ITALIAN WINE BRANDS
Creatori di Eccellenze

THE BOARD OF DIRECTORS OF ITALIAN WINE BRANDS APPROVES THE HALF-YEAR REPORT AT 30 JUNE 2025

NEW RECORD FOR NET PROFIT AT €10.3 MILLION (+13.4% vs 2024)
CASH GENERATION IN THE FIRST 12 MONTHS (BEFORE DIVIDEND AND BUYBACK) OF €30 MILLION

REVENUES FROM SALES: €185.1 million (-3.17% vs. 2024), of which only 8.5% in the USA
8.8% GROWTH IN HO.RE.CA CHANNEL REVENUES (VS 2024)
EBITDA: €20.97 million (+3.28% vs. 2024)
NET PROFIT: €10.3 million (+13.4% vs. 2024)
NET DEBT: €90.5 million (-17.6 million vs. June 2024)
FREE CASH FLOW YIELD[2] on average stock price last month > 16%

Milan, 12 September 2025 – The Board of Directors of Italian Wine Brands S.p.A. ("**IWB**" or the "**Company**") met today to examine and approve the **Consolidated half-year financial report at 30 June 2025**, prepared in accordance with IAS/IFRS and the Euronext Growth Milan Issuers' Regulation. The report includes the following figures, which show constant and significant improvement.

Amounts in €000	30.06.2025	30.06.2024	30.06.2023	Δ % 24/25
Revenue from sales	**185,133**	**191,202**	**196,778**	**(3.17%)**
Change in inventories	9,244	(2,809)	2,269	(429.05%)
Other income	1,505	1,715	1,628	(12.22%)
Total revenues	195,882	190,108	200,675	3.04%
Purchase costs	(129,968)	(122,558)	(135,732)	6.05%
Costs for services	(30,352)	(31,914)	(34,613)	(4.89%)
Personnel costs	(13,086)	(13,149)	(12,537)	(0.48%)
Other operating costs	(590)	(563)	(539)	4.79%
Total operating costs	**(173,997)**	**(168,184)**	**(183,420)**	**3.46%**
Adjusted EBITDA (1)	**21,885**	**21,923**	**17,254**	**(0.17%)**
EBITDA	20,975	20,309	16,224	3.28%
Adjusted net profit/(loss) (3)	**10,992**	**10,279**	**5,355**	**6.94%**
Net profit/(loss)	**10,336**	**9,116**	**4,612**	**13.39%**
Net debt	**90,455**	**108,097**	**154,228**	
of which net debt - third-party lenders	*78,010*	*92,136*	*134,114*	
of which net debt - deferred price on acquisitions	*394*	*1,432*	*4,462*	
of which net debt - lease liabilities	*12,051*	*14,530*	*15,652*	

[1] Adjusted book figures at 30 June 2025 (with reference to Adjusted EBITDA and Adjusted Net Profit) shown before non-recurring revenues and costs for a total of €910 thousand and attributable to:

i) Costs for services amounting to €117 thousand including i) €21 thousand of costs related to the event organised by the Group for the 10th anniversary of its listing on the stock exchange ii) €67 thousand for due diligence on possible acquisitions iii) €4 thousand for legal advice regarding settlements iv) €25 thousand for waste disposal related to the closure of the Valle Talloria production site.

ii) Personnel costs of €718 thousand including i) €435 thousand for employee bonuses paid for the 10th anniversary of the Group's listing on the stock exchange (ii) €283 thousand for settlements with former employees and related costs.

iii) Other operating costs of €75 thousand including i) €27 thousand for penalties relating to supply relationships ii) €48 thousand of fines following a tax audit by the "AdE" (Italian Revenue Agency).

[2] (FCF LTM (€41.3 million) – Capex LTM (€7.2 million)) / No. shares (9,459,983) / average share price last month (€22)

[3] Adjusted Net Profit represents the profit 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 loan (iii) and related taxes.

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Alessandro Mutinelli, Chairman and CEO of the Group, *comments: "The strength of this group lies in its ability to adapt and to react quickly and flexibly to changing market situations. The capacity to diversify brands/products across markets, commercial channels and positioning allows us to reach all potential customers, wherever they may be, and be less exposed to macroeconomic conditions. We are constantly striving for innovation, product quality, cost control, and the development of our people: this allows us to achieve better and better results, even in a challenging environment characterised by customs tariffs, geopolitical blockades, customers' reduced purchasing power and changes in consumer habits."*

Revenues from sales

Italian Wine Brands confirms its position as the leading listed Italian wine group, consolidating revenues of €185.1 million in the first half of 2025, strong considering a macroeconomic environment that causes uncertainties in consumption, also due to the volatility of US tariff announcements, resulting in a greater propensity for saving on the part of households.

It should be noted that, in the first half of 2025, the **Top Brands** achieved growth of 2% in value, with a **contribution to the margins of the "Business to Business" channel**, understood as the difference between revenue and variable costs of production, **equal to €13.5 million, up 7.6% compared with the first half of 2024.**

Amounts in €000

	30.06.2025	30.06.2024	30.06.2023	*Δ % 24 / 25*	*Cagr 23 / 25*
Total Revenues from sales	**185,133**	**191,202**	**196,778**	***(3.17%)***	***(3.00%)***
Revenues from sales - Italy	31,812	36,237	31,312	*(12.21%)*	*0.80%*
Revenues from sales - Foreign markets	153,277	154,877	164,956	*(1.03%)*	*(3.61%)*
Other Revenues	45	88	510	*(49.40%)*	*(70.39%)*

The revenues trend by channel reflects IWB's strategy aimed at improving its presence in the most profitable channels/segments, including new consumer habits and the greater attention to spending due to the more general macroeconomic context. To summarise, the following points are worth highlighting:

(i) **a steady increase in presence in the Ho.Re.Ca. channel** (+8.77% compared with the first half of 2024), consistent with the Group's strategy of developing premium own-brand products;
(ii) a reduction in wholesale sales (sales to large-scale retail chains and state monopolies) due to **price reductions versus pre-inflationary levels, more than offset in terms of margins by lower production costs** and an increase in the number of bottles sold;
(iii) a repositioning of the distance selling channel (direct sales to private individuals) versus pre-pandemic levels due to the reduced appeal of "traditional" sales via teleselling and direct mail. Sales through digital channels are impacted by the increasingly competitive offering, recording a 5.6% decrease despite strong volume performance, particularly on the **Svinando platform, where revenues grew by 4.3% in the first half of the year.**

Amounts in €000

	30.06.2025	30.06.2024	30.06.2023	*Δ % 24 / 25*	*Cagr 23 / 25*
Total Revenues from sales	**185,133**	**191,202**	**196,778**	***(3.17%)***	***(3.00%)***
Revenues from wholesale division	**130,584**	**135,377**	**140,089**	***(3.54%)***	***(3.45%)***
Revenues from distance selling division	**24,470**	**28,125**	**29,222**	***(13.00%)***	***(8.49%)***
Direct Mailing	11,375	13,225	14,279	*(13.99%)*	*(10.75%)*
Teleselling	4,344	5,630	6,244	*(22.85%)*	*(16.59%)*
Digital / WEB	8,751	9,270	8,699	*(5.59%)*	*0.30%*
Revenues from ho.re.ca division	**30,035**	**27,612**	**26,957**	***8.77%***	***5.55%***
Other Revenues	**45**	**88**	**510**	***(49.40%)***	***(70.39%)***

Overall, in the first half of the year, the Group shows a solid market position, moreover in high-margin segments and in key countries for wine exports.

Margins

In the first half of 2025, the Italian Wine Brands group achieved a **consolidated adjusted EBITDA of €21.9 million, equal toGroup's all-time record of €21.9 million** achieved in the first half of 2024. The margin on revenue increased to 11.7% compared with 11.3% in the first half of 2024, confirming an unstoppable growth path driven by the development of its Top Brands.

Amounts in €000

	30.06.2025	30.06.2024	30.06.2023	Δ % 24/25	Cagr Δ % 23/25
Revenue from sales and other income	**186,638**	**192,917**	**198,405**	**(3.25%)**	**(3.01%)**
Raw materials consumed	(120,725)	(125,367)	(133,463)	(3.70%)	(4.89%)
% of total revenue	*(64.68%)*	*(64.99%)*	*(67.27%)*		
Costs for services	(30,352)	(31,914)	(34,613)	(4.89%)	(6.36%)
% of total revenue	*(16.26%)*	*(16.54%)*	*(17.45%)*		
Personnel	(13,086)	(13,149)	(12,537)	(0.48%)	2.17%
% of total revenue	*(7.01%)*	*(6.82%)*	*(6.32%)*		
Other operating costs	(590)	(563)	(539)	4.79%	4.66%
% of total revenue	*(0.32%)*	*(0.29%)*	*(0.27%)*		
Adjusted EBITDA	**21,885**	**21,923**	**17,254**	**(0.17%)**	**12.62%**
% of total revenue	*11.73%*	*11.36%*	*8.70%*		

The above table shows:

- **a reduction in the incidence of raw material consumption** on revenue due to (i) an improved product mix, with growth in both volume and value of top brands characterised by a margin (defined as the difference between revenues and the cost of raw materials) equal to or greater than 45%; and (ii) a reduction in the cost of production factors, with glass in particular decreasing by 5% compared with the first half of 2024, more than offsetting the reduction in prices resulting from the repositioning of the market towards levels prior to the inflationary period.

- **Service costs**, amounting to €30.4 million, decreased compared with the first half of 2024 and previous semesters, mainly due to (i) optimisation of transport costs; and (ii) a reduction in commissions, not only due to lower volumes, but also as a further synergy resulting from B2B commercial integration; this in addition to reductions resulting from lower B2C sales volumes (tariffs and excise duties). These savings allow the Group to increase its advertising and marketing campains to support revenues in the second half of the year.
- **Personnel costs** decreased slightly in absolute terms from €13.2 million in 2024 to €13.1 million in 2025, due to the new contractual conditions, which partially offset the synergies resulting from industrial integration.

The revenue and cost dynamics described above resulted in an adjusted EBITDA of €21.9 million (11.7% incidence on sales revenues) in 2025, an improvement in percentage terms compared with the first half of 2024 and confirming an all-time record for the Group.

The following table provides details of the cost items that reduce the Adjusted EBITDA to the profit before tax (EBT) of the Italian Wine Brands Group.

Amounts in €000

	30.06.2025	**30.06.2024**	**30.06.2023**	**Δ % 24/25**	**Cagr Δ % 23/25**
Adjusted EBITDA	**21,885**	**21,923**	**17,254**	**(0.17%)**	**12.62%**
Write-down	(111)	(574)	(828)	(80.63%)	(63.36%)
% of total revenue	*(0.06%)*	*(0.30%)*	*(0.42%)*		
Depreciation and amortization	(4,676)	(5,717)	(5,506)	(18.20%)	(7.85%)
% of total revenue	*(2.51%)*	*(2.96%)*	*(2.78%)*		
Non-recurring items	(910)	(1,614)	(1,030)	(43.63%)	(6.04%)
% of total revenue	*(0.49%)*	*(0.84%)*	*(0.52%)*		
Operating profit (loss)	**16,188**	**14,019**	**9,889**	**15.47%**	**27.94%**
% of total revenue	*8.67%*	*7.27%*	*4.98%*		
Financial income (expenses)	(2,283)	(1,731)	(3,642)	31.86%	(20.83%)
% of total revenue	*(1.22%)*	*(0.90%)*	*(1.84%)*		
EBT	**13,905**	**12,288**	**6,248**	**13.16%**	**49.19%**
% of total revenue	*7.45%*	*6.37%*	*3.15%*		

The above table shows that the Italian Wine Brands Group's income statement in the first half of 2025 was characterised by a significant improvement in operating profit. All cost items improved, in particular:

(i) a significant reduction in write-downs (impairment losses), which include uncollectable B2C receivables due to the rising proportion of purchases through digital platforms, which reduce the impact of potential payment defaults.

(ii) a reduction in amortization of €1 million thanks to industrial rationalisation;

(iii) financial expenses, now limited to those related to the bond issue, remained at the same levels as in the first half of 2024; savings were also achieved in factoring costs and bank fees and commission, although these were partially offset by exchange losses. The net amount increased by €0.5 million due to withholding tax on dividends in 2024, only partially offset by accrued interest income on cash deposits.

Financial situation

Over the last 12 months, the Group has generated €17.6 million of cash, in addition to €9 million of dividends and buyback investments of €2.5 million, for a total of approximately €30 million. This confirms a structural cash generation capacity in the range of 50-55% of adjusted EBITDA, supporting business development and stakeholder remuneration.

The above figures include the impact of IFRS 16 (accounting for right-of-use financial liabilities) amounting to €12.1 million at 30 June 2025, and €14.5 million at 30 June 2024.

Parent company IWB S.p.A. economic and financial update

The separate financial statements of IWB at 30 June 2025, shows:

- Net profit for the period of €8.1 million (€8.4 million at 30 June 2024);
- Net debt – third-party lenders of €109.7 million (€92.8 million at 30 June 2024). The increase is due to the increase in capital in favour of Giordano Vini S.p.A., resulting in a waiver of intercompany loans amounting to €20.9 million.

Significant events that occurred after the end of 1st half 2025

The share buyback programme initiated on 13 May 2025 and concluded on 28 July 2025 – as explained in the press release issued on the same date, to which reference should be made for further details – in implementation of the resolution passed by the IWB Ordinary Shareholders' Meeting on 12 May 2025.
Under this programme, a total of 60,000 IWB treasury shares, at an average price of €20.84 per share and a total value of €1,250,329, in accordance with the resolution of the said Shareholders' Meeting and the announcement made on 13 May 2025.
At the same time, IWB announced the launch of a new share buyback programme, also in accordance with the resolution of the Ordinary Shareholders' Meeting of 12 May 2025, as a useful strategic investment opportunity for any purpose permitted by current legislation. The purchases will involve a maximum of 60,000 ordinary shares of the Company, with no par value, for a maximum amount of €1,800,000.00.

Outlook

In the second half of 2025, the IWB Group, strengthened by a new record net profit and a financial position that allows it to confidently address both organic and external growth, will continue:

- to grow sales of its top brands, aimed at continuously increasing margins;
- to optimise production chain costs;
- to seek investment opportunities to strengthen its position in its core markets with premium products.

Furthermore, the sales and marketing workforce is planned to be strengthened to more proactively support its expansion into international markets and the development of its top brands.

Other corporate governance resolutions

Today, IWB's Board of Directors also approved an update to the whistleblowing procedure available on IWB website: www.italianwinebrands.it in "*investors/financial documents/corporate documents*" section

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This document uses several alternative performance indicators. The indicators presented are not identified as accounting measures under IFRS and should not therefore be considered as alternative measures to those provided by the financial statements.
The Consolidated half-year financial report at 30 June 2025 is currently subject to a limited legal audit, ongoing as of today.

FOR FURTHER INFORMATION:

Italian Wine Brands S.p.A.
Viale Abruzzi 94, Milano
T. +39 02 30516516
investors@italianwinebrands.it
www.italianwinebrands.it

Value Track SIM S.p.A.
Euronext Growth Advisor
Viale Luigi Majno, 17/A, Milano
ecm@value-track.com
+39 02 87185120

Press Office
Spriano Communication & Partners
Via Santa Radegonda 16, Milano
Matteo Russo +39 347 9834881
mrusso@sprianocommunication.com
Cristina Tronconi +39 346 0477901
ctronconi@sprianocommunication.com

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CONSOLIDATED FINANCIAL POSITION

Amounts in Euro	Note	30.06.2025	31.12.2024
Non-current assets			
Intangible assets	5	38,341,034	38,469,167
Goodwill	6	215,968,880	215,968,880
Land, property, plant and equipment	7	41,604,658	40,856,412
Right-of-use assets	7 B	12,046,929	13,398,871
Equity investments	9	2,759	5,109
Other non-current assets	10	223,015	222,324
Non-current financial assets		-	-
Deferred tax assets	11	1,200,446	1,686,119
Total non-current assets		**309,387,721**	**310,606,882**
Current assets			
Inventory	12	76,651,689	65,264,485
Trade receivables	13	31,698,416	50,612,573
Other current assets	14	2,065,000	2,631,151
Current tax assets	15	1,381,382	721,156
Current financial assets		550,373	528,760
Cash and cash equivalents	16	53,584,110	59,500,216
Total current assets		**165,930,969**	**179,258,341**
Non-current assets held for sale	8	9,740,033	9,740,033
Total assets		**485,058,723**	**499,605,256**
Shareholders' equity			
Share capital		1,124,468	1,124,468
Reserves		170,578,372	155,125,347
Reserve for defined benefit plans		30,958	30,958
Reserve for stock grants		-	794,385
Profit (loss) carried forward		43,835,538	47,061,082
Net profit (loss) for the period		10,123,547	22,335,624
Total Shareholders' Equity of parent company shareholders		**225,692,882**	**226,471,864**
Non-controlling interests		275,029	62,505
Total Shareholders' Equity	**17**	**225,967,911**	**226,534,369**
Non-current liabilities			
Financial payables	18	131,476,806	133,529,737
Lease liabilities	18	8,759,618	10,048,538
Provision for other employee benefits	19	1,433,249	1,548,228
Provisions for future risks and charges	20	100,000	165,610
Deferred tax liabilities	11	9,101,686	9,379,847
Other non-current liabilities	22	-	-
Total non-current liabilities		**150,871,359**	**154,671,959**
Current liabilities			
Financial payables	18	1,061,817	2,450,424
Lease liabilities	18	3,291,701	3,316,648
Trade payables	21	86,063,073	94,697,725
Other current liabilities	22	9,626,074	10,093,388
Current tax liabilities	23	8,176,788	7,840,742
Provisions for future risks and charges	20	-	-
Total current liabilities		**108,219,452**	**118,398,928**
Liabilities directly related to assets held for sale		-	-
Total shareholders' equity and liabilities		**485,058,723**	**499,605,256**

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COMPREHENSIVE INCOME STATEMENT

Amounts in Euro	Note	30.06.2025	30.06.2024
Revenue from sales	**24**	185,133,337	191,202,129
Change in inventories	**12**	9,243,526	(2,809,130)
Other income	**25**	1,505,050	1,714,531
Total revenue		**195,881,913**	**190,107,530**
Purchase costs	**26**	(129,968,360)	(122,558,236)
Costs for services	**27**	(30,469,036)	(32,021,740)
Personnel costs	**28**	(13,804,208)	(14,654,989)
Other operating costs	**29**	(664,815)	(563,187)
Operating costs		**(174,906,419)**	**(169,798,152)**
EBITDA		**20,975,493**	**20,309,379**
Depreciation and amortization	**5-7**	(4,676,214)	(5,716,644)
Provision for risks	**20**	-	-
Write-ups / (Write-downs)	**30**	(111,132)	(573,829)
Operating profit/(loss)		**16,188,147**	**14,018,906**
Financial income		1,014,921	1,511,540
Borrowing costs		(3,297,780)	(3,242,814)
Net financial income/(expenses)	**31**	**(2,282,859)**	**(1,731,274)**
EBT		**13,905,288**	**12,287,631**
Taxes	**32**	(3,569,221)	(3,172,101)
(Loss) Profit from discontinued operations		-	-
Profit (loss) (A)		**10,336,067**	**9,115,531**
Attributable to:			
Non-controlling interests		(212,520)	(144,568)
Group profit (loss)		**10,123,547**	**8,970,962**
Other Profit/(Loss) of comprehensive income statement:			
Other items of the comprehensive income statement for the period to be subsequently released to profit or loss		(178,670)	(285,741)
Other items of the comprehensive income statement for the period not to be subsequently released to profit or loss			
Actuarial gains/(losses) on defined benefit plans	**19**	-	-
Tax effect of Other profit/(loss)		-	-
Total other profit/(loss), net of tax effect (B)		**(178,670)**	**(285,741)**
Total comprehensive profit/(loss) (A) + (B)		**10,157,397**	**8,829,790**

STATEMENT OF CASH FLOWS

Amounts in Euro

	Notes	30.06.2025	30.06.2024
Profit (loss) before taxes		13,905,288	12,287,631
Adjustments for:			
- non-monetary items - stock grant		-	-
- increases in the provision for bad and doubtful accounts, net of utilisations		111,132	573,829
- non-monetary items - provisions / (releases)		-	-
- non-monetary items - amortisation/depreciation		4,676,214	5,716,644
Adjusted profit (loss) for the period before taxes		**18,692,634**	**18,578,104**
Cash flow generated by operations			
Income tax paid		(1,846,834)	(1,143,287)
Other financial (income)/expenses without cash flow		1,729,735	1,732,038
Total		**(117,099)**	**588,751**
Changes in working capital			
Change in trade receivables		18,803,025	2,713,514
Change in trade payables		(8,634,653)	(11,860,764)
Change in inventories		(11,156,062)	1,437,985
Change in other receivables and payables		(1,948,420)	3,664,511
Other changes		(176,330)	444,325
Change in post-employment benefits and other provisions		(180,588)	(153,318)
Change in other provisions and deferred taxes		207,513	1,048,226
Total		**(3,085,515)**	**(2,705,522)**
Cash flow from operations (1)		**15,490,021**	**16,461,333**
Capital expenditure:			
- Tangible		(1,949,900)	(11,580)
- Intangible		(1,666,482)	(1,427,851)
- Financial		2,350	-
Cash flow from investment activities (2)		**(3,614,032)**	**(1,439,431)**
Financial assets			
Long-term borrowings/ (repayments) - Bond		(3,250,000)	(3,250,000)
Short-term borrowings (paid)		-	-
Long-term borrowings/ (repayments) - Bond		-	(2,344,000)
Collections / (repayments) revolving loan		-	(20,000,000)
Collections / (repayments) other financial payables		(1,580,045)	(1,349,194)
Change in other financial assets		(21,613)	(195,935)
Change in other financial liabilities		(2,037,913)	(4,330,471)
Purchase of treasury shares		(1,375,277)	(504,730)
Sale of treasury shares		-	-
Dividends paid		(9,355,064)	(4,713,414)
Cash increases in capital		-	-
Change in reserve for stock grants		-	-
Other changes in shareholders equity		(172,184)	(236,883)
Cash flow from financing activities (3)		**(17,792,096)**	**(36,924,627)**
Cash flow from continuing operations		**(5,916,107)**	**(21,902,725)**
Change in cash and cash equivalents (1+2+3)		**(5,916,107)**	**(21,902,725)**
Cash and cash equivalents at beginning of period		**59,500,216**	**70,900,191**
Cash and cash equivalents at end of period		**53,584,110**	**48,997,466**

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
Balance at 1 January 2024	**1,124,468**	**144,878,513**	**465,766**	**789,694**	**(63,762)**	**62,504,369**	**(208,671)**	**209,490,377**
Increase in capital								-
Purchase of treasury shares		(504,730)						(504,730)
Sale of treasury shares								-
Dividends						(4,713,414)		(4,713,414)
Allocation of treasury shares		692,132		(789,694)		97,562		-
Legal reserve		15,641				(15,641)		-
Reclassification and other changes		10,856,858				(10,808,001)		48,858
Total comprehensive profit/ (loss)			(285,741)			8,970,962	144,568	**8,829,790**
Balance at 30 June 2024	**1,124,468**	**155,938,414**	**180,025**	**-**	**(63,762)**	**56,035,838**	**(64,103)**	**213,150,881**

Amounts in Euro

	Share Capital	Capital Reserves	Translation reserve	Reserve for stock grants	Reserve for defined benefit plans	Retained earnings	Non-controlling interests	Total
Balance at 1 January 2025	**1,124,468**	**154,839,495**	**285,852**	**794,385**	**30,958**	**69,396,706**	**62,505**	**226,534,369**
Increase in capital								-
Purchase of treasury shares		(1,375,277)						(1,375,277)
Sale of treasury shares								-
Dividends						(9,355,064)		(9,355,064)
Allocation of treasury shares		838,695		(794,385)		(44,310)		-
Legal reserve		-				-		-
Reclassification and other changes		16,168,277				(16,161,794)	4	6,486
Total comprehensive profit/ (loss)			(178,670)			10,123,547	212,520	**10,157,397**
Balance at 30 June 2025	**1,124,468**	**170,471,190**	**107,181**	**-**	**30,958**	**53,959,085**	**275,029**	**225,967,911**