation carried out according to IFRS 3.

These brands are considered to have an indefinite useful life, so they are not subject to amortization but to an impairment test in the same way as goodwill (see note 6). The carrying amount is the same as was shown in the consolidated Annual Financial Report at 31 December 2023, being treated in the same way as goodwill (see below).



The increases in 2024 mainly relate to:

- (i) Euro 3,098 thousand for the development of the following activities which mainly concerned Giordano Vini S.p.A.:
  - development of websites for on-line selling;
  - development of the customer base through targeted acquisition through successful cost-per-acquisition (or CPA) marketing campaigns”);
  - software development;
- (ii) Euro 161 thousand for the registration of new trademarks.



## 6. Goodwill

The total amount of goodwill is broken down in the following table:

*Amounts in €000*

<b>Company</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
Provinco Italia S.p.A.		11,289
Giordano Vini S.p.A.		0
Enoitalia S.p.A.	IWB Italia S.p.A. 186,077	156,942
Barbanera S.r.l.		
Fossalto S.r.l.		
Enovation Brands Inc	17,038	17,038
Raphael Dal Bo AG	12,854	12,854
<b>Total Goodwill</b>	<b>215,969</b>	<b>215,969</b>

On 1 January 2024, as a result of the merger between Provinco Italia S.p.A., Enoitalia S.p.A., Barbanera S.r.l. and Fossalto S.r.l. the goodwill pertaining to these respective were transferred to the company that resulted from the merger: IWB Italia S.p.A.

At 31 December 2024, goodwill and intangible assets with an indefinite useful life were subjected to impairment testing, which consists of estimating the recoverable amount of the cash generating units (CGUs), made up of the subsidiaries, and comparing them with the net carrying amount of the assets, including goodwill, in accordance with IAS 36.

The value in use corresponds to the current value of the future financial flows that are expected to be associated with the assets subject to impairment, using a rate that reflects the specific risks of the individual CGUs at the measurement date.

The key assumptions used by management are estimates of future increases in sales, operating cash flows, the growth rate of terminal values and the weighted average cost of capital (discount rate).

At 31 December 2024, the CGUs were subjected to impairment testing in order to verify the existence of any losses in value, by comparing the carrying amount of the units (including the goodwill allocated to them, intangible assets with a finite useful life and other net operating assets) and the value in use, or the present value of the expected future financial flows that are expected to derive from the continuous use and possible disposal of the CGUs at the end of their useful life.

The value in use was determined by discounting the cash flows shown in the financial forecasts prepared by the Companies. In order to determine the value in use of a CGU, the discounted



cash flows of the five years of explicit projection are added to a terminal value determined by discounting the expected perpetual income.

These plans have been drawn up by reflecting the past experience of the companies and by appropriately assessing the current economic situation. The hypotheses used in forecasting cash flows over the explicit projection period are based on prudent assumptions. For the companies Enovation Brands Inc. and Raphael Dal Bo AG, pending finalisation of the plan, for the purposes of impairment it was assumed as a minimum hypothesis that each company repeats their economic and financial results for the five years of explicit forecast, while the g rate was applied to calculate the Terminal Value.

The discount rate (WACC, weighted average cost of capital) applied to prospective cash flows, revised to take into account the evolution of rates and the geographical composition of revenues is indicated for each CGU in the table below, calculated taking into account the sector in which the company operates, the destination markets for the products, the fully operational debt structure and the current economic situation.

For the cash flows relating to the years following the explicit projection period, a g rate of 2 was assumed.

In line with the requirements of IAS 36, a sensitivity analysis was carried out to verify whether a reasonably possible change in a basic assumption on which management calculated the recoverable value of the CGU could cause the book value of the CGU to exceed the recoverable amount.

At 31 December 2024, no impairment losses arise between the carrying amount and the value in use (determined according to the Discounted Cash Flow methodology) as per the table below.

Reportable Segment	CGU's 2024	Goodwill 2024	Carrying Amount	Recoverable amount/VIU	Headroom	WACC
IWB Group	IWB Italia S.p.A.	186,077	277,387	815,031	537,644	6.4%
IWB Group	Giordano Vini S.p.A	0	9,468	21,242	11,774	7.5%
IWB Group	Raphael Dal Bo AG	12,854	11,772	89,379	77,607	6.3%
IWB Group	Enovation Brands Inc	17,038	14,328	31,179	16,851	6.9%
	<b>IWB GROUP TOTAL</b>	<b>215,969</b>	<b>312,955</b>	<b>956,831</b>	<b>643,876</b>	



## Land, buildings, plant and machinery

The changes in tangible fixed assets are shown below.

Amounts in €000

PROPERTY, PLANT AND EQUIPMENT						
Gross amount						
Historical cost	01.01.2024	increases	decreases	reclassifications/other changes	increases through business combinations	31.12.2024
Land and buildings	40,710	359	(1,412)	(14,301)	-	25,356
Plant and machinery	57,105	1,804	(2,222)	(15,526)	-	41,162
Equipment	22,365	648	(2,258)	(7,289)	-	13,466
Other	7,812	167	(41)	(2,910)	-	5,028
Tangible assets under construction	2,209	25	-	(2,104)	-	130
Right-of-use assets	28,180	948	-	(1,208)	-	27,919
<b>Total historical cost</b>	<b>158,380</b>	<b>3,950</b>	<b>(5,933)</b>	<b>(43,337)</b>	<b>-</b>	<b>113,060</b>
PROPERTY, PLANT AND EQUIPMENT						
Accumulated amortization						
Accumulated amortization	01.01.2024	depreciation/amortization	decreases	other changes	increases through business combinations	31.12.2024
Land and buildings	(12,166)	(642)	551	6,920	(0)	(5,337)
Plant and machinery	(42,345)	(1,448)	1,870	15,551	-	(26,372)
Equipment	(16,540)	(481)	2,130	6,934	-	(7,957)
Other	(7,327)	(155)	41	2,823	-	(4,618)
Tangible assets under construction	-	0	-	-	-	0
Right-of-use assets	(12,715)	(3,556)	-	1,751	-	(14,520)
<b>Total accumulated depreciation</b>	<b>(91,092)</b>	<b>(6,282)</b>	<b>4,592</b>	<b>33,978</b>	<b>(0)</b>	<b>(58,804)</b>
PROPERTY, PLANT AND EQUIPMENT						
Net amount						
Net carrying amount	01.01.2024	increases	decreases	depreciation/amortization	other changes	31.12.2024
Land and buildings	28,544	359	(861)	(642)	(7,381)	20,019
Plant and machinery	14,760	1,804	(352)	(1,448)	25	14,789
Equipment	5,825	648	(128)	(481)	(356)	5,508
Other	485	167	-	(155)	(87)	409
Tangible assets under construction	2,209	25	-	0	(2,104)	130
Right-of-use assets	15,465	948	-	(3,556)	543	13,399
<b>Total net carrying amount</b>	<b>67,288</b>	<b>3,950</b>	<b>(1,341)</b>	<b>(6,282)</b>	<b>(9,359)</b>	<b>54,255</b>

The increases in 2024 were mainly:

- 1,229 thousand euro for the IWB Italia S.p.A. plants, in addition to 302 thousand euro for internal and external flooring and roof renovation;
- Euro 457 thousand for new autoclaves and tanks.

The total disposal value of the Torricella site was 1,297 thousand euro.



At 31 December 2024, in conjunction with and taking into account:

- the substantial reorganisation of the Group's industrial structure which led to (i) the closure of the cellars and production plants in Valle Talloria (ii) the sale of the production plants in Torricella and (iii) the concentration of all the Group's production activities at the plants located in Calmasino, Montebello and Cetona;
- of the provisions of IAS 16 which requires entities to assess useful lives, depreciation methods and residual values at each reporting date

The IWB Group, with the support of an external advisor who issued a specific appraisal report, proceeded to verify the useful life of certain categories of assets, in particular those located in the plants where production has been concentrated, namely:

CLASS DESCRIPTION	HISTORICAL COST	NET CARRYING AMOUNT
Plant and machinery	18,986,001.92 €	10,238,509.99 €
Montebello Steel tanks at third parties	4,447,712.81 €	2,774,503.24 €
Calmasino Steel tanks	2,870,608.58 €	2,067,603.42 €

In particular, the useful life of each asset category was determined on the basis of the following relationship: Useful Life: min (Technical durability; Technological durability; Commercial durability)

The advisor also calculated the weighted average useful life obtained using the following formula:

$$\text{UL (Weighted average)} = \frac{\text{Sum of UL (of each category component)} \times \text{Cost of Replacement of each category component}}{\text{Sum of Cost of Replacement}}$$

application of which led to a weighted average useful life of the fixed assets in question as shown in the following table

CLASS DESCRIPTION	Useful life (UL)
Plant and machinery	18
Montebello Steel tanks at third parties	30
Calmasino Steel tanks	30

with a consequent reduction in depreciation at 31 December 2024 of 1,333 thousand euro.



## 7 B. Right-of-use assets

The change in right-of-use assets broken down by underlying type of asset with comparative figures at 31 December 2023 is shown below:

*Amounts in €000*

Net carrying amount	01.01.2024	increases	depreciation/amortization	other changes	31.12.2024
Land and buildings	11,247	467	(2,044)	(58)	9,613
Plant and machinery	3,570	138	(1,065)	247	2,890
Equipment	598		(215)	(45)	338
Other	49	342	(233)	398	557
<b>Total net carrying amount</b>	<b>15,464</b>	<b>948</b>	<b>(3,556)</b>	<b>543</b>	<b>13,399</b>

Net carrying amount	01.01.2023	increases	depreciation/amortization	other changes	31.12.2023
Land and buildings	13,163		(1,902)	(14)	11,247
Plant and machinery	3,559	1,559	(1,547)		3,570
Equipment	890		(292)		598
Other	98		(49)		49
<b>Total net carrying amount</b>	<b>17,709</b>	<b>1,559</b>	<b>(3,790)</b>	<b>(14)</b>	<b>15,464</b>

The increases in 2024 were mainly:

- 467 thousand euro for renewal of the rental contract for the Milan offices;
- 138 thousand euro for a new machinery rental contract of IWB Italia S.p.A.;
- 342 thousand euros for new long-term rental contracts for the Group's cars.

The financial items relating to existing leasing contracts are shown below, broken down by type and with comparative figures at 31 December 2023:

- short-term and long/medium-term residual lease liabilities;
- total financial outflows.

**31.12.2024***Amounts in €000*

	Short term	Medium/long term (within 5 years)	Long term (over 5 years)	Cash Out
Land and buildings	(2,199)	(8,182)	(328)	(2,072)
Plant and machinery	(737)	(1,007)	(77)	(1,162)
Equipment	(166)	(80)	-	(320)
Other	(214)	(364)	(11)	(263)
<b>Total</b>	<b>(3,317)</b>	<b>(9,632)</b>	<b>(416)</b>	<b>(3,817)</b>

**31.12.2023***Amounts in €000*

	Short term	Medium/long term (within 5 years)	Long term (over 5 years)	Cash Out
Land and buildings	(1,867)	(9,337)	(851)	(1,928)
Plant and machinery	(958)	(1,549)	-	(1,543)
Equipment	(246)	(349)	-	(311)
Other	(35)	(22)	-	(56)
<b>Total</b>	<b>(3,106)</b>	<b>(11,256)</b>	<b>(851)</b>	<b>(3,838)</b>

The following shows the interest expense charged to the income statement on the lease liabilities compared with 31 December 2023.

*Amounts in €000*

Interest	31.12.2024	31.12.2023
Land and buildings	(317)	(337)
Plant and machinery	(91)	(70)
Equipment	(15)	(43)
Other	(54)	(8)
<b>Total</b>	<b>(477)</b>	<b>(458)</b>

Lastly, we would point out that:

- the costs of low-value leased assets charged to profit or loss amount to 429 thousand euro (428 thousand euro at 31 December 2023);
- the costs relating to variable lease payments not included in the measurement of the lease liabilities amount to euro 395 thousand (397 thousand euro at 31 December 2023).



## 8. Non-current assets held for sale

As explained in the section on "Significant events during the period", on 24 April IWB Italia S.p.A. announced the closure of the Group's production activities at the Valle Talloria site and the simultaneous transfer to the production site in Calmasino di Bardolino.

The Group is of the opinion that a sale is highly probable and has already started looking for a buyer; Completion of the sale is expected within a year from the classification date, in any case the Group undertakes to implement its plan to sell the business as soon as possible.

Production activity ceased on 31 May 2024, making the Valle Talloria assets available for sale, which are presented here in accordance with IFRS 5. In particular:

- depreciation was stopped on 30 June 2024;
- the assets are shown in the financial statements at the carrying amount, as this is lower than the assumed realisable value currently estimated on the basis of the initial feedback received from market valuations.

Non-current assets held for sale consist of the following items:

			<u>31.12.2024</u>
<i>Amounts in €000</i>			
	Historical cost	Accumulated amortization	Net carrying amount
Land and buildings	14,301	(6,920)	7,381
Plant and machinery	17,169	(15,241)	1,928
Equipment	7,300	(6,933)	367
Other	2,968	(2,904)	64
<b>Total</b>	<b>41,738</b>	<b>(31,998)</b>	<b>9,740</b>

These assets were used in the production activity and therefore to achieve the economic result of Giordano Vini S.p.A., which owned them until 31 December 2023, generating revenue of 81,528 thousand euro with an adjusted EBITDA of 1,982 thousand euro.

As required by IFRS 5:

Para. 6: "An entity shall classify a non-current asset (or disposal group) as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use".

Para. 7: "For this to occur, the asset (or disposal group) must be available for immediate sale in its present condition, subject to conditions, which are normal and customary for the sale of such assets (or disposal groups), and the sale must be highly probable".



Para. 8: “for a sale to be highly probable, management at an appropriate level must be committed to a plan for the disposal of the business (or disposal group), and activities must have been initiated to identify a buyer and complete the plan. Furthermore, the asset (or disposal group) must be actively traded in the market and offered for sale, at a price that is reasonable in relation to its current fair value. Furthermore, the sale should be expected to be completed within one year of the date of classification, except as permitted by the provisions of paragraph 9, and the actions required to complete the sale plan should demonstrate that the plan is unlikely to be significantly altered or cancelled. The likelihood of shareholder approval (if required by law) should be considered as part of the assessment of whether the sale is highly probable”.

## 9. Equity investments

Investments are detailed below.

*Amounts in Euro*

	Country	31.12.2024	31.12.2023
<b>Other companies</b>			
BCC di Alba e Roero	Italy	258	258
Consorzio Conai	Italy	675	675
Unione Italiana Vini Scarl	Italy	516	516
Consorzio Natura è Puglia	Italy	500	500
Consorzio Granda Energia	Italy	517	517
Banca Alpi Marittime C.C. Carrù Scpa	Italy	293	293
Banca Valdichiana	Italia	1,100	1,100
Banca Tema	Italia	1,250	1,250
<b>Total</b>		<b>5,109</b>	<b>5,109</b>

## 10. Other non-current assets

Other non-current assets are detailed below.

*Amounts in €000*

	31.12.2024	31.12.2023
Security deposits	222	235
<b>Total</b>	<b>222</b>	<b>235</b>

**11. Deferred tax assets and liabilities**

Deferred taxation, both assets and liabilities, arises from the following temporary differences.

**Amounts at 31 December 2024**

*Amounts in €000*

<b>Description</b>	<b>Tax base</b>	<b>Tax rate</b>	<b>Balance</b>
Non-deductible interest expense	21	24.00%	5
Tangible and intangible fixed assets	235	27.90%	66
Provision for risks and charges	301	24.00%	72
down	2,377	27.90%	663
Provision for bad and doubtful accounts	2,544	24.00%	611
Remuneration of directors	1,066	24.00%	256
Others	58	24.00%	14
<b>Total deferred tax assets</b>			<b>1,686</b>

<b>Description</b>			
Business combination/Brands	24,923	27.90%	6,954
Tangible and intangible fixed assets	8,697	27.90%	2,426
<b>Total provision for deferred taxes</b>			<b>9,380</b>

**Amounts at 31 December 2023**

*Amounts in €000*

<b>Description</b>	<b>Tax base</b>	<b>Tax rate</b>	<b>Balance</b>
Losses carried forward	1,345	27.20%	366
Tangible and intangible fixed assets	209	27.90%	58
Provision for risks and charges	153	24.00%	37
down	2,999	27.90%	837
Provision for bad and doubtful accounts	2,935	24.00%	704
Remuneration of directors	2,165	24.00%	520
Exchange rate adjustment	82	24.00%	20
Maintenance	113	24.00%	27
Membership fees deductible on a cash basis	431	27.90%	120
Others	21	24.00%	5
<b>Total deferred tax assets</b>			<b>2,694</b>

<b>Description</b>			
Business combination/Brands	25,185	27.90%	7,027
Tangible and intangible fixed assets	8,728	27.90%	2,435
Exchange rate adjustment	123	24.00%	30
<b>Total provision for deferred taxes</b>			<b>9,491</b>



## 12. Inventory

The details are shown below.

*Amounts in €000*

	<b>31.12.2024</b>	<b>31.12.2023</b>
Raw materials and consumables	4,353	8,505
Semi- finished products	32,876	43,742
Finished products	24,584	23,924
Advances	3,451	2,381
<b>Total</b>	<b>65,264</b>	<b>78,552</b>

Individual entries include:

- the components for the production of bottles (glass, caps and labels), packaging, wine products (raw materials);
- foodstuffs, bulk and bottled wine, liqueurs (semi-finished);
- packaging and gadgets (finished products).

The decrease compared with 31 December 2023 was achieved due to further optimisation of supply chain management resulting from the corporate and operational integration of production and procurement activities effective from 1 January 2024.

The carrying amount of inventories is shown net of a provision for obsolete and slow-moving stock of 1,730 thousand; the changes during the period are shown below.

*Amounts in €000*

<b>Provision at 01.01.2024</b>	<b>1,893</b>
Provisions	687
Amount used	(850)
<b>Provision at the end of the period</b>	<b>1,730</b>

Uses of the provision mainly refer to the disposal of food products that reached their expiry date, as well as platforms.



### 13. Trade receivables

Trade receivables at 31 December 2024 and 31 December 2023 are detailed below.

*Amounts in €000*

	<b>31.12.2024</b>	<b>31.12.2023</b>
Trade receivables	54,248	56,173
Provision for bad and doubtful accour	(3,635)	(4,043)
<b>Total</b>	<b>50,613</b>	<b>52,130</b>

During 2024, the provision for doubtful accounts had the following movements.

*Amounts in €000*

	<b>31.12.2024</b>
<b>Provision at 01.01.2024</b>	<b>4,043</b>
Provisions	884
Amount used	(1,292)
<b>Provision at the end of the period</b>	<b>3,635</b>

The provisions were based on the estimated realizable value of the receivables, also in light of possibility that they may not be collectable, in part or in whole, according to economic-statistical criteria and the prudence principle. Provisions are also deducted from the total in the accounts on a forfeit, non-analytical basis.

More specifically, to write down the receivables of the Distance Selling Division, the Group applies a simplified approach, calculating the losses expected over the entire life of the receivables, starting from the moment of initial recognition. The Group uses a matrix based on historical experience and ageing of the receivables, adjusted to take into account forecasts relating to specific customers.

The receivables of the Wholesale and Ho.re.ca Divisions are covered by insurance.

There are no receivables with a contractual duration of more than five years.



#### 14. Other current assets

Other current assets at 31 December 2024 and 31 December 2023 are detailed in the following table:

*Amounts in €000*

	<b>31.12.2024</b>	<b>31.12.2023</b>
Security deposits	71	441
Others	1,917	6,977
Advances to suppliers	131	222
Accrued income and prepaid expenses	512	670
<b>Total</b>	<b>2,631</b>	<b>8,311</b>

The item "others" mainly includes receivables from factoring companies of IWB Italia S.p.A. equal to 1,516 thousand euro; the reduction compared with the figure at 31 December 2023 (6,759 thousand euro) is part of the process of optimising financial management resulting from the corporate integration effective from 1 January 2024 which, as a further effect, has permitted the optimisation of the use of the agreed lines of credit.

#### 15. Current tax assets

Tax credits at 31 December 2024 and 31 December 2023 are detailed in the following table:

*Amounts in €000*

	<b>31.12.2024</b>	<b>31.12.2023</b>
Tax Credit	623	1,387
Others	98	287
<b>Total</b>	<b>721</b>	<b>1,674</b>

The decrease in the tax credit is due to offsetting uses during the year.

The reduction of the VAT credit to a zero balance was thanks to better management of the declarations of intent, which made it possible to offset the credit, helping to improve the net financial position.

With effect from 2016, the Parent Company (together with the subsidiaries Giordano Vini S.p.A. and IWB Italia S.p.A.) opted for the national income tax consolidation regime, the effects of which are also reflected in the financial results at 31 December 2024.



Participation in the tax consolidation is governed by specific rules which remain in force for the entire period of the option.

The economic relationships of the tax consolidation can be summarized as follows:

- in years when there is taxable income, the subsidiaries pay the Consolidating Company the higher amount of tax that it owe the Treasury;
- consolidated companies with taxable losses receive compensation from the Parent Company for 100% of the tax savings achieved at Group level on an accrual basis. The compensation is only paid when it is actually used by the Parent Company, either for itself or for other Group companies;
- in the event that the Parent Company and its subsidiaries do not renew the option for the national consolidation, or in the event that the requirements for continuation of the national consolidation cease to exist before the three-year period of the option expires, the carry-forward losses resulting from the tax return are attributed to the consolidating company or entity.

IWB Italia S.p.A. became part of the Group consolidation from the tax return as of 31 December 2023.

## 16. Cash and cash equivalents

Cash and cash equivalents at 31 December 2024 and 31 December 2023 are detailed in the following table.

*Amounts in €000*

	<b>31.12.2024</b>	<b>31.12.2023</b>
Bank deposits	58,239	69,250
Postal deposits	1,243	1,628
Cash	18	22
<b>Total</b>	<b>59,500</b>	<b>70,900</b>

The corporate integration effective from 1 January 2024 has made it possible to optimise the use of cash with a simultaneous reduction of short-term financial debt and related financial charges.



## 17. Shareholders' equity

The Group shareholders' equity is made up as follows:

<i>Amounts in Euro</i>	<b>31.12.2024</b>	<b>31.12.2023</b>
Share capital	1,124,468	1,124,468
Legal reserve	224,894	209,253
Share premium reserve	136,137,071	136,137,072
Reserve for actuarial gains on defined benefit plans	30,958	(63,762)
Reserve for stock grants	794,385	789,694
Translation reserve	285,852	465,766
Reserve for the purchase of treasury shares	(2,217,628)	(1,243,417)
Other reserves	20,695,158	9,775,605
Prior year profits/(losses)	47,061,082	46,203,906
Profit/(loss) for the period	22,335,624	16,300,463
<b>Total reserves</b>	<b>225,347,395</b>	<b>208,574,580</b>
<b>Total Group shareholders' equity</b>	<b>226,471,864</b>	<b>209,699,049</b>
Non-controlling interests	62,505	(208,671)
<b>Total shareholders' equity</b>	<b>226,534,369</b>	<b>209,490,377</b>

### Share capital

At 31 December 2024, the share capital of Italian Wine Brands amounts to Euro 1,124,468 divided into 9,459,983 ordinary shares without par value.

### Reserves

The share premium reserve was generated by the listing, which took place in 2015; it then rose as a result of the increases in capital described in the previous paragraph.

The reserve for defined benefit plans is generated by the actuarial gains and losses that accumulate on remeasurement of the provision for severance indemnities pursuant to IAS 19.

At 31 December 2024, the Parent Company holds 104,297 ordinary shares, representing 1.10% of the ordinary share capital which includes:

- - the treasury share purchase reserve;
- - the stock grant reserve.

Non-controlling interests refer to the minority shareholdings in Enovation Brands Inc. held by Giovanni Pecora (10%) and Alberto Pecora (5%) respectively.



The Ordinary Shareholders' Meeting of IWB held on 27 April 2023 approved, pursuant to art. 114-bis of Legislative Decree no. 58/1998, the new incentive plan called "2023-2025 Incentive Plan of IWB S.p.A." intended for those who hold the position of CEO of IWB or of companies directly or indirectly controlled by IWB pursuant to art. 2359 of the Italian Civil Code or in any case subject to the management and coordination of IWB, as well as other resources deemed key for particular responsibilities and/or skills, including managers and employees of the Company or its subsidiaries. The Plan provides that the subjects identified by the Board of Directors among the recipients of the Plan in compliance with the provisions of the "Procedure for transactions with related parties" adopted by IWB, where applicable, will be assigned free of charge rights which (if vested on fulfilment of the conditions, as well as in the manner and terms set out in the Plan) grant the right to receive, again free of charge, a bonus which will be paid 50% in the form of ordinary shares held by the Company as treasury shares, and for the other 50% through the assignment of so-called phantom shares to be paid in cash. For further information on the Plan, please refer to the Explanatory Report of the Board of Directors pursuant to art. 114-bis of the CFA, and to the related Information Document drawn up pursuant to art. 84-bis of Consob Regulation no. 11971/1999, available on the Company's website ([www.italianwinebrands.it](http://www.italianwinebrands.it), section Investors / Financial Documents / Report-General Meetings) as well as on the Borsa Italiana website ([www.borsaitaliana.it](http://www.borsaitaliana.it)).

The company measures achievement of the objective that determines the assignment of rights on an annual basis and, in accordance with the provisions of the Information Document and the Regulation (approved by the Board of Directors on 5 July 2023), in the event of total or partial achievement of the objective, sets aside:

(a) the ordinary shares pertaining to the year, valuing them at the "market price on the grant date" namely 5 July 2023 and 26 February 2025 as described in the paragraph "Significant subsequent events".

(b) the phantom shares at the market value of the ordinary IWB shares calculated on the basis of the normal value of the shares pursuant to art. 9 of Presidential Decree no. 917 of 22 December 1986.



The following is a reconciliation between the shareholders' equity and results of the parent company and the equivalent consolidated figures.

<i>Amounts in Euro</i>	<b>31.12.2024</b>	
	Profit/(loss) for the period	Shareholders' equity
<b>Shareholders' equity IWB SpA (IFRS)</b>	<b>5,760,419</b>	<b>179,097,899</b>
<b>Elimination of carrying amount of consolidated equity investments:</b>		
Carrying amount of consolidated equity investments		(291,257,562)
Pro-quota share of consolidated equity investments net of consolidation differences	30,416,403	338,961,084
Dividends from subsidiaries	(14,312,064)	-
Consolidation adjustments for transactions between consolidated companies	470,866	(329,557)
<b>Group shareholders' equity and profit/(loss) for the period</b>	<b>22,335,624</b>	<b>226,471,864</b>
Non-controlling interests	271,176	62,505
<b>Consolidated shareholders' equity and profit/(loss)</b>	<b>22,606,801</b>	<b>226,534,369</b>

## 18. Financial payables

The situation at 31 December 2024 is the following.

<i>Amounts in €000</i>	<b>31.12.2024</b>			
	Short term	Medium/long term (within 5 years)	Long term (over 5 years)	Total
<b>Bond</b>	-	<b>131,487</b>	-	<b>131,487</b>
Short-term unsecured loans	-	-	-	-
Revolving loans	-	-	-	-
Other medium/long-term unsecured loan	2,147	1,254	-	3,401
Financial accrued expenses and charges	191	-	-	191
<b>Total banks</b>	<b>2,339</b>	<b>1,254</b>	-	<b>3,592</b>
Payables to factoring companies	112	-	-	112
Deferred price on acquisitions	-	445	-	445
Other borrowings	-	344	-	344
<b>Total other lenders</b>	<b>112</b>	<b>789</b>	-	<b>901</b>
<b>Total</b>	<b>2,450</b>	<b>133,530</b>	-	<b>135,980</b>



The expected repayment flows in subsequent years are shown on pages 109 and 110.

The Group's financial liabilities at 31 December 2023 are shown below for comparison purposes.

Amounts in €000

				31.12.2023
	Short term	Medium/long term (within 5 years)	Long term (over 5 years)	Total
<b>Bond</b>	-	<b>131,248</b>	-	<b>131,248</b>
Short-term unsecured loans	7,034	-	-	7,034
Revolving loans	20,000	-	-	20,000
Other medium/long-term unsecured loan	878	7,217	-	8,095
Financial accrued expenses and charges	893	-	-	893
<b>Total banks</b>	<b>28,806</b>	<b>7,217</b>	-	<b>36,023</b>
Payables to factoring companies	-	-	-	-
Deferred price on acquisitions	-	4,405	-	4,405
Other borrowings	-	467	-	467
<b>Total other lenders</b>	-	<b>4,872</b>	-	<b>4,872</b>
<b>Total</b>	<b>28,806</b>	<b>143,337</b>	-	<b>172,142</b>

The following table shows the changes in financial liabilities.

Amounts in €000

	31.12.2023	Disbursements / Other changes	Repayments/Othe r changes	31.12.2024
<b>Bond</b>	<b>131,248</b>	<b>3,490</b>	<b>(3,250)</b>	<b>131,487</b>
Short-term unsecured loans	7,034	-	(7,034)	-
Revolving loans	20,000	-	(20,000)	-
Other medium/long-term unsecured loan	8,095	-	(4,694)	3,401
Financial accrued expenses and charges	893	191	(893)	191
<b>Total banks</b>	<b>36,023</b>	<b>191</b>	<b>(32,622)</b>	<b>3,592</b>
Payables to factoring companies	-	112	-	112
Deferred price on acquisitions	4,405	-	(3,960)	445
Other borrowings	467	-	(123)	344
<b>Total other lenders</b>	<b>4,872</b>	<b>112</b>	<b>(4,083)</b>	<b>901</b>
<b>Total</b>	<b>172,142</b>	<b>3,793</b>	<b>(39,955)</b>	<b>135,980</b>



Bank debt at 31 December 2024 consists of the following loans:

- A senior, non-convertible, non-subordinated and unsecured bond of Euro 130 million issued by Italian Wine Brands S.p.A. on 13 May 2021 with a duration of 6 years (expiry 13 May 2027), bullet repayment, fixed annual rate of 2.50%, with annual payment of interest. The bond is listed on the MOT market managed by Borsa Italiana and on the Irish Stock Exchange managed by Euronext Dublin.
- A medium-term loan granted on 28 February 2022 by Intesa San Paolo to the subsidiary Giordano Vini S.p.A. for Euro 2 million, repayable in quarterly instalments and scheduled for repayment on 28 February 2027, with interest at the 3m Euribor plus a spread of 1.45%. The residual debt at 31 December 2024 measured at amortized cost amounts to Euro 911 thousand.
- A medium-term loan paid out on 26 February 2021 by Crédit Agricole to the subsidiary Giordano Vini S.p.A., for Euro 2.4 million repayable in quarterly instalments with repayment scheduled for 26 February 2026, with interest at the 3m Euribor plus a spread of 1.00%. The residual debt at 3 December 2024 measured at amortized cost amounts to Euro 628 thousand.

An IRS-OTC derivative contract was taken out to hedge the interest rate risk on this loan for its entire duration; this contract provides for an exchange of flows between the Company and Crédit Agricole based on the residual amount of the underlying loan in each period; the Mark To Model value of the derivative is positive for Euro 12.0 thousand.

- Two loans for a total of Euro 861 thousand granted to Giordano S.p.A. by Simest for development projects:
  - Euro 800 thousand paid out on 28/01/2022 to be repaid by 31/12/2028 with a grace period of 36 months and an interest rate of 0.55%;
  - Euro 169 thousand disbursed on 06 April 2022 to be repaid by 10 December 2025 with a pre-amortization period of 12 months and a rate of 0.055% (residual balance at 31 December 2024: Euro 61 thousand).
- An unsecured loan contracted on 29 June 2022 by Provinco Italia S.p.A. (today IWB Italia S.p.A.) with Unicredit for Euro 5.0 million repayable in deferred quarterly instalments with a total duration of 36 months backed by an EIB guarantee. The interest rate is 3m Euribor plus a spread of 1.4%. The residual debt at 31 December 2024 is Euro 833 million. The resolution includes the availability of a revolving line of credit of Euro 5.0 million with a duration of 36 months which at 31 December 2024 has not yet been drawn down.
- Line of credit granted by Credito Emiliano to Enoitalia S.p.A. for Euro 1.5 million with interest at the 3m Euribor plus a spread of 0.75% (residual balance at 31 December 2024: Euro 168 thousand).
- The deferred price for the acquisition of Enovation Brands Inc. refers to the unconditional consideration to be paid to the sellers for which deferred payment has been agreed as follows: (i) USD 3.3 million no later than 10 January 2023, (ii) USD 3.3 million no later than 10 January 2024 already paid in previous years, and (iii) USD 1.4 million no later than 1 May 2026. The debt has been reduced by USD 927 thousand in consideration of the reimbursement from



shareholders provided for in art. 8 of the sale agreement because of the fraud that emerged in the Enovation accounts during the preparation of the consolidated financial statements at 31 December 2022.

- As regards the IRS-OTC, the method used to measure and value the derivative at the end of the year is the mark to market prepared by the bank. Future cash flows are calculated on the basis of the FWD curve of the Eur3m at 31 December 2024 and discounted by applying the relevant coefficients to future nettings, so as to obtain the current value of the derivative at 31 December 2024:

*Amounts in €000*

	<b>31.12.2024</b>	<b>31.12.2023</b>
STATEMENT OF FINANCIAL POSITION	12.0	42.7
INCOME STATEMENT	(30.7)	(42.1)

Financial liabilities are recognized at amortized cost, calculated as the initial fair value of the liabilities net of the costs incurred to obtain the loan, increased by the cumulative amortization of the difference between the initial amount and the amount at maturity, calculated using the effective interest rate where application of the amortized cost method would not be significantly different from the face value.

These loan contracts include terms and conditions usually observable in the marketplace for similar types of instruments. For example: (i) provision of a covenant (calculation envisaged at Italian Wine Brands Group level) based on the trend of certain financial parameters at consolidated Group level; (ii) disclosure obligations in relation to significant events affecting the Company, as well as corporate disclosures; (iii) the usual commitments and obligations for loan arrangements of this kind, such as limits on the assumption of financial debt and the sale of company assets and a ban on distributing dividends or reserves if certain financial parameters are not being respected.

'Lease liabilities' relate to the coming into force from 1 January 2019 of IFRS 16, which required lease contracts to be recorded in the accounts by indicating under non-current assets the amount of "Right of use assets" as a counterpart to a liability calculated as the present value of future cash outlays based on the contract.

For details, please refer to paragraph 7 B. Right-of-use assets.



Calculation of adjusted EBITDA for the covenant

The "Terms and Conditions" of the bond lay down that the Group has to determine on an annual basis the "Consolidated net financial leverage ratio" as the relationship between:

- (i) The net financial position of the Group and
- (ii) the adjusted EBITDA (consolidated)

This ratio, which is a key part of the covenant, must be at least 3.5x (or 4x in the event that the Group has completed acquisitions for an enterprise value of at least Euro 30 million during the year)

In the current year:

- a) The net financial position is equal to: Euro 89.3 million
- b) The adjusted EBITDA is equal to: Euro 50.4 million
- c) So the ratio comes to: 1.77

Any failure to achieve the parameters would not constitute a default event i.e. it would not result in an obligation to repay the bond early.



## 19. Severance indemnities

### *Defined contribution plans*

In the case of defined contribution plans, the Company pays contributions to public or private insurance institutions on the basis of a legal or contractual obligation, or on a voluntary basis. With the payment of the contributions, the Group fulfils all of its obligations.

Payables for contributions to be paid at the closing date are included in "Other current liabilities"; the cost for the period accrues on the basis of the service provided by the employee and is recorded under "Personnel costs" in the relevant area.

### *Defined benefit plans*

The plans in favour of employees, which qualify as defined benefit plans, are represented by the provision for severance indemnities (known as TFR in Italian); the liability is calculated on an actuarial basis with the unit credit projection method. The actuarial gains and losses that arise when calculating these items are shown in a specific equity reserve. The changes in the liability for severance indemnities in the year to 31 December 2024 are shown below.

*Amounts in €000*

	<b>31.12.2024</b>	<b>31.12.2023</b>
<b>Provision at 01.01.</b>	<b>1,654</b>	<b>1,444</b>
Provisions	176	234
Benefits paid during the period	(234)	(102)
Actuarial (gains)/losses	(95)	41
Financial costs	47	37
<b>Provision at the end of the period</b>	<b>1,548</b>	<b>1,654</b>

The "accrual of costs for employee benefits" and the "contribution/benefits paid" are recorded in the income statement under "Personnel costs" in the relevant area. "Financial income and expenses" are recognized in the income statement under "Financial income (expenses)", while the "actuarial gains and losses" are shown under other comprehensive income and included in a equity reserve called "Reserve for defined benefit plans".

The main actuarial assumptions are as follows.

<b>Actuarial assumptions</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
Discount rate	2.69%	3.67%
Inflation rate	2.09%	1.59%
Expected average turnover	9.40%	9.09%

**20. Provision for risks and charges**

This item has changed during the period as follows:

<i>Amounts in €000</i>		<b>31.12.2024</b>		
	<b>Non-current</b>	<b>Current</b>	<b>Total</b>	
<b>Provision at 01.01.2024</b>	<b>301</b>	<b>0</b>	<b>301</b>	
Provisions	0	0	0	
Releases	0	0	0	
Amounts used	(135)	0	(135)	
<b>Provision at the end of the period</b>	<b>166</b>	<b>0</b>	<b>166</b>	

<i>Amounts in €000</i>		<b>31.12.2023</b>		
	<b>Non-current</b>	<b>Current</b>	<b>Total</b>	
<b>Provision at 01.01.2023</b>	<b>288</b>	<b>0</b>	<b>288</b>	
Provisions	24	0	24	
Releases	0	0	0	
Amounts used	(12)	0	(12)	
<b>Provision at the end of the period</b>	<b>301</b>	<b>0</b>	<b>301</b>	

Non-current liabilities include a provision of 154 thousand euro set aside by IWB italia S.p.A. for a lawsuit against a former agent.

**21. Trade payables**

This item includes all payables of a commercial nature with the following geographical distribution.

<i>Amounts in €000</i>	<b>31.12.2024</b>	<b>31.12.2023</b>
Suppliers - Italy	90,249	108,318
Suppliers - Foreign markets	4,449	5,472
<b>Total</b>	<b>94,698</b>	<b>113,790</b>



## 22. Other current liabilities

Other liabilities are made as follows:

*Amounts in €000*

	<b>31.12.2024</b>	<b>31.12.2023</b>
Employees	4,318	4,074
Social security institutions	1,503	1,635
Directors	1,066	999
Accrued expenses and deferr€	2,895	3,458
Others	311	593
<b>Total</b>	<b>10,093</b>	<b>10,759</b>

The amount due to employees mainly includes salaries for the month of December 2024 that were paid in January 2025, as well as deferred pay for public holidays and vacation accrued but not yet taken.

Accrued expenses and deferred income mainly consist of the portion of Industry 4.0 capital grants pertaining to future years and tax credits relating to Enoitalia. The decrease compared with 31 December 2023 is due to the allocation to the income statement of the 2024 portion of tax credits and investment grants (of which 101 thousand euro relating to the sale of Torricella).

"Other" mainly includes: Euro 50 thousand due to the Board of Statutory Auditors and Euro 185 thousand relating to ongoing disputes. The decrease compared with 31 December 2023 mainly derives from the elimination of advances to customers (155 thousand euro in 2023) and lower payables for ongoing disputes.



### 23. Current tax liabilities

These are made up as follow.

*Amounts in €000*

	<b>31.12.2024</b>	<b>31.12.2023</b>
VAT	1,009	2,416
IRES	4,976	846
IRPEF withholding tax	914	809
IRAP	996	274
Excise duty	127	65
Other taxes	(181)	(195)
<b>Total</b>	<b>7,841</b>	<b>4,216</b>

The increase in IRES payable is mainly due to a higher taxable income compared with the previous year.



## 24. Revenue from sales

Revenue from sales and other income at 31 December 2024 are detailed below with comparative figures.

*Amounts in €000*

	31.12.2024	31.12.2023
<b>Revenues from sales - Italy</b>	<b>73,624</b>	<b>67,380</b>
<b>Revenues from sales - Foreign markets</b>	<b>328,210</b>	<b>361,500</b>
UK	89,760	104,473
Germany	55,457	66,616
Switzerland	41,077	40,857
US	34,120	31,646
Austria	13,955	17,009
Poland	11,882	11,495
France	9,419	16,709
Netherlands	7,480	8,744
Belgium	7,131	7,521
Canada	6,975	7,444
Denmark	5,466	6,430
Ireland	5,234	7,260
Sweden	2,094	2,624
Hungary	1,349	1,728
China	1,308	1,808
Other countries	35,504	29,136
<b>Other Revenues</b>	<b>103</b>	<b>247</b>
<b>Total Revenues from sales</b>	<b>401,937</b>	<b>429,127</b>

In this regard, it should be noted that the turnover relating to the two main customers amounts to (i) Euro 62,068 thousand (ii) Euro 52,481 thousand respectively. The Group's customers are predominantly international clients with sales referring to a variety of countries. Revenue is attributed to countries based on the destination of the products. Sales per product at the overall customer level are not significant, as the Group essentially sells wine and the cost of an analytical report would be excessive, at least for the time being.



## 25. Other income

Other income at 31 December 2024 is detailed below with comparative figures.

*Amounts in €000*

	<b>31.12.2024</b>	<b>31.12.2023</b>
Capital gains	417	9
Contributions and tax credits	1,119	1,437
Rental income	469	466
Chargebacks	93	116
Out-of-period income	504	1,037
Others	660	1,344
<b>Total other income</b>	<b>3,261</b>	<b>4,410</b>

The capital gains derive from the sale of Torricella for 346 thousand euro and from the sale of other machinery for the remainder.

The decrease in Other is primarily due to discounts and special pricing received in 2023 by Enovation Brands Inc. and not present in 2024.

## 26. Purchases

Purchases can be broken down as follows.

*Amounts in €000*

	<b>31.12.2024</b>	<b>31.12.2023</b>
Provinco Italia S.p.A.	0	37,877
Giordano Vini S.p.A.	12,434	28,913
IWB Italia S.p.A.	231,228	184,293
Enovation Brands Inc	1,689	1,866
Barbanera S.r.l.	0	15,309
Raphael Dal Bo AG	2,982	3,587
IWB S.p.A.	0	3
<b>Total</b>	<b>248,332</b>	<b>271,847</b>



## 27. Services

Services at 31 December 2024 are detailed below with comparative figures.

*Amounts in €000*

	<b>31.12.2024</b>	<b>31.12.2023</b>
Services from third parties	17,724	17,985
Transport	14,957	17,769
Postage expenses	3,229	3,566
Leases and rentals	1,712	1,836
Consulting	2,413	3,044
Advertising costs	1,938	1,826
Utilities	2,685	3,201
Remuneration of Directors, Statutory Audi	3,191	3,630
Maintenance	2,134	2,003
Outsourcing costs	6,784	7,169
Commissions	2,403	3,176
Other costs for services	8,055	8,457
<b>Total</b>	<b>67,225</b>	<b>73,662</b>

The remuneration of directors, statutory auditors and the supervisory body is detailed as follows.

*Amounts in €000*

	<b>31.12.2024</b>	<b>31.12.2023</b>
Directors	2,981	3,410
Statutory auditors	140	162
SB	70	58
<b>Total</b>	<b>3,191</b>	<b>3,630</b>

The audit fees earned by the Independent Auditors in 2024 are as follows.

*Amounts in €000*

	<b>Audit</b>	<b>Consulting</b>
Holding company	57	0
Subsidiaries	143	0
<b>Total</b>	<b>200</b>	<b>0</b>



## 28. Personnel

Personnel costs at 31 December 2024 are detailed below with comparative figures.

*Amounts in €000*

	31.12.2024	31.12.2023
Wages and salaries	19,086	17,452
Social security charges	4,932	4,811
Severance indemnities	909	842
Stock grant	132	130
Administration cost	2,247	2,264
Other costs	102	155
<b>Total</b>	<b>27,408</b>	<b>25,654</b>

The following table shows the number of employees.

	No. at 31.12.2024	Average no. 31.12.2024	No. at 31.12.2023	Average no. 31.12.2023
Managers	7	7	7	8
Middle managers	20	20	20	21
Office workers	182	194	211	210
Factory workers	128	134	138	141
<b>Total</b>	<b>337</b>	<b>355</b>	<b>376</b>	<b>380</b>

The decrease in the number of employees is related to the reorganisation carried out at the Valle Talloria site and which involved:

- IWB Italia employees:
  - of the production site (cellar and bottling) of Valle Talloria who were not willing to be transferred to the Calmasino site;
  - of the Torricella winery whose contracts were transferred at the same time as the transfer of the business unit to Cantine Hermes;
- employees of Giordano Vini S.p.A. involved in the Teleselling activity, which has now been outsourced.



## 29. Other operating costs

Other operating costs at 31 December 2024 are detailed below with comparative figures.

*Amounts in €000*

	<b>31.12.2024</b>	<b>31.12.2023</b>
Capital losses	176	33
Other taxes	361	385
Damages, penalties/fines	73	82
Concessions and licences	306	255
Out-of-period expenses	167	458
Others	375	434
<b>Total</b>	<b>1,458</b>	<b>1,647</b>

## 30. Write-downs

This item refers essentially to the subsidiary Giordano Vini S.p.A. and concerns the write-down of trade receivables for the period.

## 31. Financial income and expenses

Financial income and expenses are detailed in the following tables.

*Amounts in €000*

	<b>31.12.2024</b>	<b>31.12.2023</b>
On current accounts	451	268
Exchange rate gain/(loss)	855	1,181
Others	610	41
<b>Total</b>	<b>1,917</b>	<b>1,490</b>

The item "Others" includes in 2024 financial income deriving from recovery of the withholding tax on dividends paid by Raphael dal Bo AG during 2023 for 574 thousand euro; the remainder refers to other interest income.



Amounts in €000

	31.12.2024	31.12.2023
Bonds	(3,490)	(3,479)
Loans	(278)	(1,460)
Lease liabilities	(477)	(458)
Bank current accounts	(6)	(483)
Financial instruments	(31)	(42)
Factoring	(967)	(1,084)
Bank fees and charges	(541)	(385)
Exchange gain/(loss)	(512)	(1,254)
Others	(566)	(641)
<b>Total</b>	<b>(6,868)</b>	<b>(9,288)</b>

In detail, interest on loans includes:

- interest expense on medium-long term loans;
- interest paid on bank current accounts mainly relating to the use of overdraft facilities with various banking institutions;
- realized exchange differences and end-of-period adjustments to items expressed in foreign currency;
- bank commissions and expenses including those for sureties.

The significant decrease in financial charges is related to better use of cash following the merger of the Italian companies involved in the B2B business and production which, in addition to the operational and corporate benefits, has permitted a significant reduction in short-term borrowings.



## 32. Taxes

Income taxes at 31 December 2024 are detailed below with comparative figures.

*Amounts in €000*

	<b>31.12.2024</b>	<b>31.12.2023</b>
IRES	(6,093)	(2,308)
IRAP	(1,436)	(946)
Taxes for prior periods	(57)	(212)
<b>Total current taxes</b>	<b>(7,586)</b>	<b>(3,465)</b>
Deferred tax assets	(423)	380
Deferred tax liabilities	(228)	(31)
<b>Total deferred taxes</b>	<b>(651)</b>	<b>349</b>
<b>Total</b>	<b>(8,237)</b>	<b>(3,116)</b>



### 33. Related-party transactions

Related-party transactions form part of normal business operations within the typical activity of the parties concerned and they are regulated at standard conditions.

To summarize:

- (i) a commercial lease contract signed on 1 February 2012 by Provinco Italia S.p.A. and Provinco S.r.l. under which Provinco S.r.l. has been leasing the property located in Via per Marco 12/b, Rovereto (TN) to Provinco Italia S.p.A.; the lease has a duration of six years (until 31 January 2018) with tacit renewal for the same period unless notice of cancellation is given 12 months before the expiry date; the agreed rent is Euro 60 thousand per year, index-linked to ISTAT inflation statistics, plus VAT. For 2024 the rent came to Euro 69,837.62;
- (ii) a service contract with Electa S.p.A. involving investor relations support for an annual amount of Euro 40 thousand.

These relationships are regulated at market conditions.

The Parent Company Italian Wine Brands S.p.A. has adopted and follows the Procedure for Related-Party Transactions in compliance with the general provisions of the Euronext Growth Milan Issuers' Regulation.

### 34. Atypical and unusual transactions

Pursuant to Consob Communication no. DEM/6064293 of 28 July 2006, during the period the Group did not carry out any atypical or unusual transactions as defined in the Communication, according to which atypical and/or unusual transactions are those that, due to their importance or materiality, the nature of the counterparties, the object of the transaction, the method of determining the transfer price and the timing of the event, could give rise to doubts about: the accuracy or completeness of the information disclosed in the financial statements, conflict of interest, safeguarding of the Company's assets and the protection of non-controlling interests.

### 35. Law for the market and competition (L04/08/2017 no. 124 paragraph 125)

In accordance with the transparency requirement in art. 1, para. 125 of Law 124/2017, the grants received in 2024 are shown below:

- (i) OCM grants for market promotions of Euro 494,142.48;
- (ii) investment tax credit of Euro 876,943.01;
- (iii) advertising grant of Euro 8,056.00.



## 36. Significant events

### 36.1 Significant events during the period

On 1 January 2024 the merger took effect between Provinco Italia S.p.A., Enoitalia S.p.A., Barbanera S.r.l. and Fossalto S.r.l., which led to the establishment of IWB Italia S.p.A., the Group's commercial and industrial hub, with a view to maximising synergies for all activities in the B2B segment: commercial, production, management and financial.

On 18 March 2024 The Board of Directors of IWB defined the quantitative and qualitative criteria of materiality of the relationships potentially relevant for the purposes of assessing the independence of its members (the **Materiality Criteria**) in compliance with art. 6-bis of the EGM Regulation currently in force.

On 24 April 2024 Italian Wine Brands S.p.A. announced that the Group's subsidiaries, Giordano Vini S.p.A. and IWB Italia S.p.A., have communicated to the trade unions their decision to reorganise their teleselling and production operations at the Valle Talloria site in Diano d'Alba (Piedmont), run by Giordano Vini S.p.A. and IWB Italia S.p.A. respectively, to optimise productivity and adapt their respective structures to the changed market conditions:

- a) with reference to the teleselling activities, the reorganisation became necessary following the change in customer purchasing methods, increasingly oriented towards online, to the detriment of telephone sales. Giordano Vini S.p.A. has long developed the digital part of its business, while telephone sales have undergone a progressive downsizing, which makes it economically unsustainable to maintain an internal organisation dedicated to this and, as such, must therefore be dismantled: a decision that appears even more necessary and strategic considering the higher efficiency in this area of the outsourcing model that has already been implemented for years by Giordano Vini S.p.A. and will be pursued further;
- b) with reference to production , given the significant external growth achieved in recent years, the Group decided to concentrate production, arranging for the transfer of the IWB Italia production personnel operating at Valle Talloria di Diano D'Alba to the Calmasino di Bardolino (VR) site, with a view to rationalisation and, ultimately, a reduction in production costs. It will also make production activities and those related to them more efficient.

The IWB Group has agreed forms of support for the people affected by the reorganisation with the trade unions. The agreements were signed on 22 May 2024 for Giordano Vini S.p.A. and on 28 May 2024 for IWB Italia S.p.A.

On 30 April 2024 the Shareholders' Meeting:

- (i) appointed and established the compensation of the Board of Directors, which will remain in office for three years until the approval of the financial



- statements for 2026, in the persons of: Alessandro Mutinelli, Giorgio Pizzolo, Simone Strocchi, Antonella Lillo (independent director), Sofia Barbanera, Massimiliano Mutinelli and Marta Pizzolo.
- (ii) approved the purchase and disposal of treasury shares pursuant to arts. 2357 and 2357-ter of the Italian Civil Code and art. 132 of the Consolidated Finance Act, according to the methods proposed in the Directors' Report to provide the Company with a strategic investment opportunity for any purpose permitted by the provisions currently in force. This includes the purposes envisaged in art. 5 of Regulation (EU) 596/2014 (Market Abuse Regulation, "MAR") and in the practices permitted pursuant to art. 13 MAR, where applicable, including the purchase of treasury shares with a view to their subsequent cancellation, according to the terms and methods to be decided by the corporate bodies after cancellation of the resolution adopted by the Shareholders' Meeting of 27 April 2023 for the part not carried out.

On 16 May 2024 IWB Italia signed a partnership and collaboration agreement with Cantine Ermes, which with 14 plants in 6 regions represents one of the main cooperative operators in the transformation of grapes, with a view, on the one hand, to valorisation of its assets at the Torricella winery and, on the other, to continue raising production efficiency. The agreement, which took effect on 20 June, provides for: (i) strengthening and expansion of the collaboration and partnership between IWB and Cantine Ermes for the supply of larger volumes of wine, produced according to technical specifications and under the supervision of IWB technicians; (ii) sale of the Torricella plant by IWB Italia to Cantine Ermes.

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*On 15 October 2024* Alessandro Mutinelli, Chairman and CEO of the Group, was appointed a board member of Unione Italiana Vini, the Italian Association of Wine Companies. This appointment is an important milestone both for Alessandro Mutinelli, who sees his commitment and entrepreneurial vision recognised in promoting Italian wine at a national and international level, and for IWB, which now acquires a prominent role within the most important representative Association for companies in the wine sector: it has 770 corporate members and represents more than 150,000 winemakers, more than 50% of the Italian wine turnover and over 85% of the export turnover of Italian wine.

*On 17 December 2024* The Board of Directors of Italian Wine Brands S.p.A. decided to propose to the Shareholders' Meeting the distribution of an extraordinary dividend of Euro 0.5 per share (gross of legal withholdings and excluding treasury shares) for a total of Euro 4,678,268 (the "Extraordinary Dividend") to be drawn from available reserves formed by retained earnings. The Board of Directors deemed it appropriate to formulate the proposal for the distribution of the Extraordinary Dividend on the occasion of the tenth anniversary of the Company's listing, in consideration of (i) the exceptional growth and value creation achieved by the Company over the course of these ten years, (ii) recognition of the support always granted by the shareholders to the development path of IWB, both organically and through external lines.

### **36.2 Significant subsequent events**

*On 28 January 2025* the following were held at the headquarters of the Italian Stock Exchange:

- the shareholders' meeting which coincides with the tenth anniversary of the listing approved the Board of Directors' proposal to distribute an extraordinary dividend of Euro 0.5 per share in consideration of the exceptional growth and value creation achieved by the company over the course of these ten years and recognition of the shareholders' support for IWB's development path, both organically and through external lines;
- the event that celebrated the tenth anniversary of the listing in the presence of the entire Management Team, Directors and Shareholders who were some of the first investors, for a significant anniversary of the first Italian wine group to be listed on the Italian Stock Exchange. As tangible recognition for the competence, passion and dedication of all its collaborators, the Group paid each employee an extraordinary bonus of Euro 1,000.

*On 18 February 2025* Italian Wine Brands S.p.A. announced that its subsidiary Giordano Vini S.p.A., through the Italian platform Svinando, an international leader in the online sale of food



and wine products, had launched “Nando”, the first virtual assistant based on artificial intelligence developed internally to offer a browsing and consulting experience tailor-made to the needs of its customers. Thanks to an advanced search engine based on AI technology, “Nando” is able to guide users on broad topics, from the characteristics of the products in the catalogue, to food/wine pairings, the right occasions to drink a certain wine, and the customer's budget. This is a genuinely expert guide, capable of understanding and anticipating the needs of the customer, offering personalised advice with precision and reliability. “Nando” guarantees quick, accurate and targeted responses, breaks down the barriers between technology and user, uses a fluid, natural interaction, increasingly close to human language, giving advice just like a real wine merchant. Svinando is the first Italian e-commerce player in the world of wine to offer a solution of this kind.

*On 26 February 2025* The Board of Directors approved an integration of the incentive plan with the aim of further strengthening the alignment of the Group's objectives with those of the management team. It will allow the Group to continue on the path of growth in revenue, profit margins and cash generation in order to maximise the interests of all stakeholders.

### **37. Outlook**

In 2025, the IWB Group will present itself on the market with:

- (i) an integrated organisational structure;
- (ii) an efficient production structure with six months of synergies still to be expressed;
- (iii) a presence on international markets that makes it possible to seize new opportunities and to manage risks adequately;
- (iv) a financial situation which allows us to tackle both organic and external growth with confidence.

On the trade front, while carefully monitoring and trying to anticipate the possible effects of the increase in American tariffs, the Group is continuing with its strategy:

- of developing its Top Brands with a view to a continuous increase in profit margins and the recovery of private label contracts with levels of profitability in line with Group standards, as well as to support volumes;
- of more and more positioning in growth markets;
- of product innovation with the launch of the first IWB-branded dealcoholised products and products in the “ready to drink” segment on the American market.



On the production and purchasing front:

- the purchasing conditions for the main supplies of raw materials have already been negotiated;
- further cost reductions are expected for utilities;

all the conditions have therefore been created to achieve even better results than in 2024.

\*\*\*\*\*

For the Board of Directors

*Chairman and Chief Executive Officer*

*Alessandro Mutinelli*





**ITALIAN WINE BRANDS**  
*Creatori di Eccellenze*

**ANNUAL FINANCIAL REPORT**  
**IWB S.p.A.**  
**31<sup>st</sup> DECEMBER 2024**

**ITALIAN WINE BRANDS S.P.A.**

Registered office in Milan, Viale Abruzzi, 94 (Italy)  
joint-stock company with subscribed and paid-up share capital of Euro 1.124.468,80

Tax Code Company Reg. No. 08851780968  
Registered in the Companies Register of Milan (Italy)  
R.E.A. No. 2053323

[www.italianwinebrands.it](http://www.italianwinebrands.it)



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## Composition of the Corporate and Control Bodies

### Board of Directors

Alessandro Mutinelli  
*(Chairman and Chief Executive Officer)*

Giorgio Pizzolo  
*(Deputy Chairman)*

Simone Strocchi

Sofia Barbanera

Antonella Lillo  
*(Independent Director)*

Massimiliano Mutinelli

Marta Pizzolo

### Board of Statutory Auditors

David Reali  
*(Chairman of the Board of Statutory Auditors)*

Debora Mazzaccherini  
*(Standing Auditor)*

Eugenio Romita  
*(Standing Auditor)*

### Independent Auditors

BDO Italy S.p.A.

### Euronext Growth Advisor

Value Track SIM S.p.A.



## Directors' Report on Operations

### 1. Analysis of the Company's situation, market trends and results of operations

#### 1.1. The company and the Group

From a corporate point of view, in 2023 the Group initiated a significant reorganisation, which was completed in 2024. This led to (i) the creation of two hubs to cover the various sales channels and (ii) optimisation of the industrial structure which achieved important synergies with long-term economic and financial effects, resulting in the following structure:

- 1) **IWB Italy S.p.A.** which was born from the merger of Enoitalia S.p.A., Provinco Italia S.p.A., Barbanera S.r.l., Fossalto S.r.l., and the B2B and production side of Giordano Vini S.p.A., with the mission of:
  - (i) develop the Group's B2B business in both the Wholesale and Ho.re.ca channels, also through the coordination of foreign companies focused on the presence and growth of the main reference markets;
  - (ii) ensure production that is flexible with respect to the needs of different brands and optimised in terms of costs and supply chain efficiency.

The Group's production structure consists of (i) 3 company-owned wineries located in Calmasino (VR), Montebello (VI) and Cetona (SI) and (ii) 8 bottling lines, one of which is located in Cetona (SI), 3 in Montebello (VI), 4 in Calmasino (VR).

- 2) **Giordano Wines S.p.A.** as a purely commercial company focused on direct sales to the end-consumer:
  - (i) through integrated management of all direct contact channels (Direct Mailing, Teleselling and Web;
  - (ii) offering personalised delivery and payment services;
  - (iii) enriching the offer to customers with traditional Italian food products and complementary products that make the consumer experience even more attractive.

**IWB S.p.A.** maintains the management and coordination activity for the Group companies by holding direct controlling interests in the main companies: Giordano Vini S.p.A., IWB Italia S.p.A., Enovation Brands Inc., and IWB UK Ltd. (incorporated in 2022 as the Group's exporter to the British market in compliance with the new regulations that came into force in January 2024 and which require a formal indication of the exporter on the label).



The following is the corporate organisation chart of the Italian Wine Brands Group.



- IWB Italia S.p.A. was born from the merger, effective 1 January 2024, of Provinco Italia S.p.A., Enoitalia S.p.A. Barbanera S.r.l., Fossalto S.r.l. and the B2B and production side of Giordano Vini S.p.A.;
- Giordano Vini S.p.A. remains as a company focused on B2C sales. In addition to organisational simplification, the objective of the demerger was a better focus on commercial and production activities and the maximisation of business synergies;
- Provinco Deutschland GmbH was put into liquidation in December 2023, as it had been dormant for years.



### 1.2.1 Financial situation of the Parent Company

The situation of IWB S.p.A. at 31 December 2024 shown here represents the separate financial statements of IWB S.p.A., and presents:

- a profit for the period of Euro 5.8 million (Euro 7.2 million at 31 December 2023);
- net debt – third-party lenders of Euro 112.5 million (Euro 85.7 million at 31 December 2023). The rise is due to the increase in capital in favour of Giordano Vini S.p.A. with a consequent waiver of intercompany loans for an amount equal to Euro 28.7 million.

The following are summary tables of the financial position and income statement of the Parent Company.

#### Reclassified statement of financial position

Amounts in €000

	31.12.2024	31.12.2023	31.12.2022
Other intangible assets	102	112	119
Goodwill	0	0	0
Tangible assets	61	82	102
Right-of-use assets	497	60	119
Equity investments	292,576	263,904	263,557
<b>Total fixed assets</b>	<b>293,236</b>	<b>264,157</b>	<b>263,897</b>
Inventory	0	0	0
Net trade receivables	1,274	5,800	2,558
Trade payables	(356)	(328)	(319)
Other assets (liabilities)	(470)	360	3,225
<b>Net working capital</b>	<b>447</b>	<b>5,832</b>	<b>5,464</b>
Payables for employee benefits	(86)	(60)	(42)
Net deferred and prepaid tax assets (liabilities)	217	464	32
Other provisions	0	0	0
<b>NET INVESTED CAPITAL</b>	<b>293,814</b>	<b>270,394</b>	<b>269,351</b>
<b>Shareholders' equity</b>	<b>180,416</b>	<b>180,256</b>	<b>174,199</b>
Profit (loss) for the period	5,760	7,204	9,444
Share capital	1,124	1,124	1,124
Other reserves	173,531	171,927	163,630
Non-controlling interests	0	0	0
<b>Net debt - third-party lenders</b>	<b>112,453</b>	<b>85,659</b>	<b>87,384</b>
<b>Deferred price on acquisitions</b>	<b>445</b>	<b>4,405</b>	<b>7,621</b>
<b>Lease liabilities</b>	<b>500</b>	<b>74</b>	<b>146</b>
<b>TOTAL SOURCES</b>	<b>293,814</b>	<b>270,394</b>	<b>269,351</b>



In relation to the financial situation, it should be noted that:

- at 31 December 2024, the equity investments in subsidiaries consist of Giordano Vini S.p.A. for Euro 20,856 thousand, IWB Italia S.p.A. for Euro 256,654 thousand and Enovation Brands Inc. for Euro 15,066 thousand;
- As a result of the merger, effective 1 January 2024, of Provinco Italia S.p.A., Barbanera S.r.l., Fossalto S.r.l. into Enoitalia S.p.A. which then gave rise to IWB Italia S.p.A., the amount of the investment corresponds to the sum of the values of the companies involved in the merger.

### Reclassified Income statement

Amounts in €000	31.12.2024	31.12.2023	31.12.2022
Revenue from sales	2,348	2,472	1,688
Change in inventories	0	0	0
Other income	240	4	121
<b>Total revenue</b>	<b>2,587</b>	<b>2,476</b>	<b>1,809</b>
Purchase costs	0	(3)	(1)
Costs for services	(2,114)	(2,049)	(1,083)
Personnel costs	(1,041)	(1,269)	(1,123)
Other operating costs	(165)	(178)	(115)
<b>Operating costs</b>	<b>(3,319)</b>	<b>(3,498)</b>	<b>(2,322)</b>
<b>Adjusted EBITDA</b>	<b>(732)</b>	<b>(1,022)</b>	<b>(513)</b>
Write-downs	0	0	0
Depreciation and amortization	(150)	(154)	(169)
Net releases (accruals) of provision for risks and charges	0	0	0
<b>Adjusted operating result</b>	<b>(882)</b>	<b>(1,176)</b>	<b>(681)</b>
Net financial income/(expenses)	(2,749)	(2,462)	(2,777)
Dividends from subsidiaries	10,000	11,360	12,180
<b>EBT</b>	<b>6,370</b>	<b>7,722</b>	<b>8,723</b>
Taxes	583	870	770
<b>Net profit before non-recurring items and related tax effect</b>	<b>6,953</b>	<b>8,593</b>	<b>9,492</b>
Non-recurring items	(1,654)	(1,926)	(67)
Tax effect of non-recurring charges	461	537	19
<b>Profit/(loss)</b>	<b>5,760</b>	<b>7,204</b>	<b>9,444</b>

As regards the income statement, note that:

- the dividends all refer to the subsidiary IWB Italia S.p.A.;
- costs for services include Euro 755 thousand of fees for the directors (excluding the effect of the incentive plan), statutory auditors and supervisory bodies and Euro 560 thousand of consultancy fees;
- financial income refers to the interest accrued on the loan granted to Giordano Vini S.p.A. (Euro 494 thousand) and IWB Italia S.p.A. (Euro 299 thousand); financial expenses are mainly interest on the bond amounting to Euro 3,490 thousand.

**Reclassified Income statement**

Amounts in €000

	Reported 31.12.2024	Management (1)	adjustments (2)	Adjusted 31.12.2024
Revenue from sales	2,348			2,348
Change in inventories	0			0
Other income	240	0		240
<b>Total revenue</b>	<b>2,587</b>	<b>0</b>	<b>0</b>	<b>2,587</b>
Purchase costs	0			0
Costs for services	(3,504)	0	1,390	(2,114)
Personnel costs	(1,305)	189	75	(1,041)
Other operating costs	(165)	0		(165)
<b>Operating costs</b>	<b>(4,973)</b>	<b>189</b>	<b>1,465</b>	<b>(3,319)</b>
<b>EBITDA</b>	<b>(2,386)</b>	<b>189</b>	<b>1,465</b>	<b>(732)</b>
Write-downs	0			0
Depreciation and amortization	(150)			(150)
Net releases (accruals) of provision for risks and charges	0			0
<b>EBIT</b>	<b>(2,536)</b>	<b>189</b>	<b>1,465</b>	<b>(882)</b>
Net financial income/(expenses)	(2,749)			(2,749)
Dividends from subsidiaries	10,000			10,000
<b>EBT</b>	<b>4,716</b>	<b>189</b>	<b>1,465</b>	<b>6,370</b>
Taxes	1,045	(53)	(409)	583
<b>Profit/(loss)</b>	<b>5,760</b>	<b>136</b>	<b>1,057</b>	<b>6,953</b>

Adjusted book figures at 31 December 2024 (for adjusted gross operating profit and adjusted profit/loss) shown gross of non-recurring costs, for a total of 1,654 thousand euro attributable to:

## 1) Management:

- i) Personnel costs of Euro 189 thousand for settlements with former employees and related costs;

## 2) Adjustments:

- ii) Costs for personnel and services costs for a total of 1,465 thousand euro (i) relating to the full vesting and assignment of the second tranche of the 2023-2025 Incentive Plan, representing 20% of the overall value of the plan on achievement of the target profit for 2024 (2024 Adjusted EBITDA equal to at least 50.0 million euro).



## 1.2.2 Net financial position

The following is a breakdown of net debt at 31 December 2024 compared with the figures at 31 December 2023 and 2022, based on the new format introduced by ESMA Guideline 32-382-1138 of 4 March 2021”:

<i>Amounts in €000</i>	<b>31.12.2024</b>	<b>31.12.2023</b>	<b>31.12.2022</b>
A. Cash	0	0	0
B. Cash equivalents	7,542	2,043	3,887
C. Other current financial assets	11,492	25,563	23,666
<b>D. Cash and cash equivalents (A) + (B) + (C)</b>	<b>19,034</b>	<b>27,606</b>	<b>27,553</b>
E. Current debt (including financial instruments, but not including current portion of non-current debt)	0	17	8,019
F. Current portion of non-current debt	90	74	72
<b>G. Current debt (E) + (F)</b>	<b>90</b>	<b>92</b>	<b>8,091</b>
<b>H. Net current debt (G) - (D)</b>	<b>(18,944)</b>	<b>(27,514)</b>	<b>(19,462)</b>
I. Non current debt (excluding current portion and debt instruments)	0	0	0
J. Debt instruments	131,487	131,248	131,018
K. Trade payables and other non-current debts	854	4,405	7,695
<b>L. Non current debt (I) + (J) + (K)</b>	<b>132,342</b>	<b>135,652</b>	<b>138,714</b>
<b>M. Net financial position (H) + (L)*</b>	<b>113,398</b>	<b>108,138</b>	<b>119,251</b>
<i>of which</i>			
<i>Deferred price on acquisitions</i>	445	4,405	7,621
<i>Current lease liabilities</i>	90	74	72
<i>Non-current lease liabilities</i>	410	0	74
<b>Net financial position without the effect of IFRS 16 and deferred price on acquisitions</b>	<b>112,453</b>	<b>103,659</b>	<b>111,484</b>
<i>*The figure doesn't include financial assets towards subsidiaries with a maturity exceeding 12 months.</i>			
N. Other non-current financial assets	0	18,000	24,100
<b>O. NFP (included non-current financial assets) (M) - (N)</b>	<b>113,398</b>	<b>90,138</b>	<b>95,151</b>



## 2. Significant events

### 2.1 Significant events during the period

On 1 January 2024 the merger took effect between Provinco Italia S.p.A., Enoitalia S.p.A., Barbanera S.r.l. and Fossalto S.r.l., which led to the establishment of IWB Italia S.p.A., the Group's commercial and industrial hub, with a view to maximising synergies for all activities in the B2B segment: commercial, production, management and financial.

On 18 March 2024 The Board of Directors of IWB defined the quantitative and qualitative criteria of materiality of the relationships potentially relevant for the purposes of assessing the independence of its members (the **Materiality Criteria**) in compliance with art. 6-bis of the EGM Regulation currently in force.

On 24 April 2024 Italian Wine Brands S.p.A. announced that the Group's subsidiaries, Giordano Vini S.p.A. and IWB Italia S.p.A., have communicated to the trade unions their decision to reorganise their teleselling and production operations at the Valle Talloria site in Diano d'Alba (Piedmont), run by Giordano Vini S.p.A. and IWB Italia S.p.A. respectively, to optimise productivity and adapt their respective structures to the changed market conditions:

- a) with reference to the teleselling activities, the reorganisation became necessary following the change in customer purchasing methods, increasingly oriented towards online, to the detriment of telephone sales. Giordano Vini S.p.A. has long developed the digital part of its business, while telephone sales have undergone a progressive downsizing, which makes it economically unsustainable to maintain an internal organisation dedicated to this and, as such, had to be dismantled: a decision that became even more necessary and strategic considering the higher efficiency in this area of the outsourcing model that has already been implemented for years by Giordano Vini S.p.A. and was pursued further;
- b) with reference to production , given the significant external growth achieved in recent years, the Group decided to concentrate production, arranging for the transfer of the IWB Italia production personnel operating at Valle Talloria di Diano D'Alba to the Calmasino di Bardolino (VR) site, with a view to rationalisation and, ultimately, a reduction in production costs. It will also make production activities and those related to them more efficient.

The IWB Group has agreed forms of support for the people affected by the reorganisation with the trade unions. The agreements were signed on 22 May 2024 for Giordano Vini S.p.A. and on 28 May 2024 for IWB Italia S.p.A.



*On 30 April 2024* the Shareholders' Meeting:

- (i) appointed and established the compensation of the Board of Directors, which will remain in office for three years until the approval of the financial statements for 2026, in the persons of: Alessandro Mutinelli, Giorgio Pizzolo, Simone Strocchi, Antonella Lillo (independent director), Sofia Barbanera, Massimiliano Mutinelli and Marta Pizzolo.
- (ii) approved the purchase and disposal of treasury shares pursuant to arts. 2357 and 2357-ter of the Italian Civil Code and art. 132 of the Consolidated Finance Act, according to the methods proposed in the Directors' Report to provide the Company with a strategic investment opportunity for any purpose permitted by the provisions currently in force. This includes the purposes envisaged in art. 5 of Regulation (EU) 596/2014 (Market Abuse Regulation, "MAR") and in the practices permitted pursuant to art. 13 MAR, where applicable, including the purchase of treasury shares with a view to their subsequent cancellation, according to the terms and methods to be decided by the corporate bodies after cancellation of the resolution adopted by the Shareholders' Meeting of 27 April 2023 for the part not carried out.

On 16 May 2024 IWB Italia signed a partnership and collaboration agreement with Cantine Ermes, which with 14 plants in 6 regions represents one of the main cooperative operators in the transformation of grapes, with a view, on the one hand, to valorisation of its assets at the Torricella winery and, on the other, to continue raising production efficiency. The agreement, which took effect on 20 June, provides for: (i) strengthening and expansion of the collaboration and partnership between IWB and Cantine Ermes for the supply of larger volumes of wine, produced according to technical specifications and under the supervision of IWB technicians; (ii) sale of the Torricella plant by IWB Italia to Cantine Ermes.

*On 24 May 2024* Italian Wine Brands S.p.A. joined the Prosecco Consortium with the appointment of its Deputy Chairman Giorgio Pizzolo as a member of the Prosecco DOC Board of Directors.

*On 28 May 2024* Italian Wine Brands S.p.A. strengthened its management structure with the appointment of Alessandro Vella as the new General Manager.

*On 12 September 2024* the boards of directors of Giordano Vini S.p.A. and IWB Italia S.p.A. approved the partial demerger to transfer the Giordano Vini S.p.A. brand to the beneficiary IWB Italia S.p.A. The project completes the corporate reorganisation begun in 2023 to improve operational efficiency and rationalise the business organisation of the companies involved, making it possible to achieve important synergies. In this context, concentrating the Group's brands in a single company, IWB Italia, will help to optimise how they are managed with a view to future development. From an operational standpoint, Giordano will continue to



benefit from use of the brand through a specific multi-year agreement for the production of wine that will commence from the Effective Date of the Demerger.

*On 15 October 2024* Alessandro Mutinelli, Chairman and CEO of the Group, was appointed a board member of Unione Italiana Vini, the Italian Association of Wine Companies. This appointment is an important milestone both for Alessandro Mutinelli, who sees his commitment and entrepreneurial vision recognised in promoting Italian wine at a national and international level, and for IWB, which now acquires a prominent role within the most important representative Association for companies in the wine sector: in fact it has 770 corporate members and represents more than 150,000 winemakers, more than 50% of the Italian wine turnover and over 85% of the export turnover of Italian wine.

*On 17 December 2024* The Board of Directors of Italian Wine Brands S.p.A. decided to propose to the Shareholders' Meeting the distribution of an extraordinary dividend of Euro 0.5 per share (gross of legal withholdings and excluding treasury shares) for a total of Euro 4,678,268 (the "Extraordinary Dividend") to be drawn from available reserves formed by retained earnings. The Board of Directors deemed it appropriate to formulate the proposal for the distribution of the Extraordinary Dividend on the occasion of the tenth anniversary of the Company's listing, in consideration of (i) the exceptional growth and value creation achieved by the Company over the course of these ten years, (ii) recognition of the support always granted by the shareholders to the development path of IWB, both organically and through external lines.

## **2.2 Significant subsequent events**

*On 28 January 2024* the following were held at the headquarters of the Italian Stock Exchange:

- the shareholders' meeting which coincides with the tenth anniversary of the listing approved the Board of Directors' proposal to distribute an extraordinary dividend of Euro 0.5 per share in consideration of the exceptional growth and value creation achieved by the company over the course of these ten years and recognition of the shareholders' support for IWB's development path, both organically and through external lines.
- the event that celebrated the tenth anniversary of the listing in the presence of the entire Management Team, Directors and Shareholders who were some of the first investors, for a significant anniversary of the first Italian wine group to be listed on the Italian Stock Exchange. As tangible recognition for the competence, passion and



dedication of all its collaborators, the Group paid each employee an extraordinary bonus of Euro 1,000.

On 18 February 2025 Italian Wine Brands S.p.A. announced that its subsidiary Giordano Vini S.p.A., through the Italian platform Svinando, an international leader in the online sale of food and wine products, had launched “Nando”, the first virtual assistant based on artificial intelligence developed internally to offer a browsing and consulting experience tailor-made to the needs of its customers. Thanks to an advanced search engine based on AI technology, “Nando” is able to guide users on broad topics, from the characteristics of the products in the catalogue, to food/wine pairings, the right occasions to drink a certain wine, and the customer's budget. This is a genuinely expert guide, capable of understanding and anticipating the needs of the customer, offering personalised advice with precision and reliability. “Nando” guarantees quick, accurate and targeted responses, breaks down the barriers between technology and user, uses a fluid, natural interaction, increasingly close to human language, giving advice just like a real wine merchant. Svinando is the first Italian e-commerce player in the world of wine to offer a solution of this kind.

On 26 February 2025 The Board of Directors approved an integration of the incentive plan with the aim of further strengthening the alignment of the Group's objectives with those of the management team. It will allow the Group to continue on the path of growth in revenue, profit margins and cash generation in order to maximise the interests of all stakeholders.

### **3. Outlook**

In 2025, the IWB Group will present itself on the market with:

- (i) an integrated organisational structure;
- (ii) an efficient production structure with six months of synergies still to be expressed;
- (iii) a presence on international markets that makes it possible to seize new opportunities and to manage risks adequately;
- (iv) a financial situation which allows us to tackle both organic and external growth with confidence.

On the trade front, while carefully monitoring and trying to anticipate the possible effects of the increase in American tariffs, the Group is continuing with its strategy:

- of developing its Top Brands with a view to a continuous increase in profit margins and the recovery of private label contracts with levels of profitability in line with Group standards, as well as to support volumes;
- of more and more positioning in growth markets;



- of product innovation with the launch of the first IWB-branded dealcoholised products and products in the “ready to drink” segment on the American market.

On the production and purchasing front:

- the purchasing conditions for the main supplies of raw materials have already been negotiated;
- further cost reductions are expected for utilities;

all the conditions have therefore been created to achieve even better results than in 2024.

#### **4. Code of Ethics and the Organisational Model**

On 23 March 2023, the Board of Directors updated the model introduced in July 2021 to adapt it to the introduction of new crimes and on 14 September 2023, the Whistleblowing procedure was approved to complete the model. On 13 September 2024, the model was further updated to adapt it to regulatory changes

#### **5. Related-party transactions**

Related-party transactions form part of normal business operations within the typical activity of the parties concerned and they are regulated at standard conditions.

To summarize:

- (i) a commercial lease contract signed on 1 February 2012 by IWB Italia S.p.A. and Provinco S.r.l. under which Provinco S.r.l. has been leasing the property located in Via per Marco 12/b, Rovereto (TN) to Provinco Italia S.p.A.; the lease has a duration of six years (until 31 January 2018) with tacit renewal for the same period unless notice of cancellation is given 12 months before the expiry date; the agreed rent is Euro 60 thousand per year, index-linked to ISTAT inflation statistics, plus VAT. For 2024 the rent came to Euro 69,837.62;
- (ii) a service contract with Electa S.p.A. involving investor relations support for an annual amount of Euro 40 thousand.

These relationships are regulated at market conditions.

The Parent Company IWB has adopted and follows the Procedure for Related-Party Transactions in compliance with the general provisions of the Euronext Growth Milan Issuers' Regulation.



## 6. Information on environment, safety and personnel

### HEALTH AND SAFETY

The Group, which owns industrial properties intended for production purposes, has implemented the Risk Assessment Document required by law on workplace safety.

This document provides for an analysis of the risks present in the company, both for the type of work that it performs and for the place where its operations are located; the measures taken to minimise the risks are then identified, along with those still to be taken and those needed to maintain an adequate level of safety. Lastly, the time-frames needed to implement the residual measures are identified.

The way in which work is carried out was considered in the risk analysis without specific risk situations being identified. The topic is always under control in the periodic updates of these documents.

The Risk Assessment Documents, as well as the Emergency Plans and the Floor Plans with safety signs and escape routes are periodically updated.

During 2024, constant health surveillance was carried out as required by current legislation.

The awareness-raising activity on environmental and safety issues continued during the year with ad hoc training interventions, as well as on the accident prevention measures to be adopted and on first aid, providing specific training for fire prevention workers and first aid workers, in full compliance with the relevant regulatory framework.

### GROUP STAFF

The specific and average number by category as of 31 December 2024, 31 December 2023 and 31 December 2022 is shown below.

	No. at 31.12.2024	Average no. 31.12.2024	No. at 31.12.2023	Average no. 31.12.2023	No. at 31.12.2022	Average no. 31.12.2022
Managers	7	7	7	8	8	8
Middle managers	20	20	20	21	23	23
Office workers	182	194	211	210	202	205
Factory workers	128	134	138	141	140	144
<b>Total</b>	<b>337</b>	<b>355</b>	<b>376</b>	<b>380</b>	<b>373</b>	<b>379</b>



## 7. Treasury shares

At 31 December 2024, the Parent Company holds 104,297 of its own ordinary stock as treasury shares, representing 1.10% of the ordinary share capital. During 2024:

- 76,613 treasury shares were bought;
- 37,575 shares were assigned.

## 8. Risks

The Company is mainly exposed to risks from exchange rate and interest rate fluctuations, credit risk and liquidity risk.

### Risks from exchange rate fluctuations

Foreign exchange risk is the risk that the value of a financial asset or liability will change as a result of changes in exchange rates.

With regard to this risk, the strategy adopted is aimed at minimising the impact of changes in exchange rates on the income statement and provides for hedging the risk deriving from financial positions denominated in currencies other than the reporting currency, if this is deemed necessary.

Based on the above, the exchange rate fluctuations that took place during the period did not have any significant impact on the financial statements.

### Risks from interest rate fluctuations

Given that the Company's debt is mainly fixed interest, it follows that it is not significantly exposed to the risk of interest rate fluctuations. The evolution of interest rates is still monitored by the Company and, depending on how they evolve, hedging of any interest rate risk may be considered.

### Price risk

Price risk is the possibility that the value of a financial asset or liability could vary as a result of changes in market prices (other than those relating to currencies and interest rates).

This risk is typical of financial assets not listed on an active market, which cannot always be realised quickly for an amount close to their fair value.

Given the size of existing investments, this risk is not significant and is therefore not hedged.

### Credit risk

Credit risk is the possibility that the issuer of a financial instrument might fail to meet their obligation and cause a financial loss to the subscriber.



Credit risk arises from sales made in the course of ordinary business activities and from the use of financial instruments that envisage the settlement of positions with the counterparty.

As regards commercial transactions, the Company operates exclusively with Group entities.

As regards financial transactions, these are carried out with Group companies and leading financial institutions of large size and high creditworthiness, whose rating is monitored in order to limit the risk of insolvency of the counterparty.

### **Liquidity risk**

Liquidity risk can arise from an inability to obtain the financial resources needed for the Company's operations at reasonable conditions. The two main factors that influence the Company's liquidity are:

- the financial resources generated or absorbed by operating or investing activities;
- the timing of debt maturities.

The Company finances its activities both through cash flows generated by operations and through the use of external sources of finance. It is therefore exposed to liquidity risk, represented by the fact that financial resources may not be sufficient to meet financial and commercial obligations within the pre-established terms and deadlines. The Company's cash flows, financing requirements and liquidity are kept under control by considering the maturity of financial assets (trade receivables and other financial assets) and the expected cash flows from the related transactions. The Company has both secured and unsecured lines of credit, consisting of revocable short-term lines in the form of hot loans, overdrafts and endorsement credit.

The Company has a long-term debt structure that is exposed to interest rate risk, as explained in the notes:

As regards exposure related to trade payables, there is no significant concentration of suppliers.

Management believes that the funds generated by operating and financing activities will allow the Company to meet its requirements arising from investing activities, working capital management and debt repayment as they become due.



## 9. Statement of Directors' Responsibility

The directors are responsible for preparing the annual report and financial statements in accordance with applicable laws and regulations. The Directors must prepare financial statements for each financial year, which give a true and fair view of the assets, liabilities and financial position of the Company and the Group and of the Group's profit or loss for that period. The Directors have elected to prepare the financial statements of the Group and of the Holding Company in accordance with International Financial Reporting Standards (IFRS). In preparing the financial statements, the Directors are required to:

- identify suitable accounting policies and apply them consistently;
- make reasonable and prudent judgements and estimates;
- certify that the financial statements comply with the IFRS adopted by the European Union; and
- prepare the financial statements on a going-concern basis, unless it is inappropriate to assume that the Group will continue in business.

The Directors are responsible for ensuring that the Company keeps adequate accounting records which explain and record the Company's transactions in a correct manner, enabling its assets, liabilities, financial position and profits or losses to be determined at all times with reasonable accuracy and ensuring that the financial statements are prepared in accordance with the IFRS adopted by the European Union.

The Directors are also responsible for safeguarding the Company's assets and therefore for taking reasonable measures for the prevention and detection of fraud and other irregularities. The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website [Italianwinebrands.it](http://Italianwinebrands.it).

Legislation governing the preparation and dissemination of financial statements may differ from the legislation of other jurisdictions. In accordance with the Central Bank's Rules (Conduct of Investment Markets), the Directors are required to prepare a report on operations that contains a fair analysis of the business and a description of the main risks and uncertainties that the Group faces. Furthermore, the directors are required, under applicable law and the Listing Rules issued by Euronext Dublin, to prepare a Directors' Report and a Corporate Governance Report.

Each of the Directors, whose names and functions are listed on page 4, confirms that, to the best of their knowledge and belief:

- The Consolidated Financial Statements for the year ended 31 December 2024 have been prepared in accordance with the IFRS adopted by the European Union. They provide a true and fair view of the financial position of the Group and of the companies included in the consolidation, taken as a whole, and of the profit for the year;



- the Company's financial statements, drawn up in accordance with the IFRS adopted by the European Union, provide a true and fair view of the Company's financial position and assets at 31 December 2024;
- the Directors' Report on pages 132-137 includes a fair analysis of the business performance for the year ended 31 December 2024 and of the financial position of the Company and the Group at the end of the year;
- the Risk Management Report provides a description of the main risks and uncertainties at the end of the financial year that could affect the future performance of the Company and the Group; and
- the Annual Report and the Consolidated Financial Statements, taken as a whole, provide the information necessary for shareholders to evaluate the situation and performance of the Company and the Group, the business model and the strategy and are fair, balanced and comprehensible.

Alessandro Mutinelli

Chairman and Chief Executive Officer



## Statement of financial position

	Note	31.12.2024	31.12.2023
<i>Amounts in EUR</i>			
<b>Non-current assets</b>			
Intangible assets	5	101,923	111,796
Land, property, plant and equipment	6	61,439	81,722
Right-of-use assets	6 B	497,163	59,535
Equity investments	7	292,575,718	263,904,359
Other non-current assets		18,750	18,750
Non-current financial assets	8	-	18,000,000
Deferred tax assets	9	217,127	493,516
<b>Total non-current assets</b>		<b>293,472,120</b>	<b>282,669,677</b>
<b>Current assets</b>			
Trade receivables	10	1,273,525	5,800,317
Other current assets	12	7,798,112	2,718,358
Current tax assets	11	128,097	617,131
Current financial assets	13	11,492,084	25,563,191
Cash and cash equivalents	14	7,541,914	2,042,904
<b>Total current assets</b>		<b>28,233,732</b>	<b>36,741,900</b>
<b>Total assets</b>		<b>321,705,851</b>	<b>319,411,578</b>
<b>Shareholders' equity</b>			
Share capital		1,124,468	1,124,468
Reserves		134,144,337	135,102,908
Reserve for defined benefit plans		(13,355)	(2,435)
Reserve for stock grants		794,385	789,694
Profit (loss) carried forward		38,605,800	36,037,059
Net profit (loss) for the period		5,760,419	7,204,028
<b>Total shareholders' equity</b>	15	<b>180,416,055</b>	<b>180,255,722</b>
<b>Non-current liabilities</b>			
Financial payables	16	131,932,085	135,652,310
Lease liabilities	16	409,632	-
Provision for other employee benefits	17	85,981	59,576
Provisions for future risks and charges		-	-
Deferred tax liabilities	9	-	29,418
Other non-current liabilities		-	-
<b>Total non-current liabilities</b>		<b>132,427,697</b>	<b>135,741,304</b>
<b>Current liabilities</b>			
Financial payables	16	130	17,470
Lease liabilities	16	90,326	74,167
Trade payables	18	356,303	328,180
Other current liabilities	19	3,957,213	2,850,845
Current tax liabilities	20	4,458,125	143,890
<b>Total current liabilities</b>		<b>8,862,099</b>	<b>3,414,552</b>
<b>Total shareholders' equity and liabilities</b>		<b>321,705,851</b>	<b>319,411,578</b>



## Comprehensive income statement

	Note	31.12.2024	31.12.2023
<i>Amounts in EUR</i>			
Revenue from sales	21	2,347,517	2,471,513
Other income	21	239,879	4,265
<b>Total revenue</b>		<b>2,587,396</b>	<b>2,475,778</b>
Purchase costs	22	-	(2,708)
Costs for services	23	(3,503,769)	(3,792,933)
Personnel costs	24	(1,305,046)	(1,450,166)
Other operating costs	25	(164,528)	(177,734)
<b>Operating costs</b>		<b>(4,973,342)</b>	<b>(5,423,541)</b>
<b>EBITDA</b>		<b>(2,385,946)</b>	<b>(2,947,763)</b>
Depreciation and amortization	5, 6	(149,675)	(154,456)
<b>Operating profit/(loss)</b>		<b>(2,535,621)</b>	<b>(3,102,219)</b>
Financial income		10,822,456	12,547,166
Borrowing costs		(3,571,292)	(3,648,373)
<b>Net financial income/(expenses)</b>	26	<b>7,251,164</b>	<b>8,898,793</b>
<b>EBT</b>		<b>4,715,543</b>	<b>5,796,574</b>
Taxes	27	1,044,876	1,407,454
(Loss) Profit from discontinued operations		-	-
<b>Profit (loss) (A)</b>		<b>5,760,419</b>	<b>7,204,028</b>
<b>Attributable to:</b>			
Non-controlling interests		-	-
<b>Group profit (loss)</b>		<b>5,760,419</b>	<b>7,204,028</b>
<b>Other profit/(loss) of comprehensive income statement:</b>			
<b>Other items of the comprehensive income statement for the period to be subsequently released to profit or loss</b>			
		-	-
<b>Other items of the comprehensive income statement for the period not to be subsequently released to profit or loss</b>			
Actuarial gains/(losses) on defined benefit plans	17	(10,919)	(7,505)
Tax effect of Other profit/(loss)		-	-
<b>Total other profit/(loss), net of tax effect (B)</b>		<b>(10,919)</b>	<b>(7,505)</b>
<b>Total comprehensive profit/(loss) (A) + (B)</b>		<b>5,749,500</b>	<b>7,196,523</b>



## Statement of changes in equity

*Amounts in Euro*

	Share capital	Capital reserves	Reserve for stock grants	Reserve for defined benefit plans	Retained earnings	Total
<b>Balance at 1 January 2023</b>	<b>1,124,468</b>	<b>136,087,565</b>	-	<b>5,070</b>	<b>36,981,989</b>	<b>174,199,092</b>
Increase in capital						-
Purchase of treasury shares		(984,657)				(984,657)
Sale of treasury shares						-
Dividends					(944,930)	(944,930)
Stock grants			789,694			789,694
Legal reserve						-
Reclassification and other changes						-
<b>Total comprehensive profit/ (loss)</b>				(7,505)	7,204,028	<b>7,196,523</b>
<b>Balance at 31 December 2023</b>	<b>1,124,468</b>	<b>135,102,908</b>	<b>789,694</b>	<b>(2,435)</b>	<b>43,241,087</b>	<b>180,255,722</b>
Increase in capital						-
Purchase of treasury shares		(1,666,343)				(1,666,343)
Sale of treasury shares						-
Dividends					(4,713,414)	(4,713,414)
Stock grants		692,132	4,691		97,562	794,385
Legal reserve		15,641			(15,641)	-
Reclassification and other changes		(0)			(3,795)	(3,795)
<b>Total comprehensive profit/ (loss)</b>				(10,919)	5,760,419	<b>5,749,500</b>
<b>Balance at 31 December 2024</b>	<b>1,124,468</b>	<b>134,144,337</b>	<b>794,385</b>	<b>(13,355)</b>	<b>44,366,219</b>	<b>180,416,055</b>



## Statement of cash flows

Amounts in Euro

	<b>Notes</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
Profit (loss) before taxes		4,715,543	5,796,574
Adjustments for:			
- non-monetary items - stock grant		-	-
- increases in the provision for bad and doubtful accounts, net of utilisations		-	-
- non-monetary items - provisions / (releases)		-	-
- non-monetary items - amortisation/depreciation		149,675	154,456
<b>Adjusted profit (loss) for the period before taxes</b>		<b>4,865,218</b>	<b>5,951,030</b>
<b>Cash flow generated by operations</b>			
Income tax paid		0	(461,176)
Other financial (income)/expenses without cash flow		3,489,590	3,479,355
Total		<b>3,489,590</b>	<b>3,018,179</b>
<b>Changes in working capital</b>			
Change in trade receivables		4,526,792	(3,242,419)
Change in trade payables		28,123	9,604
Change in inventories		-	-
Change in other receivables and payables		1,871,912	4,733,889
Other changes		-	-
Change in post-employment benefits and other provisions		15,485	10,032
Change in other provisions and deferred taxes		246,971	(432,416)
Total		<b>6,689,284</b>	<b>1,078,690</b>
<b>Cash flow from operations (1)</b>		<b>15,044,093</b>	<b>10,047,899</b>
<b>Capital expenditure:</b>			
- Tangible		-	-
- Intangible		(31,458)	(67,353)
- Financial		-	(347,726)
<b>Cash flow from investment activities (2)</b>		<b>(31,458)</b>	<b>(415,079)</b>
<b>Financial assets</b>			
Long-term borrowings/ (repayments) - Bond		(3,250,000)	(3,250,000)
Short-term borrowings (paid)		-	-
Long-term borrowings/ (repayments) - Bond		-	-
Collections / (repayments) revolving loan		-	-
Collections / (repayments) other financial payables		-	(8,000,000)
Change in other financial assets		3,429,203	4,203,011
Change in other financial liabilities		(4,103,661)	(3,290,066)
Purchase of treasury shares		(1,666,343)	(984,657)
Sale of treasury shares		-	-
Dividends paid		(4,713,414)	(944,930)
Cash increases in capital		-	-
Change in reserve for stock grants		794,385	789,694
Change in valuation reserve		-	-
Other changes in shareholders equity		(3,795)	(0)
<b>Cash flow from financing activities (3)</b>		<b>(9,513,624)</b>	<b>(11,476,948)</b>
<b>Cash flow from continuing operations</b>		<b>5,499,010</b>	<b>(1,844,128)</b>
<b>Change in cash and cash equivalents (1+2+3)</b>		<b>5,499,010</b>	<b>(1,844,128)</b>
<b>Cash and cash equivalents at beginning of period</b>		<b>2,042,903</b>	<b>3,887,031</b>
<b>Cash and cash equivalents at end of period</b>		<b>7,541,914</b>	<b>2,042,903</b>



## FORM AND CONTENT OF THE FINANCIAL REPORT

### Introduction

These Separate Financial Statements at 31 December 2024 have been prepared in compliance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and endorsed by the European Union. IFRS also includes the International Accounting Standards (IAS) still in force, as well as all the interpretative documents issued by the Interpretation Committee, previously called the International Financial Reporting Interpretations Committee (IFRIC) and before that the Standing Interpretations Committee (SIC). They have been drawn up in accordance with the Issuers Regulations of the Euronext Growth Milan Market (EGM).

### 1 Basis of presentation

The Separate Financial Statements at 31 December 2024 consist of the Statement of Financial Position, the Comprehensive Income Statement, the Statement of Changes in Net Equity, the Statement of Cash Flows and the Explanatory Notes, and are accompanied by the Directors' Report on the results of operations.

The format used for the Statement of Financial Position distinguishes current and non-current assets and liabilities.

The components of profit or loss for the year are included directly in the Statement of Comprehensive Income. The income statement format adopted classifies costs by nature.

The Statement of Changes in Shareholders' Equity includes transactions with the owners of capital and movements in reserves during the year.

In the Statement of Cash Flows, the financial flows deriving from operations are presented using the indirect method, whereby the profit or loss for the year is adjusted by the effects of non-monetary transactions, any deferral or provision of previous or future operating receipts or payments, and any elements of revenue or costs connected to the financial flows deriving from investing or financial activity.

The schedules making up the Statement of Financial Position, the Comprehensive Income Statement, the Statement of Changes in Net Equity and the Statement of Cash Flows are presented in Euro; the figures shown in the notes are expressed in thousands of Euro.



## **2. Basis of preparation**

### **2.1 Accounting policies**

The separate consolidated financial statements have been drawn up on a going-concern basis with the Euro as the presentation currency; amounts are rounded to the nearest whole number, as are those mentioned in the notes, unless indicated otherwise.

The basis of preparation adopted in preparing these separate financial statements is that of cost, except for derivatives which are measured at fair value.

As regards details of the accounting policies, unless otherwise indicated, the policies followed for the separate financial statements are the same as those explained in a specific section of the Group's consolidated financial statements, to which reference should be made.

Information on the main risks and uncertainties has been summarised in the directors' report.

### **Equity investments**

Subsidiaries are those companies over which the Company has autonomous power to make strategic decisions in order to reap the benefits. Generally speaking, control is presumed to exist when one holds, directly or indirectly, more than half of the voting rights that can be exercised at an ordinary general meeting, also considering any so-called potential votes, i.e. voting rights deriving from convertible instruments.

Investments in subsidiaries and associates are measured at purchase cost, reduced in the event of a distribution of capital or capital reserves or in the presence of impairment losses.

If the conditions for a prior-year write-down no longer exist, the carrying amount of the investment is written up through the income statement, up to a maximum of the original cost.

### **Measuring fair value**

As regards financial instruments measured at fair value, the classification of these instruments is reported below on the basis of the hierarchy provided for in IFRS 13, which reflects the significance of the inputs used in determining fair value. The fair value hierarchy consists of the following levels:

Level 1 – unadjusted quotes from an active market for the assets or liabilities being measured;

Level 2 – inputs other than the quoted prices referred to in the previous point, which are observable on the market, either directly (as in the case of prices) or indirectly (i.e. being derived from prices);

Level 3 – inputs that are not based on observable market data.

At 31 December 2024, no assets or liabilities held by the Company are measured at fair value.



## 2.2 Accounting judgements and estimates

Preparing separate financial statements and the notes in application of IFRS requires management to make estimates and assumptions that have an effect on the quantification of revenue, costs, assets and liabilities recorded in the financial statements and on the disclosure of contingent assets and liabilities at the reporting date. The estimates and assumptions used are based on experience, other factors considered relevant and the information available at the time. The actual results may therefore differ from these estimates. Estimates and assumptions can vary from one financial year to another and are therefore reviewed periodically; the effects of any changes made to them are reflected in the income statement in the period in which the estimate is revised. The main estimates, for which the use of subjective assessments by management is most frequent, are typically used in:

- acquisitions of companies and related determination of fair values for the purpose of identifying the value of goodwill,
- definition of the useful life of fixed assets and the related depreciation;
- in making provisions for risks, in particular, the assessments involve determining the degree of probability that the conditions that could lead to a financial outlay will occur, as well as quantifying the amount concerned;
- calculation of taxes and deferred tax assets, recognition of which depends on the Group's taxation prospects resulting from the expected profitability forecast in its business plans and the tax consolidation;
- verification of the ability of tangible and intangible assets, equity investments and goodwill to maintain their value. As regards the estimate of value in use, this verification is based on financial plans that have been drawn up on a set of assumptions and hypotheses of future events that will not necessarily occur. Choosing a discount rate is also based on assumptions;
- defined benefit pension plan – actuarial assumptions;
- Determining the lease term for certain lease agreements in which the Group is a lessee, even if the Company is reasonably certain to exercise the options reserved for lessees; the interest rate for rent.

At the reporting date (31 December 2024), no further impacts are expected beyond those represented in the income statement, the statement of financial position and the cash flow statement.



### **3. Risks**

The Company is mainly exposed to risks from exchange rate and interest rate fluctuations, credit risk and liquidity risk.

#### **Risks from exchange rate fluctuations**

Foreign exchange risk is the risk that the value of a financial asset or liability will change as a result of changes in exchange rates.

With regard to this risk, the strategy adopted is aimed at minimising the impact of changes in exchange rates on the income statement and provides for hedging the risk deriving from financial positions denominated in currencies other than the reporting currency, if this is deemed necessary.

Based on the above, the exchange rate fluctuations that took place during the period did not have any significant impact on the financial statements.

#### **Risks from interest rate fluctuations**

Given that the Company's debt is mainly fixed interest, it follows that it is not significantly exposed to the risk of interest rate fluctuations. The evolution of interest rates is still monitored by the Company and, depending on how they evolve, hedging of any interest rate risk may be considered.

#### **Price risk**

Price risk is the possibility that the value of a financial asset or liability could vary as a result of changes in market prices (other than those relating to currencies and interest rates).

This risk is typical of financial assets not listed on an active market, which cannot always be realised quickly for an amount close to their fair value.

Given the size of existing investments, this risk is not significant and is therefore not hedged.

#### **Credit risk**

Credit risk is the possibility that the issuer of a financial instrument might fail to meet their obligation and cause a financial loss to the subscriber.

Credit risk arises from sales made in the course of ordinary business activities and from the use of financial instruments that envisage the settlement of positions with the counterparty.



As regards commercial transactions, the Company operates exclusively with Group entities.

As regards financial transactions, these are carried out with Group companies and leading financial institutions of large size and high creditworthiness, whose rating is monitored in order to limit the risk of insolvency of the counterparty.

### **Liquidity risk**

Liquidity risk can arise from an inability to obtain the financial resources needed for the Company's operations at reasonable conditions. The two main factors that influence the Company's liquidity are:

- the financial resources generated or absorbed by operating or investing activities;
- the timing of debt maturities.

The Company finances its activities both through cash flows generated by operations and through the use of external sources of finance. It is therefore exposed to liquidity risk, represented by the fact that financial resources may not be sufficient to meet financial and commercial obligations within the pre-established terms and deadlines. The Company's cash flows, financing requirements and liquidity are kept under control by considering the maturity of financial assets (trade receivables and other financial assets) and the expected cash flows from the related transactions. The Company has both secured and unsecured lines of credit, consisting of revocable short-term lines in the form of hot loans, overdrafts and endorsement credit.

The Company has a long-term debt structure that is exposed to interest rate risk, as explained in the notes:

As regards exposure related to trade payables, there is no significant concentration of suppliers.

Management believes that the funds generated by operating and financing activities will allow the Company to meet its requirements arising from investing activities, working capital management and debt repayment as they become due.



## 4. Accounting policies

### 4.1 Accounting standards and interpretations effective from 1 January 2024

Accounting standards and interpretations effective from 1 January 2024:

- **Amendments to IAS 1 - Presentation of Financial Statements - Classification of Liabilities as Current or Non-Current**

The amendments clarify the criteria that have to be applied for the classification of liabilities as current or non-current. They specify that classification of a liability is not affected by the probability that settlement of the liability will be postponed for twelve months after the reporting period. The Group's intention to liquidate the liability in the short term has no impact on the classification.

These changes did not have any impact on the disclosures made regarding the accounting policies applied in the Group's consolidated financial statements.

- **Amendments to IAS 1 - Presentation of Financial Statements – Non-Current Liabilities with covenants**

These amendments specify that covenants to be met after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, the amendments require the company to provide information about such covenants in the notes to the financial statements.

These changes did not have any impact on the disclosures made regarding the accounting policies applied in the Group's consolidated financial statements.

- **Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback**

These amendments clarify the requirements for accounting for a sale and leaseback after the transaction date.

In particular, in the subsequent measurement of the liability arising from the lease contract, the seller-lessee determines the "lease payments" and the "revised lease payments" in such a way as not to recognize gains or losses that relate to the right of use that it retains.

These changes did not have any impact on the disclosures made regarding the accounting policies applied in the Group's consolidated financial statements.

- **Amendments to IAS 7– Statement of Cash Flows and IFRS 7 – Financial Instruments: Disclosures – Supplier Finance Arrangements**

These amendments introduce new disclosure requirements to improve the transparency of information provided in relation to supplier financing arrangements, in particular with



regard to the effects of such arrangements on the entity's liabilities, cash flows and liquidity risk exposure.

These changes did not have any impact on the disclosures made regarding the accounting policies applied in the Group's consolidated financial statements.

- **Amendments to IAS 12– Income Tax: International Tax Reform – Pillar Two Model Rules**

These amendments provide a temporary exemption from the accounting for deferred taxes arising from the application of the new European tax rules (the so-called “GloBE rules”) for implementation of the Global Minimum Tax introduced by the Organisation for Economic Co-operation and Development (OECD). The OECD published the Pillar Two Model Rules in December 2021 to ensure that large multinational corporations are subject to a minimum tax rate of 15%. In addition to the above exemption, the amendments provide for the publication of disclosures aimed at helping investors better understand the impact on income taxes resulting from the reform.

These changes did not have any impact on the disclosures made regarding the accounting policies applied in the Group's consolidated financial statements.

#### **4.2 International accounting standards and/or interpretations issued but not yet entered into force and/or not endorsed**

As required by IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”, the new standards or interpretations already issued, but not yet entered into force or not yet endorsed by the European Union at 31 December 2024 and therefore not applicable, and the foreseeable impacts on the consolidated financial statements are indicated below.

None of these standards and interpretations have been adopted early by the Group.

- **Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates: lack of exchangeability**

These changes clarify when a currency is exchangeable for another currency and, hence, when it is not. When one currency is not exchangeable for another, these changes define how the exchange rate to be applied is determined. The amendments also clarify the information that must be provided when a currency is not exchangeable.

These changes, which came into force on 1 January 2025, were approved by the European Union on 14 November 2024. The impacts of these changes on the Group's consolidated financial statements are currently being analysed.



- **IFRS 18 Presentation and Disclosure in Financial Statements**

The new standard introduces three sets of new requirements to improve reporting of companies' financial performance and provide investors with a better basis for analysing and comparing companies: better comparability in the income statement, greater transparency of performance measures defined by management and more useful grouping of information in the financial statements. IFRS 18 replaces IAS 1 Presentation of Financial Statements, was issued on 9 April 2024 and will be effective for annual periods beginning on or after 1 January 2027, but companies will be able to apply it earlier. Further investigations are underway into any impacts on financial reporting.

- **IFRS 19 Subsidiaries without Public Accountability: Disclosures**

The new standard is dedicated to subsidiaries of entities that prepare consolidated financial statements in accordance with IFRS; according to certain requirements, such entities, in their own financial statements, will be able to provide a lower level of disclosure that is more suited to the needs of the users of their financial statements. IFRS 19 Subsidiaries without Public Accountability: Disclosure was issued on 9 May 2024, will be effective for annual periods beginning on or after 1 January 2027 and has not yet been endorsed. No impacts on the consolidated financial statements of the Group are expected from adoption of this standard.

- **Amendments to IFRS 9 and IFRS 7 - amendments to the classification and measurement of financial instruments**

The proposed amendments relate to:

- settlement of financial liabilities using an electronic payment system;
- assessment of the characteristics of the contractual cash flows of financial assets, including those with environmental, social and governance (ESG) characteristics.

The document also proposes changes or additions to the disclosure requirements for:

- investments in equity instruments designated at fair value through other comprehensive income;
- financial instruments with contractual terms that could change the timing or amount of contractual cash flows based on the occurrence (or non-occurrence) of a contingent event.

The amendments to IFRS 9 and IFRS 7 were issued on 30 May 2024 and have not yet been endorsed.



## Notes

### 5. Intangible assets

Intangible assets refer almost entirely to the Group's IT infrastructure. The changes are shown below:

*Amounts in €000*

INTANGIBLE ASSETS						
Net carrying amount						
Net carrying amount	01.01.2024	increases	decreases	depreciation/amor- tization	reclassifications	31.12.2024
Trademarks & patents	-	-	-	-	-	-
Software	112	31	-	(41)	-	102
Start-up costs	-	-	-	-	-	-
Other intangible assets	-	-	-	-	-	-
Intangible assets in course of formation	-	-	-	-	-	-
<b>Net carrying amount of intangible assets</b>	<b>112</b>	<b>31</b>	<b>-</b>	<b>(41)</b>	<b>-</b>	<b>102</b>



## 6. Land, buildings, plant and machinery

The change in tangible fixed assets is shown below:

Amounts in €000

PROPERTY, PLANT AND EQUIPMENT						
Gross amount						
Historical cost	01.01.2024	increases	decreases	reclassifications/other changes	increases through business combinations	31.12.2024
Land and buildings	-	-	-	-	-	-
Plant and machinery	83	-	-	-	-	83
Equipment	-	-	-	-	-	-
Other	80	-	-	-	-	80
Tangible assets under construction	-	-	-	-	-	-
Right-of-use assets	327	468	-	113	-	908
<b>Total historical cost</b>	<b>491</b>	<b>468</b>	<b>-</b>	<b>113</b>	<b>-</b>	<b>1,072</b>
PROPERTY, PLANT AND EQUIPMENT						
Accumulated amortization						
Accumulated amortization	01.01.2024	depreciation/amortization	decreases	other changes	increases through business combinations	31.12.2024
Land and buildings	-	-	-	-	-	-
Plant and machinery	(40)	(10)	-	-	-	(50)
Equipment	-	-	-	-	-	-
Other	(42)	(10)	-	-	-	(52)
Tangible assets under construction	-	-	-	-	-	-
Right-of-use assets	(268)	(88)	-	(55)	-	(411)
<b>Total accumulated depreciation</b>	<b>(350)</b>	<b>(108)</b>	<b>-</b>	<b>(55)</b>	<b>-</b>	<b>(513)</b>
PROPERTY, PLANT AND EQUIPMENT						
Net amount						
Net carrying amount	01.01.2024	increases	decreases	depreciation/amortization	other changes	31.12.2024
Land and buildings	-	-	-	-	-	-
Plant and machinery	43	-	-	(10)	-	33
Equipment	-	-	-	-	-	-
Other	38	-	-	(10)	-	28
Tangible assets under construction	-	-	-	-	-	-
Right-of-use assets	60	468	-	(88)	58	497
<b>Total net carrying amount</b>	<b>141</b>	<b>468</b>	<b>-</b>	<b>(108)</b>	<b>58</b>	<b>559</b>

The increases in 2024 are for the renewal of the rental contract for the Milan offices.



## 6 B. Right-of-use assets

The change in right-of-use assets broken down by underlying type of asset with comparative figures at 31 December 2023 is shown below:

*Amounts in €000*

Net carrying amount	01.01.2024	increases	depreciation/amortization	other changes	31.12.2024
Land and buildings	59	468	(60)		468
Plant and machinery	-		-		-
Equipment	-		-		-
Other	-		(29)	58	29
<b>Total net carrying amount</b>	<b>59</b>	<b>468</b>	<b>(88)</b>	<b>58</b>	<b>497</b>

*Amounts in €000*

Net carrying amount	01.01.2023	incrementi	ammortamenti	altre variazioni	31.12.2023
Land and buildings	119		(60)	-	59
Plant and machinery	-		-	-	-
Equipment	-		-	-	-
Other	-		-	-	-
<b>Total net carrying amount</b>	<b>119</b>	<b>-</b>	<b>(60)</b>	<b>-</b>	<b>59</b>

The financial items relating to existing leasing contracts are shown below, broken down by type and with comparative figures at 31 December 2023:

- short-term and long/medium-term residual lease liabilities;
- total financial outflows.

**31.12.2024**

*Amounts in €000*

Net carrying amount	Short term	Medium/long term (within 5 years)	Long term (over 5 years)	Cash Out
Land and buildings	(72)	(312)	(84)	(75)
Plant and machinery			-	-
Equipment			-	-
Other	(18)	(14)	-	(30)
<b>Total net carrying amount</b>	<b>(90)</b>	<b>(326)</b>	<b>(84)</b>	<b>(105)</b>

31.12.2023*Amounts in €000*

<b>Net carrying amount</b>	<b>Short term</b>	<b>Medium/long term (within 5 years)</b>	<b>Long term (over 5 years)</b>	<b>Cash Out</b>
Land and buildings	(74)	-	-	(75)
Plant and machinery	-	-	-	-
Equipment	-	-	-	-
Other	-	-	-	-
<b>Total net carrying amount</b>	<b>(74)</b>	<b>-</b>	<b>-</b>	<b>(75)</b>

The following shows the interest expense charged to the income statement on the lease liabilities compared with 31 December 2024:

*Amounts in €000*

<b>Interest</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
Land and buildings	(1)	(3)
Plant and machinery	-	-
Equipment	-	-
Other	(5)	-
<b>Total net carrying amount</b>	<b>(6)</b>	<b>(3)</b>

Lastly, please note that:

- the leasing costs of low-value assets charged to the income statement amount to Euro 14 thousand (Euro 36 thousand at 31 December 2023);
- the costs relating to variable payments due for the lease not included in the valuation of the lease liabilities amount to Euro 24 thousand (Euro 46 thousand at 31 December 2023).



## 7. Equity investments

Investments are detailed below:

*Amounts in Euro*

	Country	31.12.2024	31.12.2023
Giordano Vini SpA	Italy	20,855,864	32,822,790
Provinco SpA	Italy	-	21,433,193
Iwb Italia SpA	Italy	256,654,306	151,225,103
Enovation Brands Inc	USA	15,065,547	15,065,547
Barbanera S.r.l.	Italy	-	41,357,726
Fossalto S.r.l.	Italy	-	2,000,000
Italian Wine Brands Uk Ltd	UK	1	1
<b>Total</b>		<b>292,575,718</b>	<b>263,904,359</b>

At 31 December 2024, the Group verified that the present value of the flows, estimated by each company for the explicit plan horizon and valued with a  $g$  rate of 2 for the Terminal Value, was at least equal to the carrying amount of the investment.

## 8. Non-current financial assets

These referred to the medium-term loans granted to Giordano Vini S.p.A.; during 2024 the company waived this funding following the increase in capital in favour of Giordano Vini S.p.A.



## 9. Deferred tax assets and liabilities

Deferred taxation arises from the following temporary differences:

### Amounts at 31 December 2024

Amounts in €000

Description	Tax base	Tax rate	Balance
Remuneration of directors	905	24.00%	217
<b>Total deferred tax assets</b>			<b>217</b>

### Description

Exchange rate adjustment	-	24.00%	-
<b>Total provision for deferred taxes</b>			<b>-</b>

### Amounts at 31 December 2023

Amounts in €000

Description	Imponibile	Aliquota	Saldo
Remuneration of directors	2,040	24.00%	490
Exchange rate adjustment	17	24.00%	4
<b>Total deferred tax assets</b>			<b>494</b>

### Description

Exchange rate adjustment	123	24.00%	29
<b>Total provision for deferred taxes</b>			<b>29</b>

## 10. Trade receivables

Trade receivables from subsidiaries at 31 December 2024 and 31 December 2023 are detailed below:

Amounts in €000

	31.12.2024	31.12.2023
Trade receivables	1,274	5,800
Provision for bad and doubtful accour	0	0
<b>Total</b>	<b>1,274</b>	<b>5,800</b>



## 11. Current tax assets

Tax credits at 31 December 2024 and 31 December 2023 are detailed below:

*Amounts in €000*

	<b>31.12.2024</b>	<b>31.12.2023</b>
VAT receivables	72	0
IRAP receivables	56	56
IRES receivables	0	561
<b>Total</b>	<b>128</b>	<b>617</b>

The decrease in IRES credits is due to use of the previous year's credit to offset tax payables.

## 12. Other current assets

Other current assets at 31 December 2024 and 31 December 2023 are detailed in the following table:

*Amounts in €000*

	<b>31.12.2024</b>	<b>31.12.2023</b>
Others	7,742	2,455
Advances to suppliers	19	92
Accrued income and prepaid expenses	37	172
<b>Total</b>	<b>7,798</b>	<b>2,718</b>

Effective from 2016, the Parent Company (together with its subsidiaries Giordano Vini S.p.A. and Provinco Italia S.p.A.) opted for the national tax consolidation regime for IRES.

Participation in the tax consolidation is governed by specific rules which remain in force for the entire period of the option.

The economic relationships of the tax consolidation can be summarized as follows:

- in years when there is taxable income, the subsidiaries pay the Consolidating Company the higher amount of tax that it owe the Treasury;
- consolidated companies with taxable losses receive compensation from the Parent Company for 100% of the tax savings achieved at Group level on an accrual basis. The compensation is only paid when it is actually used by the Parent Company, either for itself or for other Group companies;
- in the event that the Parent Company and its subsidiaries do not renew the option for the national consolidation, or in the event that the requirements for continuation of the national consolidation cease to exist before the three-year period of the option



expires, the carry-forward losses resulting from the tax return are attributed to the consolidating company or entity.

IWB Italia S.p.A. became part of the Group consolidation from the tax return as of 31 December 2023.

The item "Others" mainly includes the tax consolidation credit versus IWB Italia S.p.A.

### 8-13. Current and non-current financial assets

Financial assets at 31 December 2024 and 31 December 2023 are detailed in the following table:

<i>Amounts in €000</i>				31.12.2024
	Short term	Medium/long term (within 5 years)	Long term (over 5 years)	Total
Refund on Acquisitions	492	-	-	492
Financial credit vs CFO (Buy-back)	(0)	-	-	(0)
<b>Total other lenders</b>	<b>492</b>	-	-	<b>492</b>
Giordano Vini	-	-	-	-
Provinco	-	-	-	-
Enoitalia	11,000	-	-	11,000
<b>Total loans to subsidiaries</b>	<b>11,000</b>	-	-	<b>11,000</b>
Shareholder loans to Giordano Vini	-	-	-	-
<b>Total shareholder loans to subsidiaries</b>	-	-	-	-
<b>Total</b>	<b>11,492</b>	-	-	<b>11,492</b>
<i>Amounts in €000</i>				
	Short term	Medium/long term (within 5 years)	Long term (over 5 years)	31.12.2023 Total
Refund on Acquisitions	463	-	-	463
Financial credit vs CFO (Buy-back)	0	-	-	0
<b>Total other lenders</b>	<b>463</b>	-	-	<b>463</b>
Giordano Vini	8,000	-	-	8,000
Provinco	-	-	-	-
Enoitalia	11,000	-	-	11,000
<b>Total loans to subsidiaries</b>	<b>19,000</b>	-	-	<b>19,000</b>
Shareholder loans to Giordano Vini	6,100	18,000	-	24,100
<b>Total shareholder loans to subsidiaries</b>	<b>6,100</b>	<b>18,000</b>	-	<b>24,100</b>
<b>Total</b>	<b>25,563</b>	<b>18,000</b>	-	<b>43,563</b>

The shareholder loan to Giordano Vini was converted into capital during 2024.



#### 14. Cash and cash equivalents

Cash and cash equivalents at 31 December 2024 and 31 December 2023 are detailed in the following table:

*Amounts in €000*

	31.12.2024	31.12.2023
Bank deposits	7,542	2,043
<b>Total</b>	<b>7,542</b>	<b>2,043</b>

#### 15. Shareholders' equity

The Company's shareholders' equity is made up as follows:

*Amounts in Euro*

	31.12.2024	31.12.2023
Share capital	1,124,468	1,124,468
Legal reserve	224,894	209,253
Share premium reserve	136,137,071	136,137,072
Reserve for actuarial gains on defined benefit plans	(13,355)	(2,435)
Reserve for stock grants	794,385	789,694
Reserve for the purchase of treasury shares	(2,217,628)	(1,243,417)
Prior year profits/(losses)	38,605,800	36,037,059
Profit/(loss) for the period	5,760,419	7,204,028
<b>Total reserves</b>	<b>179,291,587</b>	<b>179,131,253</b>
<b>Total shareholders' equity</b>	<b>180,416,055</b>	<b>180,255,722</b>

#### Share capital

At 31 December 2024, the share capital of Italian Wine Brands amounts to Euro 1,124,468 divided into 9,459,983 ordinary shares without par value.

#### Reserves

The share premium reserve was generated by the listing, which took place in 2015; it then rose in 2021 due to the increase in capital described in the previous paragraph.

The reserve for defined benefit plans is generated by the actuarial gains and losses that accumulate on remeasurement of the provision for severance indemnities pursuant to IAS 19.



At 31 December 2024, the Parent Company holds 104,297 ordinary shares, representing 1.10% of the outstanding ordinary share capital.

The Ordinary Shareholders' Meeting of IWB held on 27 April 2023 approved, pursuant to art. 114-bis of Legislative Decree no. 58/1998, the new incentive plan called "2023-2025 Incentive Plan of IWB S.p.A." intended for those who hold the position of CEO of IWB or of companies directly or indirectly controlled by IWB pursuant to art. 2359 of the Italian Civil Code or in any case subject to the management and coordination of IWB, as well as other resources deemed key for particular responsibilities and/or skills, including managers and employees of the Company or its subsidiaries. The Plan provides that the subjects identified by the Board of Directors among the recipients of the Plan in compliance with the provisions of the "Procedure for transactions with related parties" adopted by IWB, where applicable, will be assigned free of charge rights which (if vested on fulfilment of the conditions, as well as in the manner and terms set out in the Plan) grant the right to receive, again free of charge, a bonus which will be paid 50% in the form of ordinary shares held by the Company as treasury shares, and for the other 50% through the assignment of so-called phantom shares to be paid in cash. For further information on the Plan, please refer to the Explanatory Report of the Board of Directors pursuant to art. 114-bis of the CFA, and to the related Information Document drawn up pursuant to art. 84-bis of Consob Regulation no. 11971/1999, available on the Company's website ([www.italianwinebrands.it](http://www.italianwinebrands.it), section Investors / Financial Documents / Report-General Meetings) as well as on the Borsa Italiana website ([www.borsaitaliana.it](http://www.borsaitaliana.it)). The company measures achievement of the objective that determines the assignment of rights on an annual basis and, in accordance with the provisions of the Information Document and the Regulation (approved by the Board of Directors on 5 July 2023), in the event of total or partial achievement of the objective, sets aside:

(a) the ordinary shares pertaining to the year, valuing them at the "market price on the grant date" namely 5 July 2023 and 26 February 2025 as described in the paragraph "Significant subsequent events" (b) the phantom shares at the market value of the ordinary IWB shares calculated on the basis of the normal value of the shares pursuant to art. 9 of Presidential Decree no. 917 of 22 December 1986.



## 16. Financial payables

The situation at 31 December 2024 is the following:

	31.12.2024			Total
	Short term	Medium/long term (within 5 years)	Long term (over 5 years)	
<b>Bond</b>	-	<b>131,487</b>	-	<b>131,487</b>
Short-term unsecured loans	-	-	-	-
Revolving loans	-	-	-	-
Other medium/long-term unsecured loan	-	-	-	-
Financial accrued expenses and charges	0	-	-	0
<b>Total banks</b>	<b>0</b>	-	-	<b>0</b>
Payables to factoring companies	-	-	-	-
Deferred price on acquisitions	-	445	-	445
Other borrowings	-	-	-	-
<b>Total other lenders</b>	-	<b>445</b>	-	<b>445</b>
<b>Total</b>	<b>0</b>	<b>131,932</b>	-	<b>131,932</b>

	31.12.2023			Total
	Short term	Medium/long term (within 5 years)	Long term (over 5 years)	
<b>Bond</b>	-	<b>131,248</b>	-	<b>131,248</b>
Short-term unsecured loans	-	-	-	-
Revolving loans	-	-	-	-
Other medium/long-term unsecured loan	-	-	-	-
Financial accrued expenses and charges	17	-	-	17
<b>Total banks</b>	<b>17</b>	-	-	<b>17</b>
Payables to factoring companies	-	-	-	-
Deferred price on acquisitions	-	4,405	-	4,405
Other borrowings	-	-	-	-
<b>Total other lenders</b>	-	<b>4,405</b>	-	<b>4,405</b>
<b>Total</b>	<b>17</b>	<b>135,652</b>	-	<b>135,670</b>

Debt at 31 December 2024 consists of the following loans:

- A senior, non-convertible, non-subordinated and unsecured bond of Euro 130 million issued by Italian Wine Brands S.p.A. on 13 May 2021 with a duration of 6 years (expiry 13 May 2027), bullet repayment, fixed annual rate of 2.50%, interest paid annually. The bond is listed on the MOT market managed by Borsa Italiana and on the Irish Stock Exchange managed by Euronext Dublin.



- The deferred price for the acquisition of Enovation Brands Inc. refers to the unconditional consideration to be paid to the sellers for which deferred payment has been agreed as follows: (i) USD 3.3 million no later than 10 January 2023, (ii) USD 3.3 million no later than 10 January 2024 already paid in previous years, and (iii) USD 1.4 million no later than 1 May 2026. The debt has been reduced by USD 927 thousand in consideration of the reimbursement from shareholders provided for in art. 8 of the sale agreement because of the fraud that emerged in the Enovation accounts during the preparation of the consolidated financial statements at 31 December 2022.

Financial liabilities are recognized at amortized cost, calculated as the initial fair value of the liabilities net of the costs incurred to obtain the loan, increased by the cumulative amortization of the difference between the initial amount and the amount at maturity, calculated using the effective interest rate where application of the amortized cost method would not be significantly different from the face value.

These loan contracts include terms and conditions usually observable in the marketplace for similar types of instruments. For example: (i) provision of a covenant (calculation envisaged at Italian Wine Brands Group level) based on the trend of certain financial parameters at consolidated Group level; (ii) disclosure obligations in relation to significant events affecting the Company, as well as corporate disclosures; (iii) the usual commitments and obligations for loan arrangements of this kind, such as limits on the assumption of financial debt and the sale of company assets and a ban on distributing dividends or reserves if certain financial parameters are not being respected.

'Lease liabilities' relate to the coming into force from 1 January 2019 of IFRS 16, which required lease contracts to be recorded in the accounts by indicating under non-current assets the amount of "Right of use assets" as a counterpart to a liability calculated as the present value of future cash outlays based on the contract.

For details, please refer to paragraph 6 B. Right-of-use assets.



## 17. Severance indemnities

### *Defined contribution plans*

In the case of defined contribution plans, the Company pays contributions to public or private insurance institutions on the basis of a legal or contractual obligation, or on a voluntary basis. With the payment of the contributions, the Group fulfils all of its obligations.

Payables for contributions to be paid at the closing date are included in "Other current liabilities"; the cost for the period accrues on the basis of the service provided by the employee and is recorded under "Personnel costs" in the relevant area.

### *Defined benefit plans*

The plans in favour of employees, which qualify as defined benefit plans, are represented by the provision for severance indemnities (known as TFR in Italian); the liability is calculated on an actuarial basis with the unit credit projection method. The actuarial gains and losses that arise when calculating these items are shown in a specific equity reserve. The changes in the liability for severance indemnities in the year to 31 December 2024 are shown below:

*Amounts in €000*

	<b>31.12.2024</b>	<b>31.12.2023</b>
<b>Provision at 01.01.</b>	<b>60</b>	<b>43</b>
Provisions	14	14
Benefits paid during the period	(1)	(6)
Actuarial (gains)/losses	11	8
Financial costs	2	1
<b>Provision at the end of the period</b>	<b>86</b>	<b>60</b>

The "accrual of costs for employee benefits" and the "contribution/benefits paid" are recorded in the income statement under "Personnel costs" in the relevant area. "Financial income and expenses" are recognized in the income statement under "Financial income (expenses)", while the "actuarial gains and losses" are shown under other comprehensive income and included in a equity reserve called "Reserve for defined benefit plans".

The main actuarial assumptions are as follows:

<b>Actuarial assumptions</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
Discount rate	2.69%	3.67%
Inflation rate	2.09%	1.59%
Expected average turnover	13.21%	12.72%



## 18. Trade payables

This item includes all payables of a commercial nature with the following geographical distribution:

*Amounts in €000*

	<b>31.12.2024</b>	<b>31.12.2023</b>
Suppliers - Italy	355	341
Suppliers - Foreign markets	1	(12)
<b>Total</b>	<b>356</b>	<b>328</b>

## 19. Other current liabilities

Other liabilities are made as follows:

*Amounts in €000*

	<b>31.12.2024</b>	<b>31.12.2023</b>
Employees	374	335
Social security institutions	322	595
Directors	905	980
Accrued expenses and deferrals	0	0
Others	2,357	941
<b>Total</b>	<b>3,957</b>	<b>2,851</b>

The item "Others" mainly includes the tax consolidation credit versus Giordano Vini S.p.A.

## 20. Current tax liabilities

Current tax liabilities are made up as follows:

*Amounts in €000*

	<b>31.12.2024</b>	<b>31.12.2023</b>
VAT	0	30
IRES	4,312	0
IRPEF withholding tax	137	114
IRAP	0	0
Other taxes	9	0
<b>Total</b>	<b>4,458</b>	<b>144</b>

The increase in IRES payable is mainly due to a higher taxable income of the companies that are part of the Group's tax consolidation.



## 21. Revenue from sales and other income

Revenue from sales relates to services provided to subsidiaries and regulated by contracts for Euro 2,348 thousand in 2024 and Euro 2,472 thousand in the previous year.

Other income at 31 December 2024 is detailed below with comparative figures:

*Amounts in €000*

	31.12.2024	31.12.2023
Chargebacks	-	2
Out-of-period income	224	2
Others	16	-
<b>Total other income</b>	<b>240</b>	<b>4</b>

## 22. Purchases

The item "Purchases" refers to office supplies; material already available was used during the year.

## 23. Services

Services costs at 31 December 2024 are detailed below with comparative figures:

A) Excluding non-recurring charges:

*Amounts in €000*

	31.12.2024	31.12.2023
Services from third parties	142	84
Leases and rentals	199	181
Consulting	560	597
Advertising costs	0	6
Utilities	13	11
Remuneration of Directors, Statutory Audi	2,145	2,388
Maintenance	6	9
Other costs for services	438	516
Non-recurring expenses	(1,390)	(1,744)
<b>Total</b>	<b>2,114</b>	<b>2,049</b>



## B) Including non-recurring charges:

*Amounts in €000*

	<b>31.12.2024</b>	<b>31.12.2023</b>
Services from third parties	142	84
Leases and rentals	199	181
Consulting	560	597
Advertising costs	0	6
Utilities	13	11
Remuneration of Directors, Statutory Audi	2,145	2,388
Maintenance	6	9
Other costs for services	438	516
<b>Total</b>	<b>3,504</b>	<b>3,793</b>

The remuneration of directors, statutory auditors and the supervisory body is detailed as follows:

*Amounts in €000*

	<b>31.12.2024</b>	<b>31.12.2023</b>
Directors	2,075	2,321
Statutory auditors	55	55
SB	15	12
<b>Total</b>	<b>2,145</b>	<b>2,388</b>

*Amounts in €000*

	<b>Audit</b>	<b>Consulting</b>
Holding company	57	0
<b>Total</b>	<b>57</b>	<b>0</b>



## 24. Personnel

Personnel costs at 31 December 2024 are detailed below with comparative figures:

*Amounts in €000*

	<b>31.12.2024</b>	<b>31.12.2023</b>
Wages and salaries	961	969
Social security charges	262	330
Severance indemnities	42	54
Stock grant	28	62
Other costs	11	35
<b>Total</b>	<b>1,305</b>	<b>1,450</b>

The following table shows the number of employees:

	<b>No. at 31.12.2024</b>	<b>Average no. 31.12.2024</b>	<b>No. at 31.12.2023</b>	<b>Average no. 31.12.2023</b>
Managers	3	3	4	5
Middle managers	2	2	2	2
Office workers	-	0	1	1
Factory workers	-	-	-	-
<b>Total</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>

## 25. Other operating costs

The item "other operating costs" is detailed as follows.

*Amounts in €000*

	<b>31.12.2024</b>	<b>31.12.2023</b>
Damages, penalties/fines	3	7
Concessions and licences	0	0
Out-of-period expenses	58	18
Others	103	152
<b>Total</b>	<b>165</b>	<b>178</b>

The decrease in "other" derives from a lower cost of non-deductible VAT resulting from the recalculation of the pro-rata.



## 26. Financial income and expenses

Financial income and expenses are detailed in the following tables:

*Amounts in €000*

	<b>31.12.2024</b>	<b>31.12.2023</b>
On current accounts	793	1,064
Dividends	10,000	11,360
Exchange rate gain/(loss)	30	123
<b>Total</b>	<b>10,822</b>	<b>12,547</b>

*Amounts in €000*

	<b>31.12.2024</b>	<b>31.12.2023</b>
Bonds	(3,490)	(3,479)
Loans	(1)	(124)
Lease liabilities	(6)	(3)
Bank fees and charges	(15)	(4)
Exchange gain/(loss)	(57)	(29)
Others	(3)	(10)
<b>Total</b>	<b>(3,571)</b>	<b>(3,648)</b>

The decrease in financial charges on loans derives from non-use of the lines of credit given the improvement in the Group's net financial position.

## 27. Taxes

Income taxes at 31 December 2024 are detailed below with comparative figures:

*Amounts in €000*

	<b>31.12.2024</b>	<b>31.12.2023</b>
IRES	1,392	1,017
IRAP	0	0
Taxes for prior periods	(100)	(42)
<b>Total current taxes</b>	<b>1,292</b>	<b>975</b>
Deferred tax assets	(276)	462
Deferred tax liabilities	29	(29)
<b>Total deferred taxes</b>	<b>(247)</b>	<b>432</b>
<b>Total</b>	<b>1,045</b>	<b>1,407</b>



## 28. Related-party transactions

Related-party transactions form part of normal business operations within the typical activity of the parties concerned and they are regulated at standard conditions.

To summarize:

- (i) a commercial lease contract signed on 1 February 2012 by Provinco Italia S.p.A. and Provinco S.r.l. under which Provinco S.r.l. has been leasing the property located in Via per Marco 12/b, Rovereto (TN) to Provinco Italia S.p.A.; the lease has a duration of six years (until 31 January 2018) with tacit renewal for the same period unless notice of cancellation is given 12 months before the expiry date; the agreed rent is Euro 60 thousand per year, index-linked to ISTAT inflation statistics, plus VAT. For 2024 the rent came to Euro 69,837.62;
- (ii) a service contract with Electa S.p.A. involving investor relations support for an annual amount of Euro 40 thousand.

These relationships are regulated at market conditions.

The Parent Company IWB has adopted and follows the Procedure for Related-Party Transactions in compliance with the general provisions of the Euronext Growth Milan Issuers' Regulation.

## 29. Atypical and unusual transactions

Pursuant to Consob Communication no. DEM/6064293 of 28 July 2006, during the period the Group did not carry out any atypical or unusual transactions as defined in the Communication, according to which atypical and/or unusual transactions are those that, due to their importance or materiality, the nature of the counterparties, the object of the transaction, the method of determining the transfer price and the timing of the event, could give rise to doubts about: the accuracy or completeness of the information disclosed in the financial statements, conflict of interest, safeguarding of the Company's assets and the protection of non-controlling interests.

## 30. Significant events

### *30.1 Significant events during the period*

On 1 January 2024 the merger took effect between Provinco Italia S.p.A., Enoitalia S.p.A., Barbanera S.r.l. and Fossalto S.r.l., which led to the establishment of IWB Italia S.p.A., the



Group's commercial and industrial hub, with a view to maximising synergies for all activities in the B2B segment: commercial, production, management and financial.

On 18 March 2024 The Board of Directors of IWB defined the quantitative and qualitative criteria of materiality of the relationships potentially relevant for the purposes of assessing the independence of its members (the Materiality Criteria) in compliance with art. 6-bis of the EGM Regulation currently in force.

On 24 April 2024 Italian Wine Brands S.p.A. announced that the Group's subsidiaries, Giordano Vini S.p.A. and IWB Italia S.p.A., have communicated to the trade unions their decision to reorganise their teleselling and production operations at the Valle Talloria site in Diano d'Alba (Piedmont), run by Giordano Vini S.p.A. and IWB Italia S.p.A. respectively, to optimise productivity and adapt their respective structures to the changed market conditions:

- a) with reference to the teleselling activities, the reorganisation became necessary following the change in customer purchasing methods, increasingly oriented towards online, to the detriment of telephone sales. Giordano Vini S.p.A. has long developed the digital part of its business, while telephone sales have undergone a progressive downsizing, which makes it economically unsustainable to maintain an internal organisation dedicated to this and, as such, had to be dismantled: a decision that was even more necessary and strategic considering the higher efficiency in this area of the outsourcing model that has already been implemented for years by Giordano Vini S.p.A. and was pursued further;
- b) with reference to production , given the significant external growth achieved in recent years, the Group decided to concentrate production, arranging for the transfer of the IWB Italia production personnel operating at Valle Talloria di Diano D'Alba to the Calmasino di Bardolino (VR) site, with a view to rationalisation and, ultimately, a reduction in production costs. It will also make production activities and those related to them more efficient.

The IWB Group has agreed forms of support for the people affected by the reorganisation with the trade unions. The agreements were signed on 22 May 2024 for Giordano Vini S.p.A. and on 28 May 2024 for IWB Italia S.p.A.

On 30 April 2024 the Shareholders' Meeting:

- (i) appointed and established the compensation of the Board of Directors, which will remain in office for three years until the approval of the financial statements for 2026, in the persons of: Alessandro Mutinelli, Giorgio Pizzolo, Simone Strocchi, Antonella Lillo (independent director), Sofia Barbanera, Massimiliano Mutinelli and Marta Pizzolo.
- (ii) approved the purchase and disposal of treasury shares pursuant to arts. 2357 and 2357-ter of the Italian Civil Code and art. 132 of the Consolidated Finance Act, according to the methods proposed in the Directors' Report to provide



the Company with a strategic investment opportunity for any purpose permitted by the provisions currently in force. This includes the purposes envisaged in art. 5 of Regulation (EU) 596/2014 (Market Abuse Regulation, “MAR”) and in the practices permitted pursuant to art. 13 MAR, where applicable, including the purchase of treasury shares with a view to their subsequent cancellation, according to the terms and methods to be decided by the corporate bodies after cancellation of the resolution adopted by the Shareholders' Meeting of 27 April 2023 for the part not carried out.

On 16 May 2024 IWB Italia signed a partnership and collaboration agreement with Cantine Ermes, which with 14 plants in 6 regions represents one of the main cooperative operators in the transformation of grapes, with a view, on the one hand, to valorisation of its assets at the Torricella winery and, on the other, to continue raising production efficiency. The agreement, which took effect on 20 June, provides for: (i) strengthening and expansion of the collaboration and partnership between IWB and Cantine Ermes for the supply of larger volumes of wine, produced according to technical specifications and under the supervision of IWB technicians; (ii) sale of the Torricella plant by IWB Italia to Cantine Ermes.

On 24 May 2024 Italian Wine Brands S.p.A. joined the Prosecco Consortium with the appointment of its Deputy Chairman Giorgio Pizzolo as a member of the Prosecco DOC Board of Directors.

On 28 May 2024 Italian Wine Brands S.p.A. strengthened its management structure with the appointment of Alessandro Vella as the new General Manager.

On 12 September 2024 the boards of directors of Giordano Vini S.p.A. and IWB Italia S.p.A. approved the partial demerger to transfer the Giordano Vini S.p.A. brand to the beneficiary IWB Italia S.p.A. The project completes the corporate reorganisation begun in 2023 to improve operational efficiency and rationalise the business organisation of the companies involved, making it possible to achieve important synergies. In this context, concentrating the Group's brands in a single company, IWB Italia, will help to optimise how they are managed with a view to future development. From an operational standpoint, Giordano will continue to benefit from use of the brand through a specific multi-year agreement for the production of wine that will commence from the Effective Date of the Demerger.

On 15 October 2024 Alessandro Mutinelli, Chairman and CEO of the Group, was appointed a board member of Unione Italiana Vini, the Italian Association of Wine Companies. This appointment is an important milestone both for Alessandro Mutinelli, who sees his commitment and entrepreneurial vision recognised in promoting Italian wine at a national and international level, and for IWB, which now acquires a prominent role within the most important representative Association for companies in the wine sector: it has 770 corporate



members and represents more than 150,000 winemakers, more than 50% of the Italian wine turnover and over 85% of the export turnover of Italian wine.

On 17 December 2024 The Board of Directors of Italian Wine Brands S.p.A. decided to propose to the Shareholders' Meeting the distribution of an extraordinary dividend of Euro 0.5 per share (gross of legal withholdings and excluding treasury shares) for a total of Euro 4,678,268 (the "Extraordinary Dividend") to be drawn from available reserves formed by retained earnings. The Board of Directors deemed it appropriate to formulate the proposal for the distribution of the Extraordinary Dividend on the occasion of the tenth anniversary of the Company's listing, in consideration of (i) the exceptional growth and value creation achieved by the Company over the course of these ten years, (ii) recognition of the support always granted by the shareholders to the development path of IWB, both organically and through external lines.

### **30.2 Significant subsequent events**

*On 28 January 2025* the following were held at the headquarters of the Italian Stock Exchange:

- the shareholders' meeting which coincides with the tenth anniversary of the listing approved the Board of Directors' proposal to distribute an extraordinary dividend of Euro 0.5 per share in consideration of the exceptional growth and value creation achieved by the company over the course of these ten years and recognition of the shareholders' support for IWB's development path, both organically and through external lines.
- the event that celebrated the tenth anniversary of the listing in the presence of the entire Management Team, Directors and Shareholders who were some of the first investors, for a significant anniversary of the first Italian wine group to be listed on the Italian Stock Exchange. As tangible recognition for the competence, passion and dedication of all its collaborators, the Group paid each employee an extraordinary bonus of Euro 1,000.

*On 18 February 2025* Italian Wine Brands S.p.A. announced that its subsidiary Giordano Vini S.p.A., through the Italian platform Svinando, an international leader in the online sale of food and wine products, had launched "Nando", the first virtual assistant based on artificial intelligence developed internally to offer a browsing and consulting experience tailor-made to the needs of its customers. Thanks to an advanced search engine based on AI technology, "Nando" is able to guide users on broad topics, from the characteristics of the products in the



catalogue, to food/wine pairings, the right occasions to drink a certain wine, and the customer's budget. This is a genuinely expert guide, capable of understanding and anticipating the needs of the customer, offering personalised advice with precision and reliability. "Nando" guarantees quick, accurate and targeted responses, breaks down the barriers between technology and user, uses a fluid, natural interaction, increasingly close to human language, giving advice just like a real wine merchant. Svinando is the first Italian e-commerce player in the world of wine to offer a solution of this kind.

On 26 February 2025 The Board of Directors approved an integration of the incentive plan with the aim of further strengthening the alignment of the Group's objectives with those of the management team. It will allow the Group to continue on the path of growth in revenue, profit margins and cash generation in order to maximise the interests of all stakeholders.

### **31. Outlook**

In 2025, the IWB Group will present itself on the market with:

- (i) an integrated organisational structure;
- (ii) an efficient production structure with six months of synergies still to be expressed;
- (iii) a presence on international markets that makes it possible to seize new opportunities and to manage risks adequately;
- (iv) a financial situation which allows us to tackle both organic and external growth with confidence.

On the trade front, while carefully monitoring and trying to anticipate the possible effects of the increase in American tariffs, the Group is continuing with its strategy:

- of developing its Top Brands with a view to a continuous increase in profit margins and the recovery of private label contracts with levels of profitability in line with Group standards, as well as to support volumes;
- of more and more positioning in growth markets;
- of product innovation with the launch of the first IWB-branded dealcoholised products and products in the "ready to drink" segment on the American market.



On the production and purchasing front:

- the purchasing conditions for the main supplies of raw materials have already been negotiated;
- further cost reductions are expected for utilities;

all the conditions have therefore been created to achieve even better results than in 2024.

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For the Board of Directors

*The Chairman and Chief Executive Officer*

*Alessandro Mutinelli*