

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 December 31, 2025

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 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.

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

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 December 31, 2025, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements, including material information on the accounting policies.

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

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 Italian Wine Brands S.p.A. (the "Parent") in accordance with the ethical and independence requirements applicable in Italy to the audit of financial statements.

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

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.

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

Valuation of goodwill

Note 2.1 “accounting policies - Goodwill”

Note 6 “Goodwill”

The total goodwill, amounting to Euro 215.969 thousand arises from the following business combinations: IWB Italia S.p.A. for Euro 186.077 thousand, Enovation Brands Inc for Euro 17.038 thousand and Raphael Dal Bo AG for Euro 12.854 thousand.

As of December 31, 2025, the goodwill was tested for impairment, 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.

The audit procedures performed included, among others:

- 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;
 - examination of the sensitivity analysis carried out by administrators on the main assumptions used in the impairment test model;
- verification of the adequacy of the disclosures provided in the explanatory notes to the financial statements.

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.

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.

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

On April 22, 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 December 31, 2021, to December 31, 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.

Report on other legal and regulatory requirements

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

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

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

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

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

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

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

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

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



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

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

Milan, April 10 2026

BDO Audit Services S.r.l.
Signed by

Giovanni Rovelli
Partner

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

Separate financial statements as at December 31, 2025

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.

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 December 31,2025, the comprehensive income statement, the statement of changes in equity and the statement of cash flows for the year then ended, and explanatory notes to the financial statements, including material information on the accounting policies.

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

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 Italian Wine Brands S.p.A. (the "Company") in accordance with the ethical and independence requirements applicable in Italy to the audit of financial statements.

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

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.

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

Valuation of investments

*Note 2.1 Accounting policies Equity investments”
Note 7 “investments*

investments are recognised in the financial statements for a total value of Euro 281,465 thousand and refer to the subsidiaries IWB Italia SpA, Giordano Vini SpA, Enovation Brands Inc. and Italian Wine Brands UK Ltd.

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.

Valuation of investments represents a key audit matter in consideration of the degree of subjectivity inherent in determining the variables used for the estimation of the recoverable amount.

The audit procedures performed included, among the others:

- discussions with the Management in order to understand the methodology adopted by the Company regarding the identification of any impairment indicators, in line with what is provided for by IAS36;
- analysis of the movement of investments over the period and examination of the most significant acquisition and disposal operations;
- comparison of the carrying amount of the investment with the equity holding fraction of the holding company by obtaining the financial statements at the end of the period;
- verification of the impairment test with the support of BDO specialists, with particular reference to:
 - reasonableness of key assumptions and hypothesis underlying cash flow forecasts;
 - compliance of the methodology used with the applicable accounting standards;
 - examination of the key assumptions underlying the impairment model with reference to the discount rate, growth rate and terminal value determination;
 - verification of the mathematical accuracy of the impairment test model;
 - examination of the sensitivity analysis carried out by administrators on the main assumptions used in the impairment test model;
- verification of the adequacy of the disclosures provided in the explanatory notes to the financial statements.

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.

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.

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

On April 22, 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 December 31, 2021, to December 31, 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.

Report on other legal and regulatory requirements

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 December 31, 2025 to be included in the annual financial report.

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

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

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

The directors are responsible for the preparation of a directors' report and a report on corporate governance and ownership structure at December 31, 2025, including their consistency with the related 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 December 31, 2025.

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



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

Milan, April 10 2026

BDO Audit Services S.r.l.

Signed by

Giovanni Rovelli

Partner



ITALIAN WINE BRANDS
Creatori di Eccellenze

CONSOLIDATED ANNUAL FINANCIAL REPORT

31st DECEMBER 2025

ITALIAN WINE BRANDS S.P.A.

Registered office: Viale Abruzzi, 94, 20131 Milan (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, Monza-Brianza, Lodi (Italy)
R.E.A. No. 2053323

italianwinebrands.it







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<i>The present document constitutes a copy, in PDF format, of the Annual Financial Report of the IWB Group as of December 31, 2025. 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.</i>	
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 Audit Service S.r.l.

Euronext Growth Advisor

Value Track SIM S.p.A.



Letter to the Shareholders

Dear Shareholders,

I am extremely satisfied with the results achieved in **2025** by the team of **Italian Wine Brands**. In a particularly challenging global context for the wine sector – characterised by macroeconomic uncertainties, mature markets, and new consumer trends – we managed to further strengthen our presence on international markets, confirming the Group's resilience and solidity.

2025 was a year of **tangible implementation of our strategy**, with results that take on even greater value when compared with the general market trend, which suffered a contraction in both volume and value, penalised by the reduced spending power of end consumers.

Operating and strategic results

From an operating point of view, the year was characterised by:

- **an increase in volumes sold**, with constant attention to the quality and premium positioning of our wines, completely in line with our strategy of portfolio enhancement;
- **strengthening our leadership in the production of Prosecco**, a segment in which the Group continues to stand out for its scale, production skills and recognised quality;
- **development of our Top Brands**, increasingly central to the creation of value and the Group's recognition on international markets;
- **expansion in foreign markets**, with a particular focus on the United Kingdom, Germany and North America, which helped to offset the dynamics of less consolidated markets;
- **launch of the first no- and low-alcohol products**, intercepting new consumer trends and expanding the offering towards segments with high growth potential.

At the same time, we have continued with determination on the path of **industrial efficiency**, by rationalising our production structure – which meant closing a number of factories – and **bringing more production in-house**, with the aim of increasing quality control, improving operational flexibility and optimising costs.



Efficiency, people and organisation

2025 was also marked by a strong focus on **operating efficiency**, with targeted investments in **automation and digitalization**, key elements to strengthen the Group's competitiveness in a complex scenario.

We have continued to invest in **people**, particularly by strengthening our **sales & marketing** structures, being well aware that the ability to monitor markets, enhance brands, and interpret consumer trends represents a fundamental competitive advantage.

Our constant propensity for **innovation**, combined with rigorous discipline in **cost control** and the enhancement of human capital, has allowed us to achieve extremely positive results despite a general context marked by customs tariffs, geopolitical tensions, reduced purchasing power and changes in consumer habits.

Growth and M&A opportunities

In parallel, given current market conditions and the rationalisation underway in the sector, Italian Wine Brands is maintaining a careful and continuous monitoring of changes in the competitive context, **evaluating with extreme selectivity any development opportunities through external lines**, but only if consistent with the Group's strategy, complementary to the existing portfolio and fully compatible with the criteria of financial discipline and value creation in the medium to long term.

Solidity and competitive positioning

Production flexibility, the ability to react quickly to market changes, a wide range of products, a presence in all the main commercial channels and key markets are factors that have allowed us to be less exposed to macroeconomic conditions, confirming the leadership role of Italian Wine Brands and laying solid foundations for sustainable future growth.

Having maintained a position of **economic, capital and financial equilibrium** during 2025, it allows us today to look forward with even greater impetus and determination, with a view to:

- **organic growth;**
- **development and further strengthening of our Top Brands;**
- **improving profitability and cash generation** for the benefit of all stakeholders.



Outlook 2026–2028

Looking to the future, the three-year period **2026–2028** represents a horizon of **extraordinary opportunities** for Italian Wine Brands. The Group intends to:

- further strengthen the offer of **premium products**, enhancing the most iconic denominations and special lines;
- expand our presence in **strategic markets** and in new emerging markets;
- continue to innovate in a **sustainable way**, to offer modern, responsible consumer experiences in line with new consumer expectations.

I am convinced that, thanks to the strength of our brands, our ability to serve our customers, the professionalism of our team and the clarity of our strategy, **Italian Wine Brands** will be ready to take on the challenges of the market and further strengthen its international leadership, creating value for the entire supply chain and for you, the Shareholders.

Alessandro Mutinelli

Chairman and Chief Executive Officer



Key figures

PROFIT & LOSS FIGURES

Amounts in €000	2025	2024	2023
Revenue from sales	395,899	401,937	429,127
Adjusted EBITDA	49,117	50,382	44,330
%	12.4%	12.5%	10.3%
EBITDA	41,765	46,620	40,962
%	10.5%	11.6%	9.5%
Adjusted EBIT	39,337	39,557	30,739
EBIT	31,985	35,795	27,372
%	8.1%	8.9%	6.4%
Adjusted net profit/(loss)	25,608	25,319	18,886
%	6.5%	6.3%	4.4%
Profit/(loss)	16,562	22,607	16,458
%	4.2%	5.6%	3.8%

ASSETS & LIABILITIES

Amounts in €000	2025	2024	2023
Net working capital	-10,384	6,820	12,138
Net Invested Capital	290,330	315,851	325,423
Shareholders' equity	232,709	226,534	209,490
Net financial position	57,621	89,316	115,932
Net debt (without effect of applying IFRS 16)	46,754	75,951	100,718
Net financial position - third-party lenders	43,052	75,506	96,313

MAIN RATIOS

	2025	2024	2023
Net financial position/Adjusted EBITDA	1.17	1.77	2.62
Net financial position/Net equity	0.25	0.39	0.55
EPS	1.79	2.42	1.75

The alternative performance indicators reported above are explained on pages 25-27.



Directors' Report on Operations

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

1.1 Markets

1.1.1 International market

In 2024, Italian wine achieved all-time records with over €8.1 billion in exports and 21.7 million hectolitres sold, confirming Italy as the world's leading exporter by volume and second in value, only behind France.

In 2025, the momentum cooled, and the market showed signs of slowing down, settling into a more complex international environment.

According to estimates by the International Organisation of Vine and Wine (OIV), **Italy remained the world's leading wine producer** in 2025, with an estimated production of around 47.3 million hectolitres, ahead of:

- France, which with 35.9 million hectolitres confirms its position as the second largest producer while remaining the leader in terms of export value, despite posting a significant contraction in 2025, especially for still wines and Cognac, which were hit by tariffs and a decline in Chinese demand.
- Spain is the third largest producer with 29.4 million hectolitres, with a declining harvest (-6%), one of the lowest in recent decades. Spanish wine exports in 2025 indicate reductions in both value and volume for various product categories. Still wines in bottles have shown -7.5% in value and -8.3% in volume and sparkling wines such as Cava recorded significant drops. The average price of Spanish exports increased slightly, but it was not enough to compensate for the fall in demand in the principal markets.

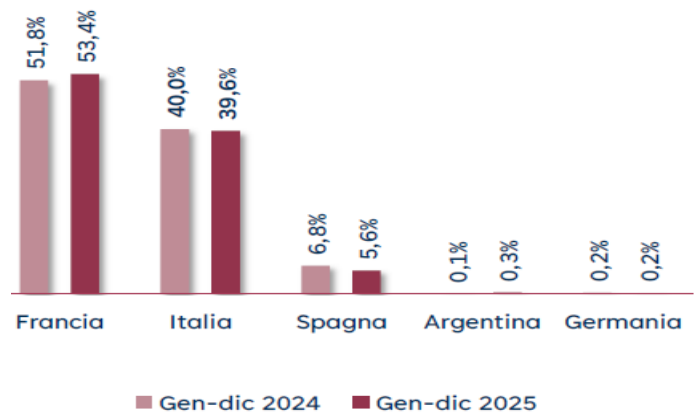
The USA is still the no. 1 market for Italian wine, but 2025 was one of the most difficult years for the last twenty. It is estimated that the market has decreased by around \$570 million due to tariffs, given a Customs levy of almost half a billion dollars.

In particular, a decline in total wine imports was noted, with imported quantities dropping by 2%, while the value decreased by 11.6% y/y. The contraction affects bottled still and fizzy wines as well as those sold in bulk, in terms of both volume and value. On the other hand, sparkling wines show a divergent trend (decreasing in value, but growing in volume), while large formats are the only segment growing for both parameters. This scenario is significantly impacted not only by the uncertainty surrounding the Trump administration's tariff policy, but also by the weakening of the dollar. The need to mitigate the tax burden to keep consumer prices competitive has pushed the market towards a reduction in average prices in all categories, as evidenced by the decline in the overall value of imports.



In this context, the best performance was recorded by sparkling wines, whose imports exceeded 1.9 million hectolitres, for a value of more than €1.4 billion. The segment shows a 3.6% growth in volumes, compared with a contraction in values of 8.8%.

Worth noting that **Prosecco imports fell in value (-2%), but remained positive in terms of volumes (+1.3%).***

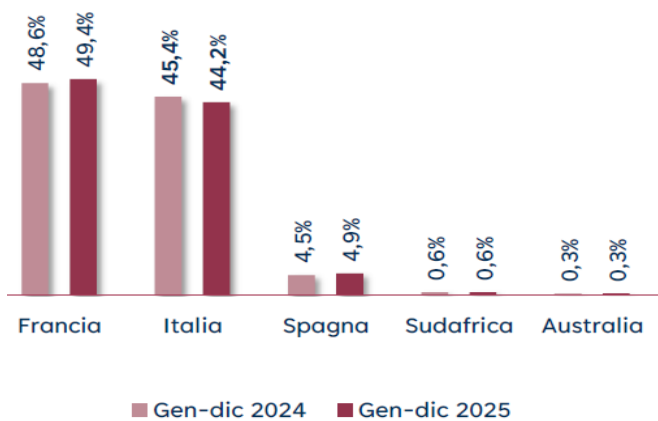


Sparkling wines - Evolution of market shares of the main exporters to the USA (value)*

• Source: Nomisma

The **wine market in the UK is showing a decline in imports** overall in terms of volume (-6.0% compared with 2024), coming in at around 11.9 million hectolitres. At the same time, the total value stands at approximately €4.3 billion, down by 6.3%. Across the various categories, reductions in both the quantity and value of imported wine are being seen, accompanied by a year-on-year decrease in average selling prices for bottled still and fizzy wines and for sparkling wines.

Sparkling wine imports into the UK stand at almost 1.7 million hectolitres, with a total value of €1.2 billion. The segment shows substantial stability in volumes (-0.1%) and a decline in values (-4.2%) compared with 2024. **Prosecco is still the main wine exported to the British market, despite a 0.7% drop in quantity and a 4.6% decline in value*.**



Sparkling wines - Evolution of market shares of the main exporters to the UK (value)*

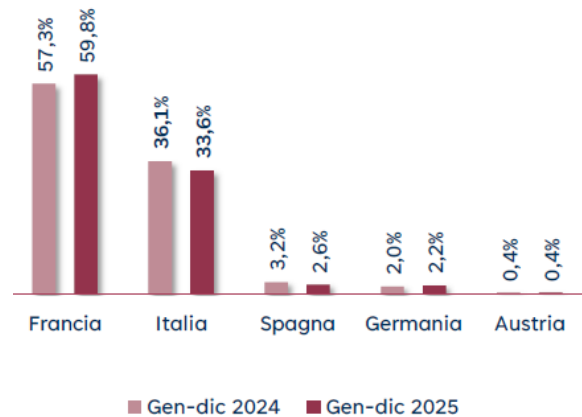
• Source: Nomisma

The **Swiss market has posted a contraction in overall imports** of wine in terms of volume (-4.7% compared with 2024), which now come to around 1.5 million hectolitres. On the other hand, the total value has reached some €1.2 billion, a slight increase of 0.7%. Of the various categories, sparkling wines—second in terms of imported value—represent the only segment that is growing in both volume and value, while all other types show a widespread decline.



In 2025, imports of sparkling wines into Switzerland reached 225,000 hectolitres, for a total value of €240 million. The segment managed an increase in volumes (+2.2%) and in value (+6.6%) compared with 2024. Italy occupies second place in the market, showing a contraction in both quantities and value.

Even though it is still in first place in terms of performance, Prosecco has fallen by 2% in quantity and 6.3% in value.*



Sparkling wines - Evolution of market shares of the main exporters to Switzerland (value)*

- Source: Nomisma

Overall, **Italian wine maintains its international leadership** as:

- the largest producer in the world (2025);
- global leader in export volume;
- a strong presence of quality DOP and sparkling wines (+ growth in exports to the UK, USA, etc.)

consolidating its role as a global player, while **France and Spain faced difficult times in 2025**, with drops in production and exports, not to mention tariff and market pressures on their main foreign markets.

As regards Italian wine's prospects for the future:

in the **United States**, 2026 is expected to be positive but highly competitive, with moderate growth and strong brand selection. In particular, we see the following opportunities:

- stable growth: demand increasing between +2% and +4%, driven by premium and super-premium wines;
- premiumization: consumers more attentive to quality; greater interest in wines between \$20 and \$40;
- dominance of Italian restaurants: their continued growth provides support for Prosecco, Pinot Grigio, Chianti and iconic reds;
- young consumers (Gen Z and Millennials): they are looking for authentic, sustainable products with strong storytelling;
- Prosecco still leader: even if growth is slowing, it remains one of the most sought-after wines in the sparkling segment;

offset by (i) increasing competition from France, California, Portugal and new producers; (ii) higher costs due to logistics and transportation, added to tariffs and negative exchange rate



outlook; (iii) an increasing consolidation of distributors, which makes market access more difficult for small producers while favouring large groups such as IWB.

In **Europe**, wine consumption is not expected to grow in volume terms, but the following trends are being seen:

- less quantity, but higher quality;
- premium wines, DOP and DOCG;
- products with a strong geographical identity.

In 2025, DOP wines accounted for approximately 68% of the value of Italian exports, while sparkling wines accounted for around 29%, a sign that demand is increasingly oriented towards value and brand.

This means that in 2026, Italy's competitive advantage in Europe will be primarily in medium- and high-end wines.

The main driver of Italian wine in Europe continues to be **sparkling wine**, above all Prosecco with:

- some **667 million bottles produced in 2025**;
- an estimated value of **€3.6 billion**;
- more than **82% of production exported**.

In 2026 international visibility should also grow thanks to events such as the **Milan-Cortina Winter Olympics**, which are already fuelling global promotional campaigns.

In Europe, Italian sparkling wines remain very competitive compared with Champagne thanks to their price.

A positive outlook is also confirmed in **European emerging markets**, particularly:

- Poland
- Czech Republic
- Romania
- Baltic countries.

Many wine companies are focusing on **Eastern Europe, Brazil and Asia** to compensate for more mature markets or those that are slowing down.

In these countries:

- average income is on the rise;
- wine culture is increasing;
- Italian wine has a very strong image.

Asia, despite the slowdown, remains **one of the key markets for the future of Italian wine**.

- The Asian wine market is worth **around €6.4 billion**.
- In ten years the area has recorded **growth of more than 200%**.

For this reason the sector is **increasing its promotional investments in Asia**, considered one of the main sources of future growth for Italian wine.

Looking at individual countries:



(i) **China** remains potentially the largest market, but today it is also the most complex because of:

- a reduction in wine consumption in recent years;
- growth in domestic wine;
- a preference for high-end French wines.

Moreover, the wine boom that was seen up to 2017 has **reversed completely in recent years**, also affecting Italian exports. For 2026 the outlook is one of **stabilisation**, not of strong growth.

(ii) **Japan** is one of the most solid Asian markets for Italian wine, thanks to:

- sophisticated consumers;
- a great interest in Italian cuisine;
- a strong presence in the restaurant industry.

Italy maintains a **12-13% market share**, but growth is slow because the market is now mature. The outlook for 2026 indicates **moderate but positive growth**.

(iii) **South Korea** presents itself as the most dynamic market with the greatest potential in the short term due to:

- growth in import volumes;
- a strong increase in wine consumption among young people;
- diffusion of the Western food and wine culture;

For this reason, many observers point to Korea and Japan as the countries with **greater growth opportunities for Italian wines** over the next few years.

1.1.2 Domestic market

Domestic consumption is stable at around 37.8 litres per capita per year, a sign of market maturity:

- approximately 8.5 million Italians drink wine on a daily basis, confirming that wine remains an integral part of the Italian food culture, even if consumption levels are lower than in the past.
- in the large-scale retail market (GDO), there was a slight increase in value (+0.6%) but a decrease in the volume (-1.8%) of wines sold in 2025 compared with the previous year. 84.6% of Italian families purchase wine in supermarkets, with an average consumption of almost two bottles per month per household and an average annual expenditure of around €137.
- Key trends can be summarised as follows: (i) people are drinking “less but better”, i.e. the average expenditure per product increases, but the total volume decreases; (ii) segments such as premium white and sparkling wines are growing more than others.



1.1.3 Trends

In short, the following trends can be identified; and it is on these trends that the IWB Group has strategically positioned itself:

Sparkling wines (such as Prosecco and other kinds of "bubbly") and white wines continue to show more dynamic performances than traditional red wines.

Structured red wines and some IGT wines have had less brilliant trends due to higher costs and international competition, while signs of growth can be seen in alternative formats and low-alcohol wines.

While the traditional bottle format remains dominant, alternative formats, such as bag-in-box, are growing, attracting price- and convenience-conscious consumers.

Foreign consumers continue to show interest in quality and denomination segments (DOC, DOCG), even if they cost more.

Customer segments such as millennials and young families show a preference for consumption experiences linked to wine tourism and tastings, as well as for lighter wines or wines with a strong narrative about the territory.

Growing demand for premium, organic or sustainable products, while segments such as structured red wines are struggling more on the international market.

Consumer trends in mature markets are showing interest in lighter, more natural or health-conscious wines, influencing production and export choices.

1.1.4 The 2025 Harvest

It was characterised by:

- overall production stable with volumes around 44 million hectolitres;
- very good or good quality in the main regions, helped by a climatic trend that in many areas combined:
 - ✓ regular flowering in the early stages of the year;
 - ✓ favourable temperature variations between day and night during *veraison* (the phase when the grapes are maturing);
 - ✓ good health conditions of the grapes in many areas.

The vineyards arrived at harvest-time in good health, with excellent prospects especially for aromatic white wines and basic sparkling wines.

- diversified regional trends: lower production in some areas (e.g. Piedmont, Tuscany), but much higher in others.
- rising inventories, suggesting attention be paid to sales and storage strategies.



In summary: The 2025 harvest in Italy was a good-quality year, but with volumes that varied between regions. This in a context where managing the wines produced and inventories is becoming increasingly crucial to market dynamics.



1.2 The IWB Group

1.2.1 Strategy and Results

In this context, IWB remains the principal listed exporter of Italian wine with a 2025 characterised by:

- **Higher sales volumes:** both in the Ho.Re.Ca channel (+9.63%) and in the wholesale channel (+3.77%);
- **Higher revenue in the Ho.Re.Ca channel:** +6.2%, which confirms the perspicacity of the strategy to monitor and develop channels with the greatest economic potential.
- **Development of dedicated projects:** in a year made even more complex by market volatility caused by alternating news on tariffs, IWB worked to improve customer service through the development of "dedicated projects" aimed at increasing customer loyalty, among other things. These "dedicated projects" are aimed at specific customers with a customised IWB brand product for the customer to make their on-shelf offering increasingly innovative and attractive; they represent 10% of the profit margin of the B2B segment (wholesale + Ho.Re.Ca); compared with 2024, they posted growth of 26.5% in volume and 25% in value.
- **Product innovation:** new product launches continued in 2025, which involved:
 - for Gen Z, the presentation at TFWA Asia Pacific of a new range of products focused on sustainability and modern trends in wine consumption, in particular the first IWB ZERO alcohol product which enriches the product range of the Top Brand Grande Alberone;
 - entry into the "Ready To Drink" segment with the launch in the United States of Luna Pops, a wine-based product enriched with natural fruit flavours and a low calorie and low alcohol content, perfect for summer;
 - the launch of the Grande Alberone Rosso "Jubileum Edition" to celebrate the Vatican's Jubilee Holy Year, with a golden bottle inspired by the Baroque style;
- **procurement management** has been further improved, which has led to a **5% reduction in the cost of glass bottles**.
- **A year of successes:** in 2025, Italian Wine Brands continued to distinguish itself internationally, winning **over 80 awards** in the most important wine competitions in the world. This extraordinary result confirms the Group's ongoing commitment to quality, authenticity and the enhancement of Italian *terroirs*. The most prestigious awards include the following:



- **Ngudrà** won the **Grand Gold Medal at the Berliner Wein Trophy**, one of the most authoritative and selective international wine competitions, standing out for its strong character and production excellence.
- **Gigino Grande Toscana Rosso IGT** obtained the highest recognition of "**4 Tralci**" from the **VITAE Guide**, awarded by FIS, the Italian Sommelier Federation, to wines of extraordinary complexity, elegance and territorial expression.
- **9 Legni** got **94 points from Wine Enthusiast** thanks to its extraordinary complexity and the unique character that comes from its refinement in nine different types of wood.
- **Ticchè** and **Rasole** respectively received **91 and 92 points from James Suckling**, one of the most influential wine critics in the world. These scores highlight the expressive intensity and stylistic refinement that are making Le Forconate emerge as a benchmark in the premium wine segment.
- In addition to these, there have been other prestigious awards for **Le Forconate wines**: at the WineHunter Award 2025 (Merano Wine Festival) the Toscana Cabernet Franc IGT 2022 received the **Red Medal** and the Toscana Vermentino IGT 2024 won the Gold, in addition to the recent and important score of **91 points awarded by James Suckling** again for the Vermentino, authentic expressions of an unprecedented Tuscan excellence.

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





1.2.2 Stock performance



Over the last 12 months, IWB's stock:

- resumed its growth path in the 1st quarter of 2025 in conjunction with **the announcement of the all-time record in terms of Adjusted EBITDA and Net Profit;**
- from the second half of 2025 it was affected by the volatility of exports caused by the general uncertainty on the US tariffs front.

On a longer time horizon (5 years):

- **the stock is showing greater resilience than its peers**
- the comparison has to take into account the different situation of the financial market as a whole, which saw Euribor at negative rates in 2021.

The performance of the stock is still far from the consensus valuations expressed by financial analysts and the resulting capitalisation of around 180 million euro, being equal to:

- ❖ 4 x Adjusted EBITDA
- ❖ 11 x Net Profit
- ❖ 6 x cash generation

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 the 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, the Group has completed a significant reorganisation, which 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 Italia S.p.A.** which was born from the merger 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., with the mission to:
 - (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 Vini 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, in addition to indirect control of Raphael Dal Bo AG (controlled by IWB Italia S.p.A.) which:

- guarantees a leading position in the Swiss market;
- contributes significantly to the growth in margins thanks to the Top Brands and to the higher prices and profit margins granted by Swiss consumers for the Group's products.



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.



1.2.4 Summary of financial results

The following is a summary of the consolidated financial results achieved by the Italian Wine Brands Group for the three years from 2023 to 2025, with figures expressed in thousands of euro.

Amounts in €000	31.12.2025	31.12.2024	31.12.2023
Revenue from sales	395,899	401,937	429,127
Change in inventories	1,642	(13,933)	(19,765)
Other income	3,380	3,261	4,410
Total revenues	400,921	391,265	413,772
Purchase costs	(261,251)	(248,332)	(271,847)
Costs for services	(63,226)	(65,657)	(70,911)
Personnel costs	(26,029)	(25,435)	(25,078)
Other operating costs	(1,298)	(1,458)	(1,606)
Total operating costs	(351,804)	(340,883)	(369,443)
Adjusted EBITDA (1)	49,117	50,382	44,330
EBITDA	41,765	46,620	40,962
Adjusted net profit/(loss) (2)	25,608	25,319	18,886
Net profit/(loss)	16,562	22,607	16,458
Net debt	57,621	89,316	115,932
<i>of which net debt - third-party lenders</i>	<i>43,052</i>	<i>75,506</i>	<i>96,313</i>
<i>of which net debt - deferred price on acquisitions</i>	<i>3,703</i>	<i>445</i>	<i>4,405</i>
<i>of which net debt - lease liabilities</i>	<i>10,867</i>	<i>13,365</i>	<i>15,214</i>

(1) Adjusted gross operating profit is the equivalent of EBITDA, net of management adjustments as detailed on page 24.

(2) Adjusted profit/(loss) is the equivalent of the Profit/(loss), after deducting management adjustments and the related tax effect including the deferred price due to Enovation Brands Inc. acquisition as detailed on page 24.



The reclassified consolidated figures are shown below.

Reclassified statement of financial position

Amounts in €000

	31.12.2025	31.12.2024	31.12.2023
Other intangible assets	38,238	38,469	38,775
Goodwill	215,969	215,969	215,969
Tangible assets	43,279	40,856	51,823
Right-of-use assets	11,118	13,399	15,465
Equity investments	3	5	5
Total fixed assets	308,607	308,698	322,036
Inventory	67,076	65,264	78,552
Net trade receivables	39,536	50,613	52,130
Trade payables	(104,602)	(94,698)	(113,790)
Other assets (liabilities)	(12,394)	(14,359)	(4,754)
Net working capital	(10,384)	6,820	12,138
Payables for employee benefits	(1,267)	(1,548)	(1,654)
Net deferred and prepaid tax assets (liabilities)	(6,381)	(7,694)	(6,797)
Other provisions	(245)	(166)	(301)
Non-current assets (liabilities) held for sale	0	9,740	0
NET INVESTED CAPITAL	290,330	315,851	325,423
Shareholders' equity	232,709	226,534	209,490
Profit (loss) for the period	16,251	22,336	16,300
Share capital	1,124	1,124	1,124
Other reserves	214,959	203,012	192,274
Non-controlling interests	374	63	(209)
Net debt - third-party lenders	43,052	75,506	96,313
Deferred price on acquisitions	3,703	445	4,405
Lease liabilities	10,867	13,365	15,214
TOTAL SOURCES	290,330	315,851	325,423



Reclassified Income statement

Amounts in €000

	31.12.2025	31.12.2024	31.12.2023
Revenue from sales	395,899	401,937	429,127
Change in inventories	1,642	(13,933)	(19,765)
Other income	3,380	3,261	4,410
Total revenue	400,921	391,265	413,772
Purchase costs	(261,251)	(248,332)	(271,847)
Costs for services	(63,226)	(65,657)	(70,911)
Personnel costs	(26,029)	(25,435)	(25,078)
Other operating costs	(1,298)	(1,458)	(1,606)
Operating costs	(351,804)	(340,883)	(369,443)
Adjusted EBITDA	49,117	50,382	44,330
Write-downs	(314)	(857)	(1,601)
Depreciation and amortization	(9,321)	(9,968)	(11,965)
Net releases (accruals) of provision for risks and charges	(145)	0	(24)
Adjusted operating result	39,337	39,557	30,739
Net financial income/(expenses)	(5,081)	(4,951)	(7,798)
EBT	34,256	34,606	22,942
Taxes	(8,648)	(9,287)	(4,056)
Net profit before non-recurring items and related tax effect	25,608	25,319	18,886
Non-recurring items	(11,097)	(3,762)	(3,368)
Tax effect of non-recurring charges	2,051	1,050	940
Profit/(loss)	16,562	22,607	16,458



Reclassified Income statement

Amounts in €000

	Reported 31.12.2025	Management (1)	adjustments (2)	Adjusted 31.12.2025
Revenue from sales	395,899			395,899
Change in inventories	1,068	573		1,642
Other income	3,380	0		3,380
Total revenue	400,348	573	0	400,921
Purchase costs	(261,301)	50		(261,251)
Costs for services	(67,815)	865	3,723	(63,226)
Personnel costs	(27,958)	865	1,064	(26,029)
Other operating costs	(1,509)	211		(1,298)
Operating costs	(358,583)	1,992	4,787	(351,804)
EBITDA	41,765	2,565	4,787	49,117
Write-downs	(314)			(314)
Depreciation and amortization	(9,321)			(9,321)
Net releases (accruals) of provision for risks and charges	(145)			(145)
EBIT	31,985	2,565	4,787	39,337
Net financial income/(expenses)	(8,826)	3,745		(5,081)
EBT	23,159	6,310	4,787	34,256
Taxes	(6,597)	(716)	(1,336)	(8,648)
Profit/(loss)	16,562	5,594	3,451	25,608

Adjusted book figures at 31 December 2025 (for adjusted gross operating profit and adjusted profit/loss) shown gross of non-recurring revenue and costs, for a total of €11,097 thousand attributable to:

1) Management:

- i) Change in inventories equal to €573 thousand: (i) for €547 thousand this represents the production cost of experimental dealcoholised wine (valued at €0 in stock) (ii) for €26 thousand it relates to the closure of the Valle Talloria outlet.
- ii) Purchase costs equal to €50 thousand: related to a doubling of Customs tariffs.
- iii) Costs for services amounting to €865 thousand relating to (a) €304 thousand for services relating to experimental dealcoholised wine; (b) €67 thousand for due diligence on possible acquisitions; (c) €39 thousand for legal advice on settlements (d) €394 thousand for costs related to the Valle Talloria production site which is no longer operational and is up for sale from June 2024 (e) €21 thousand for costs related to the event organised by the Group for the 10 years of its listing on the stock exchange (f) €40 thousand for out-of-period condominium expenses.
- iv) Personnel costs of €865 thousand including (x) €435 thousand for employee bonuses paid for the 10th anniversary of the Group's listing on the stock exchange (y) €430 thousand for settlements with former employees and related costs.
- v) Other operating costs of €211 thousand including i) €48 thousand for penalties relating to supply relationships, ii) €48 thousand of fines following a tax audit by the Revenue Agency, (iii) €115 thousand relating to the closure of the Valle Talloria site.
- vi) Financial expenses equal to €3,745 thousand: represents the economic benefit to the shareholders who sold Enovation Brands Inc, as the profitability conditions in the two-year period 2024-2025 laid down in the contract were achieved.

2) Adjustment:

Costs for services and personnel costs for a total of €4,787 thousand relating to (x) the vesting and assignment of 88% of the third tranche of the 2023-2025 Incentive Plan, representing 20% of the overall value of the plan on partial achievement of the target profit for 2025 (Adjusted EBITDA target in 2025 of €53.0 million), (y) the vesting and assignment of 95.7% of the three-year objective of the 2023-2025 Incentive Plan, representing 40% of the overall value of the plan on partial achievement of the cumulative target profit in the three-year period 2023-2025 (cumulative Adjusted EBITDA target in 2023-2025 of €147.0 million).



Alternative performance indicators

This consolidated 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 measures 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 consolidated annual financial report and their use:

Net Result before non-recurring charges and related tax effect or Adjusted Net Result represents the profit/loss net of (i) non-recurring costs and income, (ii) costs related to the medium-long term incentive plan for management in accordance with the provisions of the "Terms and Conditions" of the bond loan (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 (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 economic impact from equity investments.

Adjusted operating profit/(loss) or Adjusted EBIT: is represented by the operating profit (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 economic impact from equity investments and net of non-recurring costs and income and the Incentive Plan.



Gross operating profit 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 economic impact from equity investments.

Adjusted gross operating profit or Adjusted EBITDA: compared with the Gross operating profit 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 economic 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 price on acquisitions; 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 used to assess the financial position of banking origin.

EPS: earnings per share is calculated by dividing the profit or loss for the period 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 2025 shown here represents the separate financial statements of IWB S.p.A., and shows:

- a loss for the period of Euro 11.6 million (profit of Euro 5.8 million at 31 December 2024); this result is explained (x) for Euro 14.9 million by the measurement at net equity of the interest in Giordano Vini S.p.A. which in recent years has faced a contracting market and negative results and (y) for Euro 4.2 million by the incentive plan, which in 2025 also includes the effects of the partial achievement of the three-year plan objectives.
- net debt – third-party lenders of Euro 118.9 million (Euro 112.5 million at 31 December 2024). The increase is mainly because of the amount due at 31 December 2025 to the sellers of Enovation Brands as a result of achieving the “deferred price” parameter for a total of USD 4.4 million, of which: USD 2.4 million to Giovanni and Alberto Pecora and USD 2 million to Norina S.r.l.

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

Reclassified statement of financial position

Amounts in €000

	31.12.2025	31.12.2024	31.12.2023
Other intangible assets	74	102	112
Goodwill	0	0	0
Tangible assets	43	61	82
Right-of-use assets	431	497	60
Equity investments	281,465	292,576	263,904
Total fixed assets	282,013	293,236	264,157
Inventory	0	0	0
Net trade receivables	546	1,274	5,800
Trade payables	(266)	(356)	(328)
Other assets (liabilities)	(1,124)	(470)	360
Net working capital	(844)	447	5,832
Payables for employee benefits	(70)	(86)	(60)
Net deferred and prepaid tax assets (liabilities)	482	217	464
Other provisions	0	0	0
NET INVESTED CAPITAL	281,581	293,814	270,394
Shareholders' equity	158,579	180,416	180,256
Profit (loss) for the period	(11,582)	5,760	7,204
Share capital	1,124	1,124	1,124
Other reserves	169,037	173,531	171,927
Non-controlling interests	0	0	0
Net debt - third-party lenders	118,860	112,453	85,659
Deferred price on acquisitions	3,703	445	4,405
Lease liabilities	439	500	74
TOTAL SOURCES	281,581	293,814	270,394



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

- at 31 December 2025, investments in subsidiaries are made up of Giordano Vini S.p.A. for Euro 6,000 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

	31.12.2025	31.12.2024	31.12.2023
Revenue from sales	2,036	2,348	2,472
Change in inventories	0	0	0
Other income	8	240	4
Total revenue	2,044	2,587	2,476
Purchase costs	(1)	0	(3)
Costs for services	(2,015)	(2,114)	(2,049)
Personnel costs	(711)	(1,041)	(1,269)
Other operating costs	(80)	(165)	(178)
Operating costs	(2,806)	(3,319)	(3,498)
Adjusted EBITDA	(763)	(732)	(1,022)
Write-downs	(14,856)	0	0
Depreciation and amortization	(168)	(150)	(154)
Net releases (accruals) of provision for risks and charges	0	0	0
Adjusted operating result	(15,786)	(882)	(1,176)
Net financial income/(expenses)	(3,247)	(2,749)	(2,462)
Dividends from subsidiaries	10,000	10,000	11,360
EBT	(9,033)	6,370	7,722
Taxes	494	583	870
Net profit before non-recurring items and related tax effect	(8,539)	6,953	8,593
Non-recurring items	(4,220)	(1,654)	(1,926)
Tax effect of non-recurring charges	1,177	461	537
Profit/(loss)	(11,582)	5,760	7,204

As regards the income statement, note that:

- the dividends all refer to the subsidiary IWB Italia S.p.A.;
- costs for services include Euro 870 thousand of fees for the directors (excluding the effect of the incentive plan), statutory auditors and supervisory bodies and Euro 647 thousand of consultancy fees;
- financial income refers to the interest earned on the loan granted to the subsidiary IWB Italia S.p.A. (Euro 275 thousand); financial expenses are mainly interest on the bond amounting to Euro 3,491 thousand.



1.2.6 Consolidated net financial position

The following is a breakdown of net debt at 31 December 2025 compared with the figures at 31 December 2024 and 31 December 2023, based on the new format introduced by the ESMA Guideline 32-382-1138 of 4 March 2021.

The net financial position with banks has fallen well below Euro 50 million.

<i>Amounts in €000</i>	31.12.2025	31.12.2024	31.12.2023
A. Cash	21	18	23
B. Cash equivalents	90,140	59,482	70,878
C. Other current financial assets	60	529	524
D. Cash and cash equivalents (A) + (B) + (C)	90,221	60,029	71,424
E. Current debt (including financial instruments, but not including current portion of non-current debt)	3,853	303	27,927
F. Current portion of non-current debt	4,020	5,464	3,985
G. Current debt (E) + (F)	7,873	5,767	31,912
H. Net current debt (G) - (D)	(82,348)	(54,262)	(39,512)
I. Non current debt (excluding current portion and debt instruments)	508	1,254	7,217
J. Debt instruments	131,728	131,487	131,248
K. Trade payables and other non-current debts	7,733	10,837	16,980
L. Non current debt (I) + (J) + (K)	139,969	143,578	155,444
M. Net financial position (H) + (L)	57,621	89,316	115,932
<i>of which</i>			
<i>Deferred price on acquisitions</i>	3,703	445	4,405
<i>Current lease liabilities</i>	3,292	3,317	3,106
<i>Non-current lease liabilities</i>	7,575	10,049	12,108
Net financial position without the effect of IFRS 16 and deferred price on acquisitions	43,052	75,506	96,313



1.3 Revenue and profit margins

Volume of business – Revenue

Italian Wine Brands S.p.A. confirms its position as the leading listed Italian wine group, posting revenue of Euro 395.9 million in 2025 despite a macroeconomic environment characterised by heightened uncertainty, particularly regarding consumption, due in particular to volatile tariff announcements and consequently an increased propensity for households to save. In any case, the following are worth mentioning:

- **the 3.65% increase in sales volumes** particularly in the wholesale and Ho.Re.Ca. channels, confirming the Group's ability to maintain and develop its market presence;
- **the increase in revenue, also in terms of value** in the Ho.Re.Ca. channel (+6.20%) which confirms that it is a strategic channel for the development of revenue and profit margins.

Quantities in 000	31.12.2025			31.12.2024			Δ % 24 / 25
	31.12.2025	31.12.2024	Δ % 24 / 25	31.12.2025	31.12.2024	Δ % 24 / 25	
Total bottles sold	158,682	153,096	3.65%				
Bottle sold from wholesale division	112,850	108,753	3.77%				
Bottle sold from distance selling division	12,807	14,219	(9.93%)				
Bottle sold from ho.re.ca division	33,025	30,125	9.63%				

Amounts in €000	31.12.2025			31.12.2024			Δ % 24 / 25
	31.12.2025	31.12.2024	Δ % 24 / 25	31.12.2025	31.12.2024	Δ % 24 / 25	
Total Revenues from sales	395,899	401,937	(1.50%)				
Revenues from wholesale division	281,964	284,366	(0.84%)				
Revenues from distance selling division	50,837	58,124	(12.54%)				
Revenues from ho.re.ca division	63,024	59,344	6.20%				
Other Revenues	75	103	(27.73%)				

- revenue in the second half of 2025 was the same as in the second half of 2024, which was a record period in the Group's history; this result was achieved thanks to the Group's presence in key markets that made volume growth of 4.46% possible (despite the decline in distance selling volumes)

Quantities in 000	2H 2025			2H 2024			Δ % 24 / 25
	2H 2025	2H 2024	Δ % 24 / 25	2H 2025	2H 2024	Δ % 24 / 25	
Total bottles sold	83,974	80,385	4.46%				
Bottle sold from wholesale division	60,390	57,114	5.74%				
Bottle sold from distance selling division	6,460	7,050	(8.37%)				
Bottle sold from ho.re.ca division	17,123	16,220	5.57%				

Amounts in €000	2H 2025			2H 2024			Δ % 24 / 25
	2H 2025	2H 2024	Δ % 24 / 25	2H 2025	2H 2024	Δ % 24 / 25	
Total Revenues from sales	210,766	210,735	0.01%				
Revenues from wholesale division	151,380	148,989	1.61%				
Revenues from distance selling division	26,367	29,999	(12.11%)				
Revenues from ho.re.ca division	32,989	31,732	3.96%				
Other Revenues	30	15	100.45%				



The tables below show sales revenue broken down by market, which show:

- (i) further growth in export sales;
- (ii) a stronger positioning in Europe, particularly in the UK, where revenue increased by 10.7%, reaching a record turnover of Euro 99.4 million;
- (iii) the contraction in revenue in North America is attributable to the USA (-3.9%), penalised by uncertainties regarding tariffs and the exchange rate effect; a very positive performance in Canada with revenue increasing by 11.4%.

	Quantities in 000				Amounts in €000		
	31.12.2025	31.12.2024	Δ % 24 / 25		31.12.2025	31.12.2024	Δ % 24 / 25
Bottles sold - Italy	25,707	27,196	(5.47%)	Revenues from sales - Italy	66,127	73,624	(10.18%)
Bottles sold - Foreign markets	132,975	125,900	5.62%	Revenues from sales - Foreign markets	329,698	328,210	0.45%
Europe	117,310	110,389	6.27%	Europe	278,746	277,071	0.60%
North America	12,319	12,252	0.55%	North America	40,560	41,097	(1.31%)
South America and Islands	664	790	(15.95%)	South America and Islands	2,001	1,871	6.94%
Asia_Oceania	2,521	2,424	4.03%	Asia_Oceania	7,800	7,902	(1.29%)
Africa	161	46	248.88%	Africa	590	269	119.38%
				Other Revenues	75	103	(27.73%)
Total bottles sold	158,682	153,096	3.65%	Total Revenues from sales	395,899	401,937	(1.50%)

In a year made even more complex by market volatility caused by alternating news on tariffs, IWB worked to improve customer service through the development of "dedicated projects" aimed at increasing customer loyalty, among other things. These "dedicated projects" are aimed at specific customers with a customised IWB brand product for the customer to make their on-shelf offering increasingly innovative and attractive; they represent 10% of the profit margin of the B2B segment (wholesale + Ho.Re.Ca); compared with 2024, they posted growth of 26.5% in volume and 25% in value.

The Top Brands overall have repeated the figures achieved in 2024; In particular, it is worth noting the 3% growth in both volume and value of the two top reference brands (Grande Alberone and Voga), which alone represent 50% of the cluster.

In a global context characterised by a slowdown in consumption, to which wine has been no exception, IWB's strategy of (i) having a diversified presence in all distribution channels and (ii) continuing the territorial expansion of sales and increasing the customer portfolio in the markets already served, has allowed the Group to:

- (i) increase sales volumes in both the Ho.Re.Ca. channel (+9.63%) and the wholesale channel (+3.77%);
- (ii) continue the increase in revenue in the Ho.Re.Ca. channel (+6.20%);

The minimal difference compared with 2024 is due to the results of the distance selling channel, penalised in particular by the trend in telephone and postal sales, and to a slight contraction in prices in the wholesale channel, where the repositioning of market prices initiated at the beginning of 2023 continues.



A breakdown of the **Ho.Re.Ca.** channel's sales revenue is provided below by country.

Amounts in €000

	31.12.2025	31.12.2024	Δ % 24 / 25
Revenues ho.re.ca division - Italy	2,465	2,179	13.16%
Revenues from ho.re.ca division - Foreign markets	60,559	57,165	5.94%
UK	36,184	33,616	7.64%
US	8,945	8,342	7.22%
Germany	1,864	2,637	(29.29%)
Canada	2,746	2,592	5.92%
Netherlands	1,280	813	57.45%
Ireland	631	718	(12.08%)
China	516	696	(25.89%)
Poland	529	597	(11.35%)
Switzerland	522	471	10.88%
Belgium	500	434	15.17%
France	690	308	124.30%
Denmark	78	102	(24.24%)
Hungary	74	66	12.19%
Austria	38	56	(31.69%)
Sweden	1	0	237.97%
Other countries	5,959	5,716	4.25%
Total Revenues from sales - ho.re.ca division	63,024	59,344	6.20%

The 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 2025, the UK confirmed its position as IWB's leading on-trade market, with revenue growing by 7.64% thanks to a broad wine assortment focusing in particular on Prosecco and sparkling wines. 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 USA 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: in terms of both sales and visibility for historic brands (such as Voga Italia and Ca' Montini) which are also marketed in the wholesale channel. The first half of 2025 saw the launch of Luna Pops, the Group's first "ready to drink", low-alcohol product, aimed at a new and constantly growing market segment and to



increase penetration among Gen Z groups, who are increasingly attentive to sustainable consumption. Revenue growth for the Group's two premium brands offered in the USA from 2023 also continues very positively: Poggio del Concone and Ronco di Sassi, which were initially reserved for the Ho.Re.Ca. channel, generated total revenue of USD 1,181 thousand in 2025, a 51% increase compared with 2024.

The reduction in sales in Germany is representative of the economic crisis that the country suffered throughout the year, with a greater impact in the on-trade channel. In any case, it is worth highlighting the significant performance of wholesale sales, which more than offset this decrease, offering customers more competitive products, further confirming the importance of the omni-channel strategy implemented by the Group.

Wholesale channel revenue is feeling the effects of the ever-increasing attention of large-scale retailers to protecting the competitiveness of their products and the spending power of households, a factor which has led to a decrease in prices despite a 3.77% growth in volumes.

A breakdown of the Wholesale channel's revenue is provided below by country.

Amounts in €000

	31.12.2025	31.12.2024	Δ % 24 / 25
Revenues wholesale division - Italy	44,032	48,710	(9.60%)
Revenues from wholesale division - Foreign markets	237,933	235,656	0.97%
UK	58,745	51,082	15.00%
Germany	35,164	30,902	13.79%
Switzerland	33,449	38,284	(12.63%)
US	23,846	25,777	(7.49%)
Poland	9,896	11,285	(12.31%)
Austria	9,249	11,924	(22.43%)
Netherlands	7,816	6,259	24.88%
Belgium	6,360	6,435	(1.17%)
Denmark	5,073	5,364	(5.42%)
Canada	5,024	4,383	14.63%
France	4,983	5,706	(12.67%)
Ireland	4,880	4,516	8.08%
Sweden	1,799	2,094	(14.09%)
Hungary	1,309	1,283	2.03%
China	682	612	11.53%
Other countries	29,656	29,750	(0.32%)
Total Revenues from sales - wholesale division	281,964	284,366	(0.84%)



Despite the market context, IWB's revenue in this channel shows some positive aspects:

- the increase in revenue in the UK, the main reference country, where the Group's product portfolio, particularly sparkling wines, confirms that it is much appreciated by consumers;
- a significant recovery in sales in Germany, which has always been an important point of reference, as well as one of our main export markets;
- the sales growth in Canada as a positive consequence of the contraction of the USA market.

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 shows signs of recovery, recording growth of 4.1% in value and 2.5% in volume. The average price per unit has increased by 2.2%.

In this context, the performance of the Svinando Marketplace is extremely positive, with growth on digital channels more than doubling, equal to 8.7% (+14.3% on foreign portals).

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

Amounts in €000

	31.12.2025	31.12.2024	Δ % 24 / 25
Revenues from distance selling division - Italy	19,630	22,735	(13.66%)
Revenues from distance selling div - Foreign markets	31,207	35,389	(11.82%)
Germany	19,023	21,918	(13.21%)
UK	4,512	5,063	(10.88%)
France	3,178	3,405	(6.65%)
Switzerland	1,951	2,323	(15.99%)
Austria	1,754	1,974	(11.16%)
Netherlands	442	408	8.32%
Belgium	315	261	20.75%
Other countries	31	38	(17.42%)
Total Revenues from sales - distance selling division	50,837	58,124	(12.54%)

Worth noting is the contribution of sales made through digital platforms, which have come to



represent 38.7% of the division's overall sales compared with 19% in 2019.

In the first half of 2025 IWB 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 wine expert based on artificial intelligence developed internally to offer a personalised experience in terms of browsing and consulting, responding 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 truly expert guide, capable of understanding and anticipating customers' needs, offering personalised advice with precision and reliability, encouraging the development of consumption, which on Svinando Italia has grown by 4.8%.

The table below shows the distance selling division's revenue broken down by sales channel.

Amounts in €000

	31.12.2025	31.12.2024	Δ % 24 / 25
Revenues from distance selling division - Italy	19,630	22,735	(13.66%)
Direct Mailing	7,027	8,547	(17.79%)
Teleselling	5,264	6,448	(18.37%)
Digital / WEB	7,339	7,739	(5.17%)
<i>% Direct Mailing on total Italy</i>	<i>35.80%</i>	<i>37.60%</i>	
<i>% Teleselling on total Italy</i>	<i>26.81%</i>	<i>28.36%</i>	
<i>% Digital / WEB on total Italy</i>	<i>37.39%</i>	<i>34.04%</i>	
Revenues from distance selling div - Foreign markets	31,207	35,389	(11.82%)
Direct Mailing	15,903	18,405	(13.60%)
Teleselling	2,994	3,978	(24.73%)
Digital / WEB	12,309	13,006	(5.35%)
<i>% Direct Mailing on total International revenues</i>	<i>50.96%</i>	<i>52.01%</i>	
<i>% Teleselling on total International revenues</i>	<i>9.60%</i>	<i>11.24%</i>	
<i>% Digital / WEB on total International revenues</i>	<i>39.44%</i>	<i>36.75%</i>	
Total Revenues from sales - distance selling division	50,837	58,124	(12.54%)



Overall during the year the Group consolidated its strong market position in high-margin segments and in its key countries, particularly in Europe. The following is a breakdown by country:

Amounts in €000

	31.12.2025	31.12.2024	Δ % 24 / 25
Revenues from sales - Italy	66,127	73,624	(10.18%)
Revenues from sales - Foreign markets	329,698	328,210	0.45%
UK	99,441	89,760	10.79%
Germany	56,051	55,457	1.07%
Switzerland	35,922	41,077	(12.55%)
US	32,791	34,120	(3.89%)
Austria	11,042	13,955	(20.87%)
Poland	10,425	11,882	(12.26%)
Netherlands	9,538	7,480	27.52%
France	8,851	9,419	(6.02%)
Canada	7,770	6,975	11.40%
Belgium	7,176	7,131	0.63%
Ireland	5,512	5,234	5.31%
Denmark	5,151	5,466	(5.77%)
Sweden	1,800	2,094	(14.05%)
Hungary	1,384	1,349	2.53%
China	1,198	1,308	(8.39%)
Other countries	35,647	35,504	0.40%
Other Revenues	75	103	(27.73%)
Total Revenues from sales	395,899	401,937	(1.50%)

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 61,221 thousand versus Euro 62,028 thousand at 31 December 2024 for the first customer and (ii) Euro 50,405 thousand versus Euro 52,481 thousand at 31 December 2024 for the second; the decrease is attributable to the strategy of developing own-brand sales and reducing dependence on individual customers, particularly private label ones.

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.



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 with a profit margin that remains at an all-time high.

Amounts in €000

	31.12.2025	31.12.2024	31.12.2023	Δ % 24/25	CAGR Δ % 23/25
Revenue from sales and other income	399,280	405,198	433,537	(1.46%)	(4.03%)
Raw materials consumed	(259,609)	(262,266)	(291,612)	(1.01%)	(5.65%)
% of total revenue	(65.02%)	(64.73%)	(67.26%)		
Costs for services	(63,226)	(65,657)	(70,911)	(3.70%)	(5.57%)
% of total revenue	(15.84%)	(16.20%)	(16.36%)		
Personnel	(26,029)	(25,435)	(25,078)	2.33%	1.88%
% of total revenue	(6.52%)	(6.28%)	(5.78%)		
Other operating costs	(1,298)	(1,458)	(1,606)	(10.93%)	(10.09%)
% of total revenue	(0.33%)	(0.36%)	(0.37%)		
Adjusted EBITDA	49,117	50,382	44,330	(2.51%)	5.26%
% of total revenue	12.30%	12.43%	10.23%		

The table above shows:

- a substantial confirmation of the proportion of Raw materials consumed to turnover due to the reduction in the cost of production factors, particularly glass, which decreased by 5% compared with 2024 and which partially offset the reduction in selling prices.
- Costs for services, equal to Euro 63.2 million, lower than in 2024 and previous years, mainly due to (i) the optimisation of transport costs, (ii) a reduction in 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 sales volumes (tariffs and excise duties) and (iii) a reduction in rents as a result of the corporate integration.

The increase in maintenance costs is due to a change in the timing of the interventions, as well as biennial maintenance carried out during the year.



The following is a breakdown of the costs for services incurred by the Group during 2025 compared with the equivalent figures in 2024 and 2023.

Amounts in €000

	31.12.2025	31.12.2024	31.12.2023
Services from third parties	12,047	11,525	11,509
Customs and excise duty	5,923	6,199	6,476
Transport	13,752	14,957	17,769
Postage expenses	3,485	3,229	3,566
Leases and rentals	1,437	1,712	1,836
Consulting	2,576	2,413	3,044
Advertising costs	1,961	1,938	1,826
Utilities	2,821	2,685	3,201
Remuneration of Directors, Statutory Auditors and Supervisory Body	5,701	3,191	3,630
Maintenance	2,336	2,134	2,003
Outsourcing costs	5,690	6,784	7,169
Commissions	2,347	2,403	3,176
Other costs for services	7,739	8,055	8,457
Non-recurring expenses	(4,589)	(1,567)	(2,751)
Total	63,226	65,657	70,911

Personnel costs are in line with previous years due to the new contractual conditions which have partially absorbed the effect of the synergies deriving from industrial integration.

The revenue and cost dynamics described above have allowed us to obtain a Gross Operating Profit of Euro 49.1 million (12.3% of sales), in line with the 2024 figure, which represented the Group's all-time record and which is confirmed in the current year.



The following is a breakdown of the costs that take the gross operating profit to the after-tax profit of the Italian Wine Brands Group.

Amounts in €000

	31.12.2025	31.12.2024	31.12.2023	Δ % 24/25	CAGR Δ % 23/25
Adjusted EBITDA	49,117	50,382	44,330	(2.51%)	5.26%
Write-down	(314)	(857)	(1,601)	(63.34%)	(55.71%)
<i>% of total revenue</i>	<i>(0.08%)</i>	<i>(0.21%)</i>	<i>(0.37%)</i>		
Depreciation and amortization	(9,321)	(9,968)	(11,965)	(6.49%)	(11.74%)
<i>% of total revenue</i>	<i>(2.33%)</i>	<i>(2.46%)</i>	<i>(2.76%)</i>		
Non-recurring items	(7,352)	(3,762)	(3,367)	95.44%	47.76%
<i>% of total revenue</i>	<i>(1.84%)</i>	<i>(0.93%)</i>	<i>(0.78%)</i>		
Release (accrual) of provision for risks and charges	(145)	-	(24)	-	143.64%
<i>% of total revenue</i>	<i>(0.04%)</i>	<i>-</i>	<i>(0.01%)</i>		
Operating profit (loss)	31,985	35,795	27,372	(10.64%)	8.10%
<i>% of total revenue</i>	<i>8.01%</i>	<i>8.83%</i>	<i>6.31%</i>		
Financial income (expenses)	(5,081)	(4,951)	(7,798)	2.62%	(19.28%)
<i>% of total revenue</i>	<i>(1.27%)</i>	<i>(1.22%)</i>	<i>(1.80%)</i>		
Deferred price on acquisitions	(3,745)	-	-	-	-
<i>% of total revenue</i>	<i>(0.94%)</i>	<i>-</i>	<i>-</i>		
EBT	23,159	30,844	19,574	(24.91%)	8.77%
<i>% of total revenue</i>	<i>5.80%</i>	<i>7.61%</i>	<i>4.51%</i>		
Taxes	(6,597)	(8,237)	(3,116)	(19.91%)	45.50%
<i>% of total revenue</i>	<i>(1.65%)</i>	<i>(2.03%)</i>	<i>(0.72%)</i>		
Profit/(loss)	16,562	22,607	16,458	(26.74%)	0.32%
<i>% of total revenue</i>	<i>4.15%</i>	<i>5.58%</i>	<i>3.80%</i>		

All cost items improved, in particular:

- (i) a significant reduction in the provision for risks (which includes uncollectable B2C receivables), due to the ever-increasing proportion of purchases through digital platforms, which reduces the impact of non-payment;
- (ii) a reduction in depreciation and amortization for a further Euro 0.3 million as a result of the industrial rationalisation;
- (iii) financial charges, now limited to those relating to the bond loan, remain at the same levels as in 2024; savings were also achieved on factoring costs and bank commissions, although these were partially offset by exchange losses of Euro 1.5 million. The net amount shows an increase of Euro 0.1 million due to withholding taxes on dividends in 2024, only partially offset by interest income on cash balances.

The deferred price item of Euro 3.8 million represents the economic impact in favour of the selling shareholders, due to fulfilment of the profitability conditions achieved by



Enovation Brands Inc. in the two-year period 2024-2025. As regards the earn-out, the company did not achieve the parameters laid down in the sale agreement; IWB S.p.A.'s shareholding in Enovation Brands Inc. therefore remains unchanged.

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

During 2025, investments in Fixed Capital amounted to Euro 8.2 million, split between tangible fixed assets (Euro 4.8 million, mainly for plant for process automation at the Montebello, Calmasino and Cetona production sites) and intangible assets (Euro 3.4 million, mainly customer lists for Euro 2.9 million and IT development for Euro 0.3 million).

The financial effect of the investments was more than offset by the sale, completed on 23 December 2025, of the Valle Talloria industrial, commercial and real estate complex, which brought in proceeds of Euro 9.1 million. This is the final step in the process of industrial integration that will lead to further synergies in 2026 due to (i) the transfer of the branch's personnel to the purchaser, (ii) the elimination of the costs still required for the maintenance of the site, as well as the associated taxes (IMU). In 2024, the sale of the Torricella plant was finalised, at the same time signing a partnership agreement with Cantine Ermes for the production of Apulian wines under its own brand name, based on IWB specifications.

Net working capital shows a further improvement, reaching Euro 10.4 million compared with Euro 6.8 million at 31 December 2024, due to:

- (i) a decrease in trade receivables thanks to improvements in the collection process following the integration and only partly because of lower revenue;
- (ii) a decrease in "Other receivables/payables" attributable to booking the deferred price for Enovation and 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;
- (iii) the increase in trade payables thanks to the introduction of a confirming contract which makes it possible to (a) confirm and improve the payment conditions in order to obtain better discounts, and (b) measures to build loyalty in the production chain;

These dynamics of i) limited volumes of investments in fixed capital and ii) significant cash flow generated by operating activities, have made it possible to pay a double dividend, absorbing the increase in inventory without increasing **net bank debt which, together with the reduction in lease liabilities calculated in accordance with IFRS 16, meant we could achieve an Adjusted NFP/EBITDA ratio of 1.17.**



2. Significant events

2.1 Significant events during the period

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

- the shareholders' meeting, held on the tenth anniversary of the listing, which 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 July 2025 saw the end of the share buy-back programme launched on 29 May 2025 – as per the press release issued on the same date to which reference should be made for more detailed information – in implementation of the resolution passed by the IWB's Ordinary Shareholders' Meeting held on 12 May 2025.

Under this programme, a total of 60,000 IWB treasury shares were purchased between 29 May 2025 and 2 October 2025, for an average price of Euro 21.64 per share and a total value of Euro 1,298,305.50, in accordance with and within the terms of the resolutions of the aforementioned Shareholders' Meeting and the announcement made on 13 May 2025.

On 23 December 2025, the Valle Talloria real estate, industrial and commercial complex (Diano D'Alba) was sold to the Caffo 1915 Group, known for the production of Amaro del Capo. The sale was completed at a price of Euro 9.5 million in favour of Italian Wine Brands, of which Euro 9.1 million was paid on the day of the sale. The deal allows the IWB Group to capitalise on an asset that has been available for sale since June 2024, following an industrial rationalisation called the "One Company Project," which is contributing to the Group's results by creating important synergies.

2.2 Significant subsequent events

In the first quarter of 2026, IWB confirmed its participation in all the main sector trade fairs (Wine Paris, Prowein, Vinitaly), doubling the number of appointments and meetings with international customers and distributors compared with what we managed at the same events in 2025. The interest shown in the Group by the main market operators strengthens the prospects for growth and development in new markets.



3. Outlook

The IWB Group is starting 2026 with:

- a new Marketing Department;
- a "GDO Italia team" with a view to expanding distribution on the domestic market, which alone represents approximately Euro 8 billion;
- new plants to optimise processes and products.

In a market context characterised by volatility and uncertainty, having consolidated its leadership position makes the IWB Group an even more strategic partner for its key customers in all markets. We are convinced that the three-year period 2026-2028 represents a horizon of extraordinary opportunities, so we aim to:

- reinforce our premium products, enhancing the most iconic names and special lines in order to continuously improve profit margins;
- expand our presence in strategic markets and new emerging markets, with a global vision but still rooted in Italian territories;
- continue to optimise production chain costs and innovate sustainably, to offer modern, responsible, and engaging consumer experiences.
- continue in the search for investment opportunities to strengthen our position in key markets with premium products.

4. Code of Ethics and the Organisational Model

On 12 September 2025, the Board of Directors updated the Model 231 to improve compliance of our whistleblowing policy with current legislation.

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. (now IWB 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 was Euro 60 thousand per year, index-linked to ISTAT inflation statistics, plus VAT. For 2025 the rent amounted to Euro 70.4 thousand;



- (ii) a service contract with Electa S.p.A. involving investor relations support for an annual fee of Euro 40 thousand;
- (iii) a deferred price that depended on Enovation Brands Inc. achieving its average EBITDA target for the two-year period 2024-2025; the achievement of this target led to a consideration to be paid to the selling shareholders of USD 4.4 million no later than 1 May 2026; of this amount, USD 2.4 million is to be paid to the brothers Alberto and Giovanni Pecora and USD 2 million to Norina S.r.l., a company belonging to the four branches of the Pizzolo family and as such a related party.

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 Italia has also maintained the IFS Broker certification with the aim of guaranteeing the safety and quality of third-party goods sold by the Group that 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 UNI EN ISO 14001:2015.

Certification according to ISO 14001 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



VIVA LA SOSTENIBILITÀ
NELLA VITIVINICOLTURA
IN ITALIA

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: *VIVA la sostenibilità nella vitivinicoltura*.

With the commitment of the entire organisation, 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.



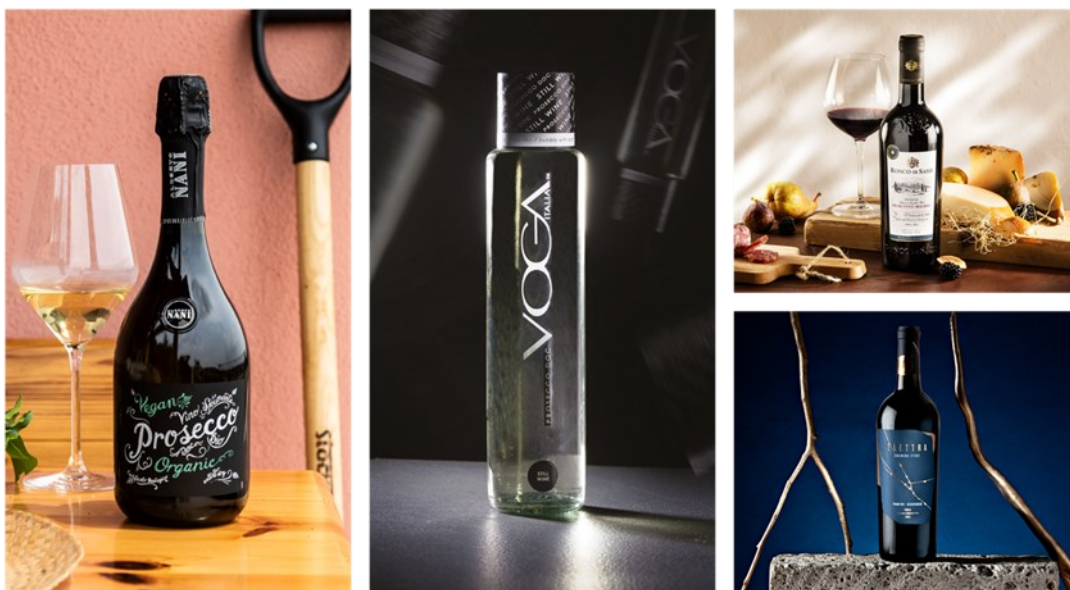
Since September 2024, the Cetona site has also been included in the biennial auditing system according to the Sedex Smeta 2-pillar scheme (verification of working conditions and health and safety) certified by Bureau Veritas to further validate the commitment to compliance with the ethical rules defined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

GROUP PERSONNEL

The specific and average number by category as of 31 December 2025, 31 December 2024 and 31 December 2023 is shown below.

	No. at 31.12.2025	Average no. 31.12.2025	No. at 31.12.2024	Average no. 31.12.2024	No. at 31.12.2023	Average no. 31.12.2023
Managers	7	7	7	7	7	8
Middle managers	21	20	20	20	20	21
Office workers	190	189	182	194	211	210
Factory workers	172	151	128	134	138	141
Total	390	367	337	355	376	380

The increase compared with previous years is due to the internalisation of temporary staff which, together with the implementation of strategic investments, has allowed IWB Italia, the Group's main company in terms of profitability, to reach the parameters for obtaining a reduced IRES rate of 20% for 2025.



7. Treasury shares

At 31 December 2025, the Parent Company holds 215,472 of its own ordinary stock as treasury shares, representing 2.28% of the ordinary share capital. During the course of 2025:

- 148,875 treasury shares were bought;
- 37,700 treasury shares were assigned.

8. Risks

The Group is mainly exposed to risks from exchange rate and interest rate fluctuations, credit risk and liquidity risk, as well as to operational risks that relate to its particular market.

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. and from sales in pounds sterling by the B2C Division in the UK.

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 short-term revocable lines of credit in the form of hot financing, current account overdrafts and endorsement credit which, combined with liquidity, are more than sufficient to guarantee its short- and medium-term financial requirements.

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. Considering the composition of the net financial position at 31 December 2025, the risk is considered substantially non-existent.



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.

Risks related to tariffs and international trade policies

International trade tensions and the tariff policies adopted by the United States from April 2025 onwards represent a potential risk factor for the Group's business, particularly for Enovation Brands Inc.

The introduction or increase of customs duties on products imported from Italy could negatively impact procurement costs and the competitiveness of our products in the U.S. market.



9. Statement of Directors' Responsibility

The directors are responsible for preparing the 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.

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 have been prepared in accordance with the IFRS adopted by the European Union. They provide a true and fair view of the financial and equity situation of the Group and of the companies included in the consolidation, taken as a whole, and of the profit for the year in question;

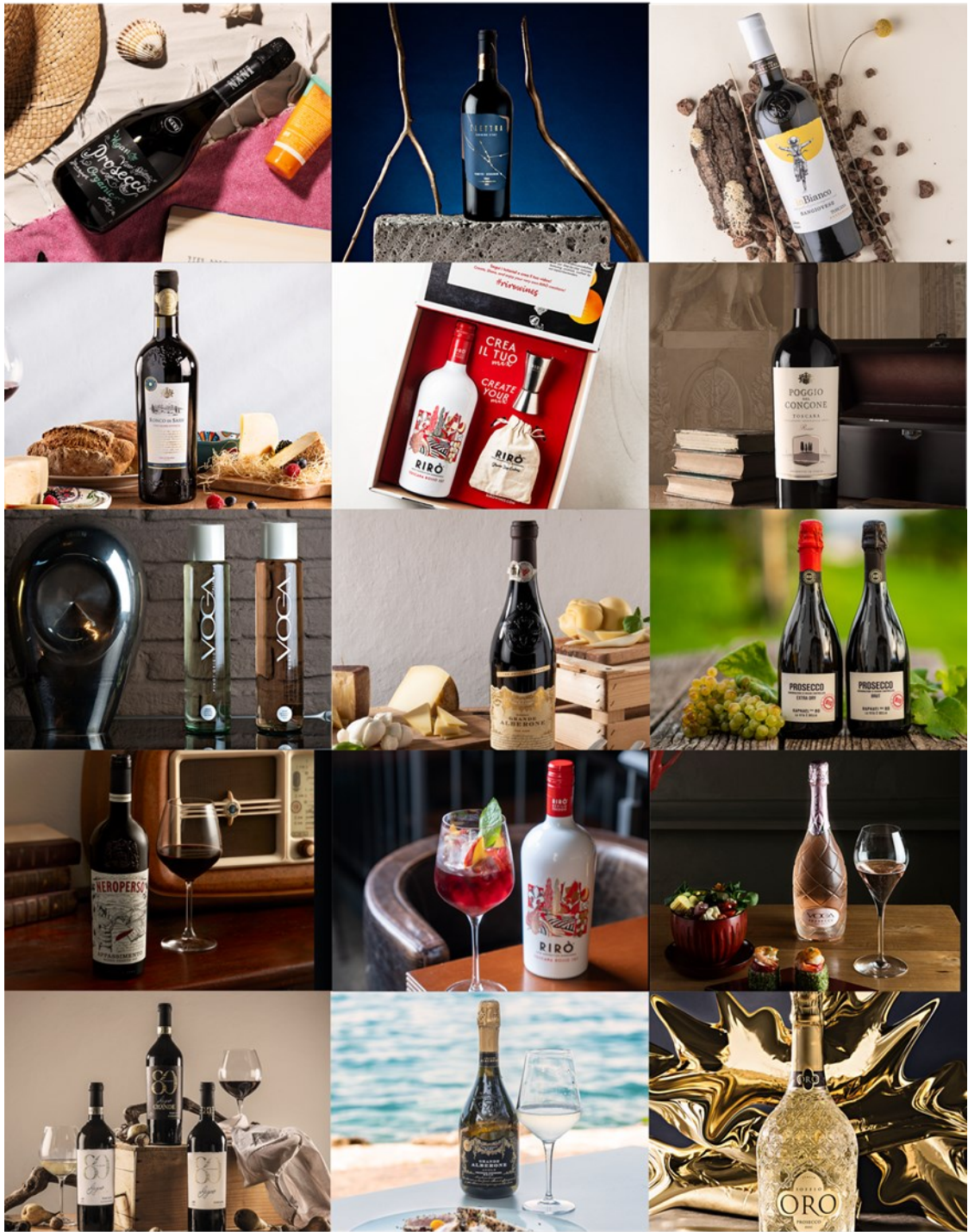


- the Directors' Report on pages 9-41 includes a fair analysis of the business performance for the year ended 31 December 2025 and of the financial position of the Company and the Group at the end of the year;
- the Risk Management Report provides a description of the main risks and uncertainties at the end of the 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.

Milan, 27 March 2026

Alessandro Mutinelli

Chairman and Chief Executive Officer





Consolidated financial statements at 31 December 2025

Consolidated financial position

	Note	31.12.2025	31.12.2024
<i>Amounts in Euro</i>			
Non-current assets			
Intangible assets	5	38,237,714	38,469,167
Goodwill	6	215,968,880	215,968,880
Land, property, plant and equipment	7	43,279,021	40,856,412
Right-of-use assets	7 B	11,118,488	13,398,871
Equity investments	9	2,759	5,109
Other non-current assets	10	40,160	222,324
Non-current financial assets		-	-
Deferred tax assets	11	2,011,963	1,686,119
Total non-current assets		310,658,985	310,606,882
Current assets			
Inventory	12	67,075,920	65,264,485
Trade receivables	13	39,536,308	50,612,573
Other current assets	14	2,174,808	2,631,151
Current tax assets	15	1,899,794	721,156
Current financial assets		60,461	528,760
Cash and cash equivalents	16	90,160,245	59,500,216
Total current assets		200,907,536	179,258,341
Non-current assets held for sale	8	-	9,740,033
Total assets		511,566,521	499,605,256
Shareholders' equity			
Share capital		1,124,468	1,124,468
Reserves		168,799,957	155,125,347
Reserve for defined benefit plans		67,456	30,958
Reserve for stock grants		2,256,491	794,385
Profit (loss) carried forward		43,835,538	47,061,082
Net profit (loss) for the period		16,251,186	22,335,624
Total shareholders' equity of parent company shareholders		232,335,096	226,471,864
Non-controlling interests		373,696	62,505
Total shareholders' equity	17	232,708,792	226,534,369
Non-current liabilities			
Financial payables	18	132,393,770	133,529,737
Lease liabilities	18	7,574,918	10,048,538
Provision for other employee benefits	19	1,267,071	1,548,228
Provisions for future risks and charges	20	245,087	165,610
Deferred tax liabilities	11	8,392,791	9,379,847
Other non-current liabilities	22	-	-
Total non-current liabilities		149,873,636	154,671,959
Current liabilities			
Financial payables	18	4,581,083	2,450,424
Lease liabilities	18	3,291,959	3,316,648
Trade payables	21	104,602,414	94,697,725
Other current liabilities	22	11,925,257	10,093,388
Current tax liabilities	23	4,583,381	7,840,742
Provisions for future risks and charges	20	-	-
Total current liabilities		128,984,093	118,398,928
Liabilities directly related to assets held for sale		-	-
Total shareholders' equity and liabilities		511,566,521	499,605,256



Comprehensive income statement

	Note	31.12.2025	31.12.2024
<i>Amounts in Euro</i>			
Revenue from sales	24	395,899,315	401,937,029
Change in inventories	12	1,068,382	(14,154,988)
Other income	25	3,380,186	3,261,215
Total revenue		400,347,883	391,043,255
Purchase costs	26	(261,301,179)	(248,332,447)
Costs for services	27	(67,814,776)	(67,224,590)
Personnel costs	28	(27,957,994)	(27,408,277)
Other operating costs	29	(1,508,972)	(1,457,644)
Operating costs		(358,582,921)	(344,422,958)
EBITDA		41,764,962	46,620,297
Depreciation and amortization	5-7	(9,320,664)	(9,968,066)
Provision for risks	20	(145,087)	-
Write-ups / (Write-downs)	30	(314,186)	(857,024)
Operating profit/(loss)		31,985,026	35,795,207
Financial income		1,823,226	1,916,655
Borrowing costs		(10,648,926)	(6,867,976)
Net financial income/(expenses)	31	(8,825,700)	(4,951,320)
EBT		23,159,326	30,843,886
Taxes	32	(6,596,963)	(8,237,085)
(Loss) Profit from discontinued operations		-	-
Profit (loss) (A)		16,562,363	22,606,801
Attributable to:			
Non-controlling interests		(311,177)	(271,176)
Group profit (loss)		16,251,186	22,335,624
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		(149,643)	(179,914)
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	36,498	94,720
Tax effect of Other profit/(loss)		-	-
Total other profit/(loss), net of tax effect (B)		(113,145)	(85,195)
Total comprehensive profit/(loss) (A) + (B)		16,449,218	22,521,606



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		(1,666,343)						(1,666,343)
Sale of treasury shares								-
Dividends						(4,713,413)		(4,713,413)
Allocation of treasury shares		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
Total comprehensive profit/ (loss)			(179,914)		94,720	22,335,624	271,176	22,521,606
Balance at 31 December 2024	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		(3,164,146)						(3,164,146)
Sale of treasury shares								-
Dividends						(9,355,064)		(9,355,064)
Allocation of treasury shares		838,695		1,462,106		(44,310)		2,256,491
Legal reserve								-
Reclassification and other changes		16,149,704				(16,161,794)	14	(12,076)
Total comprehensive profit/ (loss)			(149,643)		36,498	16,251,186	311,177	16,449,218
Balance at 31 December 2025	1,124,468	168,663,748	136,209	2,256,491	67,456	60,086,724	373,696	232,708,792



Statement of cash flows

Amounts in Euro

	Notes	31.12.2025	31.12.2024
Profit (loss) before taxes		23,159,326	30,843,886
Adjustments for:			
- non-monetary items - stock grant		-	-
- increases in the provision for bad and doubtful accounts, net of utilisations		314,186	857,024
- non-monetary items - provisions / (releases)		3,889,767	-
- non-monetary items - amortisation/depreciation		9,320,664	9,968,066
Adjusted profit (loss) for the period before taxes		36,683,943	41,668,977
Cash flow generated by operations			
Income tax paid		(9,266,107)	(2,542,552)
Other financial (income)/expenses without cash flow		3,490,503	3,489,590
Total		(5,775,604)	947,038
Changes in working capital			
Change in trade receivables		10,762,079	660,116
Change in trade payables		9,904,688	(19,092,017)
Change in inventories		(1,701,123)	12,715,585
Change in other receivables and payables		703,520	3,910,912
Other changes		566,021	708,485
Change in post-employment benefits and other provisions		(310,269)	(146,325)
Change in other provisions and deferred taxes		(1,312,900)	896,771
Total		18,612,017	(346,473)
Cash flow from operations (1)		49,520,356	42,269,542
Capital expenditure:			
- Tangible		(4,836,852)	(1,661,530)
- Intangible		(3,418,824)	(3,354,595)
- Sale of business units		9,083,155	-
- Financial		2,350	-
Cash flow from investment activities (2)		829,829	(5,016,125)
Financial assets			
Long-term borrowings/ (repayments) - Bond		(3,250,000)	(3,250,000)
Short-term borrowings (paid)		-	-
Long-term borrowings/ (repayments) - Bond		-	(7,034,000)
Collections / (repayments) revolving loan		-	(20,000,000)
Collections / (repayments) other financial payables		(2,164,718)	(4,694,153)
Change in other financial assets		(24,110)	(4,598)
Change in other financial liabilities		(3,826,891)	(8,013,111)
Purchase of treasury shares		(3,164,146)	(1,666,343)
Sale of treasury shares		-	-
Dividends paid		(9,355,064)	(4,713,413)
Cash increases in capital		-	-
Change in reserve for stock grants		2,256,491	794,385
Other changes in shareholders equity		(161,718)	(72,158)
Cash flow from financing activities (3)		(19,690,157)	(48,653,391)
Cash flow from continuing operations		30,660,028	(11,399,974)
Change in cash and cash equivalents (1+2+3)		30,660,028	(11,399,974)
Cash and cash equivalents at beginning of period		59,500,216	70,900,191
Cash and cash equivalents at end of period		90,160,245	59,500,216



FORM AND CONTENT OF THE CONSOLIDATED ANNUAL FINANCIAL REPORT

Introduction

This Financial Report at 31 December 2025 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 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).

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 2025 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 2025 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	1,124,468	-		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%
Inovation 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%
Raphael Dal Bo AG	Switzerland	CHF	100,000	IWB Italia S.p.A.	100%	-

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. The latter was sold to the Caffo 1915 Group in December 2025 following a double split with spin-off that led to the establishment of Cantine Valle Talloria S.r.l. The sale to the Caffo 1915 Group took effect when this company was established.



2. General principles

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 general principle followed 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.

Trademarks

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.

The Group uses confirming agreements with selected financial institutions to optimise working capital. Under such agreements, a financial entity pays the Group's suppliers for invoices relating to goods and services purchased by the Group, which benefits from extended payment terms. The amounts due under these agreements are initially recognised at amortized cost. They are classified as "Trade payables" as they represent a liability for goods or services that form part of the normal operating cycle.

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 simultaneously 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>	31.12.2025	Level 1	Level 2	Level 3
<i>Financial assets</i>				
Derivatives	0.6		0.6	

<i>Amounts in €000</i>	31.12.2024	Level 1	Level 2	Level 3
<i>Financial assets</i>				
Derivatives	12.0		12.0	

At 31 December 2025, 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 0.6 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
- Financial receivables
- Financial payables

Amounts in €000

	31.12.2025		31.12.2024	
	Carrying amount	Fair Value	Carrying amount	Fair Value
<i>Financial assets</i>				
Trade receivables	39,536	39,536	50,613	50,613
Cash and cash equivalents	90,160	90,160	59,500	59,500
Financial receivables	60	60	529	529
<i>Financial liabilities</i>				
Trade payables	104,602	104,602	94,698	94,698
Financial payables	136,975	136,975	135,980	135,980



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, as well as to operational risks that relate to its particular market.

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. and from sales in pounds sterling by the B2C Division in the UK.

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 short-term revocable lines of credit in the form of hot financing, current account overdrafts and endorsement credit which, combined with liquidity, are more than sufficient to guarantee its short- and medium-term financial requirements.

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. Considering the composition of the net financial position at 31 December 2025, the risk is considered substantially non-existent.

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.



Risks related to tariffs and international trade policies

International trade tensions and the tariff policies adopted by the United States from April 2025 onwards represent a potential risk factor for the Group's business, particularly for Enovation Brands Inc.

The introduction or increase of customs duties on products imported from Italy could negatively impact procurement costs and the competitiveness of our products in the U.S. market.



4. Accounting policies

4.1 Accounting standards and interpretations in force from 1 January 2025

Accounting standards and interpretations in force from 1 January 2025:

- **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 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 principles and/or interpretations issued but not yet entered into force and/or not approved

As required by IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”, the new principles or interpretations already issued, but not yet entered into force or not yet approved by the European Union at 31 December 2025 and therefore not applicable, and the foreseeable impacts on the consolidated financial statements are indicated below.

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

- **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 will apply from the financial statements of fiscal years beginning on or after 1 January 2026. The directors do not expect the adoption of this amendment to have a significant effect on the Group's consolidated financial statements.

- **Amendments to IFRS 9 and IFRS 7 - The classification of financial assets with ESG-linked features**

The amendments aim to support entities in reporting the financial effects of contracts for the purchase of electricity produced from renewable sources. Under these contracts, the amount of electricity generated and purchased can vary based on uncontrollable factors such as weather conditions. The IASB has made targeted amendments to IFRS 9 and IFRS 7. The amendments include:

- clarification regarding the application of “own use” requirements to this type of contract;
- criteria to allow such contracts to be accounted for as hedging instruments; and,
- new disclosure requirements to enable users of financial statements to understand the effect of these contracts on an entity's financial performance and cash flows.

The change will apply from 1 January 2026. The directors do not expect the adoption of this amendment to have a significant effect on the Group's consolidated financial statements.

- **Annual Improvements**

The document includes clarifications, simplifications, corrections and changes aimed at improving the consistency of various IFRS. The standards that have been amended are:

- IFRS 1 First-time Adoption of International Financial Reporting Standards;
- IFRS 7 Financial Instruments: Disclosures and Guidance on Implementing IFRS 7;
- IFRS 9 Financial Instruments;
- IFRS 10 Consolidated Financial Statements; and
- IAS 7 Statement of Cash Flows.

The amendments will apply from 1 January 2026, but earlier application is permitted. The directors do not expect the adoption of these amendments to have a significant effect on the Group's consolidated financial statements.

- **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.

- **IFRS 14 – Regulatory Deferral Accounts**

The new standard allows only first-time adopters of IFRS to continue to recognize amounts relating to Rate-Regulated Activities under their previous accounting standards. Since the Group is not a first-time adopter, this principle does not apply.

- **Amendments to IAS 21 – Translation to a Hyperinflationary Presentation Currency**

In November 2025, the IASB published “Translation to a Hyperinflationary Presentation Currency,” which amended IAS 21 “The Effects of Changes in Foreign Exchange Rates”.



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.

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 31 and in the Notes in note 24;
- the investment information required by paragraph 33b of IFRS 8 is shown below:



Amounts in €000

	31.12.2025	31.12.2024	31.12.2023
Italy	278,183	278,423	291,655
USA	17,599	17,629	17,741
Switzerland	12,865	12,869	12,876
Total non-current assets *	308,647	308,921	322,271

* 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:

- B2B, i.e. the economic and financial results relating to the Wholesale and Ho.Re.Ca channels;
- 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).



The figures for the period from 1 January 2025 to 31 December 2025 are shown below.

Segment Reporting

INCOME STATEMENT					
	HOLDING	B2B	B2C	Eliminations	Consolidation
<i>Amounts in €000</i>					
<i>Wholesales</i>		294,300		(12,336)	281,964
<i>Ho.re.ca.</i>		63,024			63,024
<i>Distance selling</i>			51,148	(312)	50,837
<i>Others</i>	2,036		305	(2,267)	75
Revenue from sales	2,036	357,324	51,454	(14,914)	395,899
Change in inventories	-	2,573	(931)	-	1,642
Other income	8	2,642	867	(136)	3,380
Total revenue	2,044	362,539	51,389	(15,050)	400,921
Purchase costs	(1)	(250,902)	(23,068)	12,720	(261,251)
Costs for services	(2,015)	(38,102)	(25,440)	2,330	(63,226)
Personnel costs	(711)	(22,690)	(2,628)	-	(26,029)
Other operating costs	(80)	(1,025)	(194)	(0)	(1,298)
Operating costs	(2,806)	(312,719)	(51,329)	15,050	(351,804)
Adjusted EBITDA	(763)	49,820	60	-	49,117
Depreciation and amortization	(168)	(4,729)	(4,424)	-	(9,321)
Provision for risks	-	(145)	-	-	(145)
Write-ups / (Write-downs)	-	(23)	(291)	-	(314)
Adjusted operating result	(930)	44,922	(4,655)	-	39,337
Non-recurring items	(4,220)	(2,771)	(361)		(7,352)
Operating profit/(loss)	(5,150)	42,151	(5,016)	-	31,985
Financial income					1,823
Borrowing costs					(10,649)
Net financial income/(expenses)					(8,826)
EBT					23,159
Taxes					(6,597)
(Loss) Profit from discontinued operations					-
Profit (loss) (A)					16,562
Attributable to:					
Non-controlling interests					(311)
Group profit (loss)					16,251

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>					
Non-current assets					
Intangible assets	74	23,188	6,389	8,586	38,238
Goodwill	-	44,166	-	171,803	215,969
Land, property, plant and equipment	43	42,607	629	-	43,279
Right-of-use assets	431	6,622	4,065	-	11,118
Equity investments	291,258	13,801	1	(305,057)	3
Other non-current assets	19	-	21	-	40
Non-current financial assets	-	-	-	-	-
Deferred tax assets	482	734	788	8	2,012
Total non-current assets					310,659
Current assets					
Inventory	-	61,205	5,871	-	67,076
Trade receivables	546	41,871	4,271	(7,153)	39,536
Other current assets	4,910	1,719	1,739	(6,193)	2,175
Current tax assets	-	1,888	12	-	1,900
Current financial assets	-	-	-	-	60
Cash and cash equivalents	-	-	-	-	90,160
Total current assets					200,908
Non-current assets held for sale	-	-	-	-	-
Total assets					511,567
Shareholders' equity					
Share capital	-	-	-	-	1,124
Reserves	-	-	-	-	168,800
Reserve for defined benefit plans	-	-	-	-	67
Reserve for stock grants	-	-	-	-	2,256
Profit (loss) carried forward	-	-	-	-	43,836
Net profit (loss) for the period	-	-	-	-	16,251
Total shareholders' equity of parent company shareholders					232,335
Non-controlling interests	-	-	-	-	374
Total shareholders' equity					232,709
Non-current liabilities					
Financial payables	-	-	-	-	132,394
Lease liabilities	349	4,031	3,194	-	7,575
Provision for other employee benefits	70	1,005	192	-	1,267
Provisions for future risks and charges	-	245	-	-	245
Deferred tax liabilities	-	5,997	-	2,395	8,393
Other non-current liabilities	-	-	-	-	-
Total non-current liabilities					149,874
Current liabilities					
Financial payables	-	-	-	-	4,581
Lease liabilities	90	1,966	1,236	-	3,292
Trade payables	266	92,522	18,962	(7,147)	104,602
Other current liabilities	4,107	13,089	928	(6,199)	11,925
Current tax liabilities	1,946	1,378	1,260	-	4,583
Provisions for future risks and charges	-	-	-	-	-
Total current liabilities					128,984
Liabilities directly related to assets held for sale	-	-	-	-	-
Total shareholders' equity and liabilities					511,567



The figures for the period from 01 January 2024 to 31 December 2024 are shown below.

Segment Reporting

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



Segment Reporting

STATEMENT OF FINANCIAL POSITION

	HOLDING	B2B	B2C	Eliminations	Consolidation
<i>Amounts in €000</i>					
Non-current assets					
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
Total non-current assets					310,607
Current assets					
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
Total current assets					179,258
Non-current assets held for sale	-	9,740	-	-	9,740
Total assets					499,605
Shareholders' equity					
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
Total shareholders' equity of parent company shareholders					226,472
Non-controlling interests	-	-	-	-	63
Total shareholders' equity					226,534
Non-current liabilities					
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	-	-	-	-	-
Total non-current liabilities					154,672
Current liabilities					
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	-	-	-	-	-
Total current liabilities					118,399
Liabilities directly related to assets held for sale	-	-	-	-	-
Total shareholders' equity and liabilities					499,605



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						31.12.2025
	01.01.2025	increases	decreases	depreciation/amortization	reclassifications/other changes	increases through business combinations	
Trademarks & patents	31,922	75	-	(384)	(53)	-	31,561
Software	726	367	-	(497)	60	-	656
Start-up costs	57	6	-	(17)	4	-	49
Other intangible assets	5,332	2,831	-	(2,699)	349	-	5,812
Intangible assets in course of formation and advances	432	141	-	-	(413)	-	160
Net carrying amount of intangible assets	38,469	3,419	-	(3,597)	(53)	-	38,238

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;
- 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 2024, being treated in the same way as goodwill (see below).



The increases in 2025 mainly relate to:

- (i) 3,281 thousand euro 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, in this regard it is worth mentioning that in the first quarter of 2026, the Group intends to deposit Nando (Svinando's virtual wine expert, developed and functioning through AI) with the SIAE, also with a view to obtaining “patent box” tax relief;
- (ii) 75 thousand euro for the registration of new trademarks and patents.



Goodwill

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

Amounts in €000

Company	31.12.2025	31.12.2024
IWB Italia S.p.A.	186,077	186,077
Enovation Brands Inc	17,038	17,038
Raphael Dal Bo AG	12,854	12,854
Total Goodwill	215,969	215,969

At 31 December 2025, 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 2025, 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.

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 cash flows relating to the financial years following the explicit projection period, a g rate equal to 1 has been assumed in consideration of the extremely volatile economic context.

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 2025, 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.

CGU's 2024	Goodwill 2024	Carrying Amount	Recoverable amount/VIU	Headroom	WACC
IWB Italia S.p.A.	186.077	322.848	815.031	492.183	6,4%
Giordano Vini S.p.A	0	9.468	21.242	11.774	7,5%
Raphael Dal Bo AG	12.854	11.772	89.379	77.607	6,3%
Enovation Brands Inc	17.038	14.328	31.179	16.851	6,9%
IWB GROUP TOTAL	215.969	358.416	956.831	598.414	

CGU's 2025	Goodwill 2025	Carrying Amount	Recoverable amount/VIU	Headroom	WACC
IWB Italia S.p.A.	186.077	315.237	581.330	266.093	6,9%
Giordano Vini S.p.A	0	1.850	2.075	225	8,8%
Raphael Dal Bo AG	12.854	11.994	75.053	63.059	6,6%
Enovation Brands Inc	17.038	16.853	44.787	27.934	8,7%
IWB GROUP TOTAL	215.969	345.934	703.245	357.311	



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	01.01.2025	increases	decreases	reclassifications/other changes	increases through business combinations	31.12.2025
Land and buildings	25,356	404	-	(62)	-	25,698
Plant and machinery	41,162	2,399	(1,318)	75	-	42,318
Equipment	13,465	236	-	227	-	13,929
Other	5,027	109	-	28	-	5,164
Tangible assets under construction and advances	130	2,172	-	(36)	-	2,267
Right-of-use assets	27,918	1,290	-	(1,190)	-	28,018
Total historical cost	113,059	6,610	(1,318)	(957)	-	117,394
PROPERTY, PLANT AND EQUIPMENT						
Accumulated amortization						
Accumulated amortization	01.01.2025	depreciation/amortization	decreases	other changes	increases through business combinations	31.12.2025
Land and buildings	(5,337)	(530)	-	72	-	(5,795)
Plant and machinery	(26,372)	(1,366)	835	(39)	-	(26,943)
Equipment	(7,957)	(416)	-	(201)	-	(8,574)
Other	(4,618)	(136)	-	(31)	-	(4,785)
Tangible assets under construction and advances	-	0	-	-	-	0
Right-of-use assets	(14,519)	(3,276)	-	895	-	(16,900)
Total accumulated depreciation	(58,804)	(5,724)	835	696	-	(62,997)
PROPERTY, PLANT AND EQUIPMENT						
Net amount						
Net carrying amount	01.01.2025	increases	decreases	depreciation/amortization	other changes	31.12.2025
Land and buildings	20,019	404	-	(530)	10	19,903
Plant and machinery	14,789	2,399	(483)	(1,366)	36	15,375
Equipment	5,508	236	-	(416)	26	5,355
Other	409	109	-	(136)	(3)	379
Tangible assets under construction and advances	130	2,172	-	0	(36)	2,267
Right-of-use assets	13,399	1,290	-	(3,276)	(295)	11,118
Total net carrying amount	54,255	6,610	(483)	(5,724)	(261)	54,398

The increases in 2025 were mainly:

- 4,603 thousand euro for the updating and improvement of bottling lines and cellar systems, in particular:
 - 1,991 thousand euro to start introducing machines for the automatic application of pendants to the bottling lines at the Calmasino and Cetona plants and replacement of the end-of-line machines with wrapping machines at the Calmasino and Montebello plants; to complete these modernisations, a further investment of 2,549 thousand euro is to be made in 2026, with an estimated annual saving of 1,550 thousand euro;



- 193 thousand euro to replace the capsuling machine on line 1 at the Calmasino plant;
- 130 thousand euro for automatic label warehouses at the Calmasino plant;
- 360 thousand euro to replace and modernise boilers at the Calmasino and Montebello plants;
- 145 thousand euro to upgrade the purification plant;
- 123 thousand euro for new autoclaves and tanks;
- 414 euro for various improvements to the buildings.

The total value of the divestment of the Valle Talloria site is equal to 9,740 thousand euro (from 2024 included in "Non-current assets held for sale").

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 2024 is shown below:

Amounts in €000

Net carrying amount	01.01.2025	increases	depreciation/amortization	other changes	31.12.2025
Land and buildings	9,613	219	(2,129)	(54)	7,649
Plant and machinery	2,890	811	(717)	(233)	2,751
Equipment	338		(179)	(8)	151
Other	557	261	(251)	0	567
Total	13,399	1,290	(3,276)	(295)	11,118

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
Total	15,464	948	(3,556)	543	13,399

The increases in 2025 were mainly:

- 219 thousand euro for a new rental agreement for the offices of Enovation Brands Inc.;
- 811 thousand euro for a new rental agreement for machinery of IWB Italia S.p.A.;
- 261 thousand euro for new long-term rental agreements 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 2024:

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

					31.12.2025
<i>Amounts in €000</i>					
	Short term	Medium/long term (within 5 years)	Long term (over 5 years)	Total	Cash Out
Land and buildings	(2,379)	(6,167)	(123)	(8,669)	(2,486)
Plant and machinery	(641)	(832)	(43)	(1,517)	(984)
Equipment	(45)	(35)	-	(80)	(166)
Other	(226)	(375)	-	(601)	(304)
Total	(3,292)	(7,408)	(167)	(10,867)	(3,940)

					31.12.2024
<i>Amounts in €000</i>					
	Short term	Medium/long term (within 5 years)	Long term (over 5 years)	Total	Cash Out
Land and buildings	(2,199)	(8,182)	(328)	(10,709)	(2,072)
Plant and machinery	(737)	(1,007)	(77)	(1,821)	(1,162)
Equipment	(166)	(80)	-	(246)	(320)
Other	(214)	(364)	(11)	(589)	(263)
Total	(3,317)	(9,632)	(416)	(13,365)	(3,817)

The following shows the interest expense charged to the income statement on the lease liabilities compared with 31 December 2024:

<i>Amounts in €000</i>		
Interest	31.12.2025	31.12.2024
Land and buildings	(281)	(317)
Plant and machinery	(102)	(91)
Equipment	(8)	(15)
Other	(55)	(54)
Total	(446)	(477)



Lastly, please note that:

- the costs of low-value leased assets charged to profit or loss amount to 255 thousand euro (429 thousand euro at 31 December 2024);
- the costs relating to variable lease payments not included in the measurement of the lease liabilities amount to euro 400 thousand (395 thousand euro at 31 December 2024).

8. Non-current assets held for sale

On 23 December 2025, the Valle Talloria real estate and industrial complex (Diano D'Alba) was sold to the Caffo 1915 Group, known for the production of Amaro del Capo. The sale concerned the Valle Talloria business unit, already classified under assets available for sale in the consolidated half-year report at 30 June 2024.

The transfer took place through a process that involved:

- a split with the spin-off of the units making up the Valle Talloria complex from the companies IWB Italia S.p.A. (for the real estate and industrial business) and Giordano Vini S.p.A. (for the commercial side of the business)
- The split with spin-off, effective 23 December 2025, resulted in the establishment of Cantine Valle Talloria S.r.l., at which time the shares were transferred to the buyer in accordance with the sale contract.

The sale was completed at a price of 9.5 million euro, of which 9.1 million euro was paid on the date of the sale; The remainder was paid into an escrow fund to complete the urban planning regularisation activities underway at the date of sale.

The value of the business unit is detailed below according to the type of assets.



Amounts in €000

FINANCIAL POSITION OF THE BUSINESS UNIT SOLD

01 Start-up costs	44
02 Tools and equipment	23
03 Internal means of transport	1
04 Industrial buildings	4,430
05 Plant	720
06 Machinery	1,665
07 Electronic machines	1
08 Ordinary office machines and furniture	61
09 Land	3,036
10 Vats and tanks	317
Total fixed assets register	10,298
Deferred tax provision	(1,062)
Post-employment benefits	(11)
Due to personnel	(67)
Net invested capital	9,158

The deal allows the IWB Group to capitalise on an asset that has been available for sale since June 2024, following an industrial rationalisation called the "One Company Project," which is contributing to the Group's results by creating important synergies. It also generated a capital gain of Euro 325 thousand.

As it involved the sale of an equity investment, the tax effect is estimated at around 4 thousand euro.



9. Equity investments

Equity investments are detailed below.

Amounts in Euro

	Country	31.12.2025	31.12.2024
Other companies			
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	Italy	-	1,100
Banca Tema	Italy	-	1,250
Total		2,759	5,109

The reduction in the value of equity investments forms part of the overall process of corporate and organisational simplification launched in 2023, which has led, among other things, to a reduction in the number of credit institutions, financing lines, and consequently, as in this specific case, an interest in some less strategic credit institutions.

10. Other non-current assets

Other non-current assets are detailed below.

Amounts in €000

	31.12.2025	31.12.2024
Security deposits	40	222
Total	40	222



11. Deferred tax assets and liabilities

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

Amounts in €000

Description	Tax base	Tax rate	Balance
Non-deductible interest expense	39	24.00%	9
Provision for risks and charges	544	24.00%	131
Provisions for returns and inventory write-down	2,696	27.90%	752
Deferred charges not capitalisable for IFRS purposes	255	27.90%	71
Provision for bad and doubtful accounts	2,096	24.00%	503
Remuneration of directors	2,132	24.00%	512
Maintenance	64	24.00%	15
Others	79	24.00%	19
Total deferred tax assets			2,012

Description			
Business combination/Brands	24,923	27.90%	6,954
Tangible and intangible fixed assets	5,159	27.90%	1,439
Total provision for deferred taxes			8,393

Amounts at 31 December 2024

Amounts in €000

Description	Tax base	Tax rate	Balance
Non-deductible interest expense	21	24.00%	5
Provision for risks and charges	301	24.00%	72
Provisions for returns and inventory write-down	2,377	27.90%	663
Deferred charges not capitalisable for IFRS purposes	235	27.90%	66
Provision for bad and doubtful accounts	2,544	24.00%	611
Remuneration of directors	1,066	24.00%	256
Others	58	24.00%	14
Total deferred tax assets			1,686

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



12. Inventory

The details are shown below.

Amounts in €000

	31.12.2025	31.12.2024
Raw materials and consumables	9,337	4,353
Semi- finished products	29,462	32,876
Finished products	23,693	24,584
Advances	4,584	3,451
Total	67,076	65,264

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 increase compared with 31 December 2024 was due to the decision to buy raw materials at discounted prices in light of the 2025 harvest and the advances paid to suppliers.

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

Provision at the beginning of the period 2025	1,730
Provisions	907
Amount used	(611)
Provision at the end of the period	2,026

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

The provisions, which exceeded the utilisations, mainly derive from the 493 thousand euro provision that IWB Italia S.p.A. was required to make for a non-alcoholic product that the company had to withdraw from the market following its refermentation.

While the main utilisations refer to the disposal of obsolete raw materials from Diano (112 thousand euro) and the release from seizure of Nobile di Montepulciano wine (166 thousand euro), which was then used and sold.



13. Trade receivables

Trade receivables at 31 December 2025 and 31 December 2024 are detailed below.

Amounts in €000

	31.12.2025	31.12.2024
Trade receivables	42,134	54,248
Provision for bad and doubtful accounts	(2,598)	(3,635)
Total	39,536	50,613

During 2025, the provision for doubtful accounts had the following movements.

Amounts in €000

	31.12.2025
Provision at the beginning of the period 2025	3,635
Provisions	314
Amount used	(1,351)
Provision at the end of the period	2,598

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. Given the above, the decrease in provisions is explained by the continuous improvement in recovery activities and, above all, by the increase in sales through digital channels, which are paid in advance of delivery (unlike postal and telephone sales).

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 2025 and 31 December 2024 are detailed in the following table:

Amounts in €000

	31.12.2025	31.12.2024
Security deposits	72	71
Others	1,176	1,917
Advances to suppliers	109	131
Accrued income and prepaid expenses	818	512
Total	2,175	2,631

Accrued income and prepaid expenses mainly consist of prepaid expenses for contributions to trade associations, expenses for exhibitions and fairs, insurance premiums and maintenance.

The item "others" mainly includes receivables from factoring companies of IWB Italia S.p.A. equal to 398 thousand euro; the reduction compared with the figure at 31 December 2024 (1,516 thousand euro) is part of the process of optimising financial management resulting from the corporate integration effective from 1 January 2024; as a further effect, this also made it possible to improve the use of the agreed lines of credit.

15. Current tax assets

Tax credits at 31 December 2025 and 31 December 2024 are detailed in the following table:

Amounts in €000

	31.12.2025	31.12.2024
VAT receivables	1,557	0
Tax Credit	314	623
Others	29	98
Total	1,900	721

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

The VAT credit arises from sales generated primarily abroad and from declarations of intent that are insufficient to cover all of the VAT credit generated in excess versus sales in Italy. In the first few months of the following year, the VAT credit will be recovered in full by being offset against other tax payables.



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 2025.

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 2025 and 31 December 2024 are detailed in the following table.

Amounts in €000

	31.12.2025	31.12.2024
Bank deposits	89,140	58,239
Postal deposits	999	1,243
Cash	20	18
Total	90,160	59,500

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. The cash balance at 31 December 2025 also benefited from the sale of the Valle Talloria site (Diano d'Alba) which brought in proceeds of 9.1 million euro on 23 December 2025.



17. Shareholders' equity

The Group shareholders' equity is made up as follows:

<i>Amounts in Euro</i>	31.12.2025	31.12.2024
Share capital	1,124,468	1,124,468
Legal reserve	224,894	224,894
Share premium reserve	136,137,071	136,137,071
Translation reserve	136,208	285,852
Reserve for the purchase of treasury shares	(4,543,079)	(2,217,628)
Other reserves	36,844,863	20,695,158
Reserves	168,799,957	155,125,347
Reserve for actuarial gains on defined benefit plans	67,456	30,958
Reserve for stock grants	2,256,491	794,385
Prior year profits/(losses)	43,835,538	47,061,082
Profit/(loss) for the period	16,251,186	22,335,624
Total reserves	231,210,628	225,347,395
Total Group shareholders' equity	232,335,096	226,471,864
Non-controlling interests	373,696	62,505
Total shareholders' equity	232,708,792	226,534,369

Share capital

At 31 December 2025, 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 2025, the Parent Company holds 215,472 ordinary shares, representing 2.28% 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, section Investors / Financial Documents/Report-General Meetings) as well as on the Borsa Italiana website (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 "market price on the grant date" namely 5 July 2023 and 26 February 2025 as described in the paragraph "Significant events during the period".

(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>	31.12.2025	
	Profit/(loss) for the period	Shareholders' equity
Shareholders' equity IWB SpA (IFRS)	(11,581,592)	158,579,412
Elimination of carrying amount of consolidated equity investments:		
Carrying amount of consolidated equity investments		(291,257,562)
Pro-quota share of consolidated equity investments net of consolidation differences	42,074,751	365,365,278
Dividends from subsidiaries	(14,219,499)	-
Consolidation adjustments for transactions between consolidated companies	(22,474)	(352,032)
Group shareholders' equity and profit/(loss) for the period	16,251,186	232,335,096
Non-controlling interests	311,177	373,696
Consolidated shareholders' equity and profit/(loss)	16,562,363	232,708,792

18. Financial payables

The situation at 31 December 2025 is the following.

<i>Amounts in €000</i>	31.12.2025			
	Short term	Medium/long term (within 5 years)	Long term (over 5 years)	Total
Bond	-	131,728	-	131,728
Short-term unsecured loans	-	-	-	-
Revolving loans	-	-	-	-
Other medium/long-term unsecured loan	728	508	-	1,236
Financial accrued expenses and charges	9	-	-	9
Total banks	737	508	-	1,246
Payables to factoring companies	141	-	-	141
Deferred price on acquisitions	3,703	-	-	3,703
Other borrowings	-	158	-	158
Total other lenders	3,844	158	-	4,001
Total	4,581	132,394	-	136,975



The expected repayment flows in subsequent years are shown on pages 113 and 114.

The Group's financial liabilities at 31 December 2024 are shown below for comparison purposes.

Amounts in €000

	Short term	Medium/long term (within 5 years)	Long term (over 5 years)	31.12.2024 Total
Bond	-	131,487	-	131,487
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
Total banks	2,339	1,254	-	3,592
Payables to factoring companies	112	-	-	112
Deferred price on acquisitions	-	445	-	445
Other borrowings	-	344	-	344
Total other lenders	112	789	-	901
Total	2,450	133,530	-	135,980

The following table shows the changes in financial liabilities.

Amounts in €000

	31.12.2024	Disbursements / Other changes	Repayments/Other changes	31.12.2025
Bond	131,487	3,491	(3,250)	131,728
Short-term unsecured loans	-	-	-	-
Revolving loans	-	-	-	-
Other medium/long-term unsecured loans	3,401	-	(2,165)	1,236
Financial accrued expenses and charges to be settled	191	9	(191)	9
Total banks	3,592	9	(2,356)	1,246
Payables to factoring companies	112	141	(112)	141
Deferred price on acquisitions	445	3,258	-	3,703
Other borrowings	344	-	(186)	158
Total other lenders	901	3,399	(298)	4,001
Total	135,980	6,899	(5,904)	136,975



Bank debt at 31 December 2025 consists of the following loans:

- A senior, non-convertible, non-subordinated and unsecured bond of 130 million euro 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 Giordano Vini S.p.A. (and transferred to IWB Italia as of 31 December 2023 as a result of the reorganisation and split) 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 2025 measured at amortized cost amounts to 508 thousand euro.
- A medium-term loan paid on 26 February 2021 by Crédit Agricole to Giordano Vini S.p.A. (and transferred to IWB Italia as of 31 December 2023 as a result of the reorganisation and split) for 2.4 million euro 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 31 December 2025 measured at amortized cost amounts to Euro 128 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 0.6 thousand.

- A loan of Euro 800,000 granted to Giordano S.p.A. by Simest for development projects, paid on 28 January 2022 and due to be repaid by 31 December 2028, with a 36-month grace period and an interest rate of 0.055% (residual balance of Euro 600,000 at 31 December 2025);
- The deferred price for the acquisition of Enovation Brands Inc. refers
 - (a) 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;
 - (b) it also refers to the consideration that depends on the average EBITDA target to be achieved by Enovation Brands Inc. in the two-year period 2024-2025; the achievement of this target led to a consideration to be paid to the selling shareholders of USD 4.4 million no later than 1 May 2026; of this amount, USD 2.4 million is to be paid to the brothers Alberto and Giovanni Pecora and USD 2 million to Norina Srl, a company belonging to the four branches of the Pizzolo family and as such a related party (recorded as a contra-entry in the income statement as it was not calculated when accounting for the business combination);
 - (c) The financial statements of Enovation Brands Inc. at 31 December 2025 have been audited by an independent firm of auditors in terms of AUP (Agreed Upon Procedures), the terms of which have been integrated with those adopted in previous years to verify achievement of the target.



The debt has been reduced by USD 1,449 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 Brands Inc. 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 2025 and discounted by applying the relevant coefficients to future nettings, so as to obtain the current value of the derivative at 31 December 2025:

Amounts in €000

	31.12.2025	31.12.2024
STATEMENT OF FINANCIAL POSITION	0.6	12.0
INCOME STATEMENT	(11.3)	(30.7)

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 Group's net financial position and
- (ii) 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: 57.6 million euro
- b) The adjusted EBITDA is equal to: 49.1 million euro
- c) So the ratio comes to: 1.17

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 2025 are shown below.

Amounts in €000

	31.12.2025	31.12.2024
Provision at the beginning of the period	1,548	1,654
Provisions	51	176
Benefits paid during the period	(327)	(234)
Actuarial (gains)/losses	(36)	(95)
Financial costs	31	47
Provision at the end of the period	1,267	1,548

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.

Actuarial assumptions	31.12.2025	31.12.2024
Discount rate	2.36%	2.69%
Inflation rate	1.61%	2.09%
Expected average turnover	9.84%	9.40%



20. Provision for risks and charges

This item has changed during the period as follows:

<i>Amounts in €000</i>	31.12.2025		
	Non-current	Current	Total
Provision at the beginning of the period 2025	166	0	166
Provisions	145	0	145
Releases	0	0	0
Amounts used	(66)	0	(66)
Provision at the end of the period	245	0	245

<i>Amounts in €000</i>	31.12.2024		
	Non-current	Current	Total
Provision at the beginning of the period 2024	301	0	301
Provisions	0	0	0
Releases	0	0	0
Amounts used	(135)	0	(135)
Provision at the end of the period	166	0	166

The 2025 provisions relate to an allocation of funds from a bankruptcy distribution that could be subject to observations and therefore recalled; as a precaution, a risk fund has been set up to cover any revocation. The utilisation in 2025 relates to the definitive closure in our favour of the dispute with the tax authorities regarding undue excise duties, which allowed us to free up the related risk provision.

21. Trade payables

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

<i>Amounts in €000</i>	31.12.2025	31.12.2024
	Suppliers - Italy	98,088
Suppliers - Foreign markets	6,515	4,449
Total	104,602	94,698

With regard to trade payables at 31 December 2025, note that for an amount of 13,605 thousand euro, they have been the subject of a confirming contract with a primary factoring



company and that they will be paid to the factor within the contractually established terms in exchange for a commission of 118 thousand euro; of the amount indicated, 3 million euro relate to advance payments.

22. Other current liabilities

Other liabilities are made as follows:

Amounts in €000

	31.12.2025	31.12.2024
Employees	5,251	4,318
Social security institutions	1,782	1,503
Directors	2,131	1,066
Accrued expenses and deferred income	2,062	2,895
Others	698	311
Total	11,925	10,093

The amount due to employees mainly includes salaries for the month of December 2025 that were paid in January 2026, as well as deferred pay for public holidays and vacation accrued but not yet taken. The increase in amounts due to directors relates to achievement of the terms of the three-year incentive plan to the extent of 95.7%, which gets added to the achievement of the third year of the plan to the extent of 88.0%.

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 IWB Italia S.p.A. The decrease compared with 31 December 2024 is due to the allocation to the income statement of the 2025 portion of tax credits and investment grants (of which 532 thousand euro relating to the sale of Valle Talloria).

"Other" mainly includes: advances from customers for 59 thousand euro, 79 thousand euro due to the Board of Statutory Auditors and 155 thousand euro relating to ongoing disputes.



23. Current tax liabilities

These are made up as follows:

Amounts in €000

	31.12.2025	31.12.2024
VAT	0	1,009
IRES	2,734	4,976
IRPEF withholding tax	1,023	914
IRAP	786	996
Excise duty	30	127
Other taxes	11	(181)
Total	4,583	7,841

The decrease in the IRES payable is mainly due to lower taxable income compared with the previous year and higher advance payments during the year.



24. Revenue from sales

Revenue from sales and other income at 31 December 2025 are detailed below with comparative figures.

Amounts in €000

	31.12.2025	31.12.2024
Revenues from sales - Italy	66,127	73,624
Revenues from sales - Foreign markets	329,698	328,210
UK	99,441	89,760
Germany	56,051	55,457
Switzerland	35,922	41,077
US	32,791	34,120
Austria	11,042	13,955
Poland	10,425	11,882
Netherlands	9,538	7,480
France	8,851	9,419
Canada	7,770	6,975
Belgium	7,176	7,131
Ireland	5,512	5,234
Denmark	5,151	5,466
Sweden	1,800	2,094
Hungary	1,384	1,349
China	1,198	1,308
Other countries	35,647	35,504
Other Revenues	75	103
Total Revenues from sales	395,899	401,937

In this regard, note that turnover for the two main customers amounts respectively to (i) 61,220 thousand euro versus 62,028 thousand euro at 31 December 2024 for the first customer and (ii) 50,405 thousand euro versus 52,481 thousand euro at 31 December 2024 for the second; the decrease is attributable to the strategy of developing own-brand sales and reducing dependence on individual customers, particularly private label ones.

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.

As regards sales on the Russian market, these are made through advance payments, in euro with spot hedging of the rouble.



25. Other income

Other income at 31 December 2025 is detailed below with comparative figures.

Amounts in €000

	31.12.2025	31.12.2024
Capital gains	11	417
Contributions and tax credits	1,444	1,119
Rental income	511	469
Chargebacks	160	93
Out-of-period income	812	504
Others	442	660
Total other income	3,380	3,261

The capital gains in 2024 derive from the sale of the Torricella site for 346 thousand euro. The increase in tax credit contributions relates to the portion pertaining to the Valle Talloria site released at the time of the sale. The decrease in Other is primarily due to discounts and special pricing received in 2024 by Enovation Brands Inc. and not present in 2025.

26. Purchases

Purchases can be broken down as follows.

Amounts in €000

	31.12.2025	31.12.2024
Giordano Vini S.p.A.	10,867	12,434
IWB Italia S.p.A.	245,770	231,228
Enovation Brands Inc	2,387	1,689
Raphael Dal Bo AG	2,277	2,982
IWB S.p.A.	1	0
Total	261,301	248,332



27. Services

Services at 31 December 2025 are detailed below with comparative figures.

Amounts in €000

	31.12.2025	31.12.2024
Services from third parties	17,970	17,724
Transport	13,752	14,957
Postage expenses	3,485	3,229
Leases and rentals	1,437	1,712
Consulting	2,576	2,413
Advertising costs	1,961	1,938
Utilities	2,821	2,685
Remuneration of Directors, Statutory Auditors and Supervisory Body	5,701	3,191
Maintenance	2,336	2,134
Outsourcing costs	5,690	6,784
Commissions	2,347	2,403
Other costs for services	7,739	8,055
Total	67,815	67,225

The remuneration of Directors, Statutory Auditors and the Supervisory Body is detailed as follows.

Amounts in €000

	31.12.2025	31.12.2024
Directors	5,495	2,981
Statutory auditors	134	140
SB	73	70
Total	5,701	3,191

The audit fees earned by the Independent Auditors in 2025 are as follows.

Amounts in €000

	Audit	Consulting
Holding company	55	0
Subsidiaries	125	3
Total	180	3



28. Personnel

Personnel costs at 31 December 2025 are detailed below with comparative figures.

Amounts in €000

	31.12.2025	31.12.2024
Wages and salaries	19,269	19,086
Social security charges	5,396	4,932
Severance indemnities	984	909
Stock grant	407	132
Administration cost	1,660	2,247
Other costs	242	102
Total	27,958	27,408

The following table shows the number of employees.

	No. at 31.12.2025	Average no. 31.12.2025	No. at 31.12.2024	Average no. 31.12.2024
Managers	7	7	7	7
Middle managers	21	20	20	20
Office workers	190	189	182	194
Factory workers	172	151	128	134
Total	390	367	337	355

The increase compared with previous years is due to the internalisation of temporary staff which, together with the implementation of strategic investments, has allowed the Group to reach the parameters for obtaining a reduced IRES rate of 20%.



29. Other operating costs

Other operating costs at 31 December 2025 are detailed below with comparative figures.

Amounts in €000

	31.12.2025	31.12.2024
Capital losses	159	176
Other taxes	346	361
Damages, penalties/fines	175	73
Concessions and licences	320	306
Out-of-period expenses	199	167
Others	311	375
Total	1,509	1,458

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

	31.12.2025	31.12.2024
On current accounts	396	451
Exchange rate gain/(loss)	941	855
Others	486	610
Total	1,823	1,917

The item "Other" in 2025 includes financial income deriving from the sale of the investment in Cantine Valle Talloria S.r.l. to the Caffo 1915 Group for 332 thousand euro; whereas in 2024 it included financial income deriving from the 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

	31.12.2025	31.12.2024
Bonds	(3,491)	(3,490)
Loans	(25)	(278)
Lease liabilities	(446)	(477)
Bank current accounts	(0)	(6)
Financial instruments	(11)	(31)
Factoring	(922)	(967)
Bank fees and charges	(350)	(541)
Exchange gain/(loss)	(1,510)	(512)
Others	(3,894)	(566)
Total	(10,649)	(6,868)

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.

The item "other" includes 3.7 million euro relating to the deferred price in favour of the selling shareholders, due to fulfilment of the profitability conditions achieved by Enovation Brands Inc. in the two-year period 2024-2025.



32. Taxes

Income taxes at 31 December 2025 are detailed below with comparative figures.

Amounts in €000

	31.12.2025	31.12.2024
IRES	(5,520)	(6,093)
IRAP	(1,400)	(1,436)
Taxes for prior periods	46	(57)
Total current taxes	(6,874)	(7,586)
Deferred tax assets	345	(423)
Deferred tax liabilities	(68)	(228)
Total deferred taxes	277	(651)
Total	(6,597)	(8,237)



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 lease payment is Euro 60 thousand per year, index-linked to ISTAT inflation statistics, plus VAT. For 2025 the lease payment was 70 thousand euro;
- (ii) a service contract with Electa S.p.A. involving investor relations support for an annual amount of 40 thousand euro.
- (iii) a deferred price that depended on Enovation Brands Inc.'s average EBITDA target for the two-year period 2024-2025; the achievement of this target led to a consideration of USD 4.4 million to be paid to the selling shareholders no later than 1 May 2026; of this amount, USD 2.4 million is to be paid to the brothers Alberto and Giovanni Pecora and USD 2 million to Norina Srl, a company belonging to the four branches of the Pizzolo family and as such a related party.

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 2025 are shown below:

- (i) OCM grants for market promotions of Euro 346,142.05;
- (ii) investment tax credit of Euro 466,845.52;
- (iii) Fondimpresa grants of Euro 11,766.67.

36. Significant events

36.1 Significant events during the period

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

- the shareholders' meeting, held on the tenth anniversary of the listing, which 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 October 2025 saw the end of the **share buy-back programme** launched on 29 July 2025 – as per the press release issued on the same date to which reference should be made for more detailed information – in implementation of the resolution passed by the IWB's Ordinary Shareholders' Meeting held on 12 May 2025. Under this programme, a total of 60,000 IWB treasury shares were purchased between 29 July 2025 and 2 October 2025, for an average price of Euro 21.64 per share and a total value of Euro 1,298,305.5, in accordance with and within the terms of the resolutions of the aforementioned Shareholders' Meeting and the announcement made on 13 May 2025.

On *23 December 2025*, the Valle Talloria real estate and industrial complex (Diano D'Alba) was sold to the Caffo 1915 Group, known for the production of Amaro del Capo. The sale was completed at a price of Euro 9.5 million in favour of Italian Wine Brands, of which Euro 9.1 million was paid on the day of the sale. The deal allows the IWB Group to capitalise on an asset that has been available for sale since June 2024, following an industrial rationalisation called the "One Company Project," which is contributing to the Group's results by creating important synergies.

36.2 Significant subsequent events

In the first quarter of 2026, IWB confirmed its participation in all the main sector trade fairs (Wine Paris, Prowein, Vinitaly), doubling the number of appointments and meetings with international customers and distributors compared with what we managed at the same events in 2025. The interest shown in the Group by the main market operators strengthens the prospects for growth and development in new markets.

37. Outlook

The IWB Group is starting 2026 with:

- a new Marketing Department;
- a "GDO Italia team" with a view to expanding distribution on the domestic market, which alone represents approximately Euro 8 billion;
- new plants to optimise processes and products.



In a market context characterised by volatility and uncertainty, having consolidated its leadership position makes the IWB Group an even more strategic partner for its key customers in all markets. We are convinced that the three-year period 2026-2028 represents a horizon of extraordinary opportunities, so we aim to:

- reinforce our premium products, enhancing the most iconic names and special lines in order to continuously improve profit margins;
- expand our presence in strategic markets and new emerging markets, with a global vision but still rooted in Italian territories;
- continue to optimise production chain costs and innovate sustainably, to offer modern, responsible, and engaging consumer experiences;
- continue in the search for investment opportunities to strengthen our position in key markets with premium products.

For the Board of Directors

The Chairman and Chief Executive Officer

Alessandro Mutinelli





ITALIAN WINE BRANDS

Creatori di Eccellenze

ANNUAL FINANCIAL REPORT

IWB S.p.A.

31 DECEMBER 2025

ITALY WINE BRANDS S.P.A.

Registered office: Viale Abruzzi, 94, 20131 Milan (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, Monza-Brianza, Lodi (Italy)

R.E.A. no. 2053323

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 Audit Services S.r.l.

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 8

1.1. The Company and the Group

From a corporate point of view, in 2025 the group structure in place since 1 January 2024 was confirmed, having led to (i) the creation of two hubs to manage the various sales channels and (ii) optimisation of the industrial structure which achieved important synergies with long-term economic and financial effects, as follows:

- 1) **IWB Italia 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 to:
 - (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) three company-owned wineries located in Calmasino (VR), Montebello (VI) and Cetona (SI) and (ii) eight bottling lines, one of which is located in Cetona (SI), three in Montebello (VI) and four in Calmasino (VR).

- 2) **Giordano Vini 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.



1.2.1 Financial situation of the Parent Company

The situation of IWB S.p.A. at 31 December 2025 represents the separate financial statements of IWB S.p.A., and shows:

- a loss for the period of -11.6 million euro (profit of 5.8 million euro at 31 December 2024); this result is explained (x) for Euro 14.9 million by the measurement at net equity of the interest in Giordano Vini S.p.A. which in recent years has faced a contracting market and negative results and (y) for Euro 4.2 million by the incentive plan, which in 2025 also includes the effects of the partial achievement of the three-year plan objectives;
- net debt – third-party lenders of 118.9 million euro (112.5 million euro at 31 December 2024). The increase is mainly because of the amount due at 31 December 2025 to the sellers of Enovation Brands Inc. as a result of achieving the “deferred price” parameter for a total of USD 4.4 million, of which: USD 2.4 million to Giovanni and Alberto Pecora and USD 2 million to Norina S.r.l.



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

Reclassified statement of financial position

Amounts in €000

	31.12.2025	31.12.2024	31.12.2023
Other intangible assets	74	102	112
Goodwill	0	0	0
Tangible assets	43	61	82
Right-of-use assets	431	497	60
Equity investments	281,465	292,576	263,904
Total fixed assets	282,013	293,236	264,157
Inventory	0	0	0
Net trade receivables	546	1,274	5,800
Trade payables	(266)	(356)	(328)
Other assets (liabilities)	(1,124)	(470)	360
Net working capital	(844)	447	5,832
Payables for employee benefits	(70)	(86)	(60)
Net deferred and prepaid tax assets (liabilities)	482	217	464
Other provisions	0	0	0
NET INVESTED CAPITAL	281,581	293,814	270,394
Shareholders' equity	158,579	180,416	180,256
Profit (loss) for the period	(11,582)	5,760	7,204
Share capital	1,124	1,124	1,124
Other reserves	169,037	173,531	171,927
Non-controlling interests	0	0	0
Net debt - third-party lenders	118,860	112,453	85,659
Deferred price on acquisitions	3,703	445	4,405
Lease liabilities	439	500	74
TOTAL SOURCES	281,581	293,814	270,394

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

- at 31 December 2025, investments in subsidiaries are made up of Giordano Vini S.p.A. for 6,000 thousand euro; IWB Italia S.p.A. for 256,654 thousand euro; Enovation Brands Inc. for Euro 18,810 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

	31.12.2025	31.12.2024	31.12.2023
Revenue from sales	2,036	2,348	2,472
Change in inventories	0	0	0
Other income	8	240	4
Total revenue	2,044	2,587	2,476
Purchase costs	(1)	0	(3)
Costs for services	(2,015)	(2,114)	(2,049)
Personnel costs	(711)	(1,041)	(1,269)
Other operating costs	(80)	(165)	(178)
Operating costs	(2,806)	(3,319)	(3,498)
Adjusted EBITDA	(763)	(732)	(1,022)
Write-downs	(14,856)	0	0
Depreciation and amortization	(168)	(150)	(154)
Net releases (accruals) of provision for risks and charges	0	0	0
Adjusted operating result	(15,786)	(882)	(1,176)
Net financial income/(expenses)	(3,247)	(2,749)	(2,462)
Dividends from subsidiaries	10,000	10,000	11,360
EBT	(9,033)	6,370	7,722
Taxes	494	583	870
Net profit before non-recurring items and related tax effect	(8,539)	6,953	8,593
Non-recurring items	(4,220)	(1,654)	(1,926)
Tax effect of non-recurring charges	1,177	461	537
Profit/(loss)	(11,582)	5,760	7,204

As regards the income statement, note that:

- the dividends all refer to the subsidiary IWB Italia S.p.A.;
- costs for services include 870 thousand euro of fees for the directors (excluding the effect of the incentive plan), statutory auditors and supervisory bodies and 647 thousand euro of consultancy fees;
- financial income refers to the interest earned on the loan granted to the subsidiary IWB Italia S.p.A. (275 thousand euro); financial expenses are mainly interest on the bond amounting to 3,491 thousand euro.



Reclassified Income statement

Amounts in €000

	Reported 31.12.2025	Management (1)	adjustments (2)	Adjusted 31.12.2025
Revenue from sales	2,036			2,036
Change in inventories	0			0
Other income	8	0		8
Total revenue	2,044	0	0	2,044
Purchase costs	(1)			(1)
Costs for services	(5,825)	87	3,723	(2,015)
Personnel costs	(1,072)	6	355	(711)
Other operating costs	(128)	48		(80)
Operating costs	(7,026)	142	4,078	(2,806)
EBITDA	(4,982)	142	4,078	(763)
Write-downs	(14,856)			(14,856)
Depreciation and amortization	(168)			(168)
Net releases (accruals) of provision for risks and charges	0			0
EBIT	(20,006)	142	4,078	(15,786)
Net financial income/(expenses)	(3,247)			(3,247)
Dividends from subsidiaries	10,000			10,000
EBT	(13,253)	142	4,078	(9,033)
Taxes	1,671	(40)	(1,138)	494
Profit/(loss)	(11,582)	102	2,940	(8,539)

Adjusted book figures at 31 December 2025 (for adjusted gross operating profit and adjusted profit/loss) shown gross of non-recurring costs, for a total of 4,220 thousand euro attributable to:

1) Management:

- (i) Costs for services relating to: (a) 67 thousand euro for due diligence on possible acquisitions (b) 21 thousand euro for costs related to the event organised by the Group for the 10th anniversary of its listing on the stock exchange
- (ii) Personnel costs amounting to 6 thousand euro for costs linked to the event for the 10th anniversary of listing on the stock exchange
- (iii) Other operating costs of 48 thousand euro for sanctions based on assessments by the Tax Authorities

2) Adjustments:

Costs for services and personnel costs for a total of 4,078 thousand euro relating to (x) the vesting and assignment of 88% of the third tranche of the 2023-2025 Incentive Plan, representing 20% of the overall value of the plan on partial achievement of the target profit for 2025 (Adjusted EBITDA target in 2025 of 53.0 million euro).(y) the vesting and assignment of 95.7% of the three-year objective of the 2023-2025 Incentive Plan, representing 40% of the overall value of the plan on partial achievement of the cumulative target profit in the three-year period 2023-2025 (cumulative Adjusted EBITDA target in 2023-2025 of 147.0 million euro).



1.2.2 Net financial position

The following is a breakdown of net debt at 31 December 2025 compared with the figures at 31 December 2024 and 2023, based on the new format introduced by ESMA Guideline 32-382-1138 of 4 March 2021:

<i>Amounts in €000</i>	31.12.2025	31.12.2024	31.12.2023
A. Cash	0	0	0
B. Cash equivalents	1,839	7,542	2,043
C. Other current financial assets	11,029	11,492	25,563
D. Cash and cash equivalents (A) + (B) + (C)	12,868	19,034	27,606
E. Current debt (including financial instruments, but not including current portion of non-current debt)	3,703	0	17
F. Current portion of non-current debt	90	90	74
G. Current debt (E) + (F)	3,793	90	92
H. Net current debt (G) - (D)	(9,075)	(18,944)	(27,514)
I. Non current debt (excluding current portion and debt instruments)	0	0	0
J. Debt instruments	131,728	131,487	131,248
K. Trade payables and other non-current debts	349	854	4,405
L. Non current debt (I) + (J) + (K)	132,077	132,342	135,652
M. Net financial position (H) + (L)*	123,002	113,398	108,138
<i>of which</i>			
<i>Deferred price on acquisitions</i>	3,703	445	4,405
<i>Current lease liabilities</i>	90	90	74
<i>Non-current lease liabilities</i>	349	410	0
Net financial position without the effect of IFRS 16 and deferred price on acquisitions	118,860	112,453	103,659



2. Significant events

2.1 Significant events during the period

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

- the Shareholders' Meeting, held on the tenth anniversary of the listing, which 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 of 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 October 2025 saw the end of the **share buy-back programme** launched on 29 July 2025 – as per the press release issued on the same date to which reference should be made for more



detailed information – in implementation of the resolution passed by the IWB's Ordinary Shareholders' Meeting held on 12 May 2025. Under this programme, a total of 60,000 IWB treasury shares were purchased between 29 July 2025 and 2 October 2025, for an average price of Euro 21.64 per share and a total value of Euro 1,298,305.5, in accordance with and within the terms of the resolutions of the aforementioned Shareholders' Meeting and the announcement made on 13 May 2025.

On 23 December 2025, Giordano Vini SpA and IWB Italia SpA sold the Valle Talloria real estate, industrial and commercial complex (at Diano D'Alba) to the Caffo 1915 Group, known for the production of Amaro del Capo. The sale was completed at a price of Euro 9.5 million in favour of Italian Wine Brands, of which Euro 9.1 million was paid on the day of the sale. The deal allows the IWB Group to capitalise on an asset that has been available for sale since June 2024, following an industrial rationalisation called the "One Company Project," which is contributing to the Group's results by creating important synergies.

2.2 Significant subsequent events

In the first quarter of 2026, IWB confirmed its participation in all the main sector trade fairs (Wine Paris, Prowein, Vinitaly), doubling the number of appointments and meetings with international customers and distributors compared with what we managed at the same events in 2025. The interest shown in the Group by the main market operators strengthens the prospects for growth and development in new markets.

3. Outlook

The IWB Group is starting 2026 with:

- a new Marketing Department;
- a "GDO Italia team" with a view to expanding distribution on the domestic market, which alone represents approximately Euro 8 billion;
- new plants to optimise processes and products.

In a market context characterised by volatility and uncertainty, having consolidated its leadership position makes the IWB Group an even more strategic partner for its key customers in all markets. We are convinced that the three-year period 2026-2028 represents a horizon of extraordinary opportunities, so we aim to:

- reinforce our premium products, enhancing the most iconic names and special lines in order to continuously improve profit margins;
- expand our presence in strategic markets and new emerging markets, with a global vision but still rooted in Italian territories;



- continue to optimise production chain costs and innovate sustainably, to offer modern, responsible, and engaging consumer experiences.
- continue on the search for investment opportunities to strengthen our position in the reference markets with premium products.

4. Code of Ethics and the Organisational Model

On 12 September 2025, the Board of Directors updated the Model 231 to improve compliance of our whistleblowing policy with current legislation.

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. (today IWB Italia S.p.A.) 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 lease payment is Euro 60 thousand per year, index-linked to ISTAT inflation statistics, plus VAT. For the 2025, the fee amounted to 70.4 thousand euro;
- (ii) a service contract with Electa S.p.A. involving for investor relations support for an annual amount of 40 thousand euro;
- (iii) a deferred price that depended on Enovation Brands Inc. achieving its average EBITDA target for the two-year period 2024-2025; the achievement of this target led to a consideration to be paid to the selling shareholders of USD 4.4 million no later than 1 May 2026; of this amount, USD 2.4 million is to be paid to the brothers Alberto and Giovanni Pecora and USD 2 million to Norina Srl, a company belonging to the four branches of the Pizzolo family and as such a related party.

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 PERSONNEL

The specific and average number by category as of 31 December 2025, 31 December 2024 and 31 December 2023 is shown below.

	No. at 31.12.2025	Average no. 31.12.2025	No. at 31.12.2024	Average no. 31.12.2024	No. at 31.12.2023	Average no. 31.12.2023
Managers	7	7	7	7	7	8
Middle managers	21	20	20	20	20	21
Office workers	190	189	182	194	211	210
Factory workers	172	151	128	134	138	141
Total	390	367	337	355	376	380



7. Treasury shares

At 31 December 2025, the Parent Company holds 215,472 of its own ordinary stock as treasury shares, representing 2.28% of the ordinary share capital. During the 2025:

- 148,875 treasury shares were bought;
- 37,700 treasury 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.

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 include 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 2025 have been prepared in accordance with the IFRS adopted by the European Union. They provide a true and fair view of the financial and equity situation 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 2025;
- the Directors' Report on pages 135-141 includes a fair analysis of the business performance for the year ended 31 December 2025 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	31.12.2025	31.12.2024
<i>Amounts in EUR</i>			
Non-current assets			
Intangible assets	5	74,481	101,923
Land, property, plant and equipment	6	42,991	61,439
Right-of-use assets	6 B	430,713	497,163
Equity investments	7	281,464,534	292,575,718
Other non-current assets		18,750	18,750
Non-current financial assets	8	-	-
Deferred tax assets	9	481,893	217,127
Total non-current assets		282,513,362	293,472,120
Current assets			
Trade receivables	10	546,342	1,273,525
Other current assets	12	4,910,187	7,798,112
Current tax assets	11	208,467	128,097
Current financial assets	13	11,028,923	11,492,084
Cash and cash equivalents	14	1,839,035	7,541,914
Total current assets		18,532,954	28,233,732
Total assets		301,046,316	321,705,851
Shareholders' equity			
Share capital		1,124,468	1,124,468
Reserves		131,818,886	134,144,337
Reserve for defined benefit plans		(5,687)	(13,355)
Reserve for stock grants		2,256,491	794,385
Profit (loss) carried forward		34,966,845	38,605,800
Net profit (loss) for the period		(11,581,592)	5,760,419
Total shareholders' equity	15	158,579,412	180,416,055
Non-current liabilities			
Financial payables	16	131,727,757	131,932,085
Lease liabilities	16	349,157	409,632
Provision for other employee benefits	17	70,013	85,981
Provisions for future risks and charges		-	-
Deferred tax liabilities	9	-	-
Other non-current liabilities		-	-
Total non-current liabilities		132,146,927	132,427,697
Current liabilities			
Financial payables	16	3,702,744	130
Lease liabilities	16	89,839	90,326
Trade payables	18	266,028	356,303
Other current liabilities	19	4,107,230	3,957,213
Current tax liabilities	20	2,154,135	4,458,125
Total current liabilities		10,319,976	8,862,099
Total shareholders' equity and liabilities		301,046,316	321,705,851

**Comprehensive income statement**

	Note	31.12.2025	31.12.2024
<i>Amounts in EUR</i>			
Revenue from sales	21	2,036,000	2,347,517
Other income	21	7,756	239,879
Total revenue		2,043,756	2,587,396
Purchase costs	22	(1,017)	-
Costs for services	23	(5,825,251)	(3,503,769)
Personnel costs	24	(1,071,899)	(1,305,046)
Other operating costs	25	(127,941)	(164,528)
Operating costs		(7,026,108)	(4,973,342)
EBITDA		(4,982,351)	(2,385,946)
Depreciation and amortization	5-6	(167,739)	(149,675)
Write-ups / (Write-downs)	26	(14,855,864)	-
Operating profit/(loss)		(20,005,954)	(2,535,621)
Financial income		10,327,055	10,822,456
Borrowing costs		(3,574,054)	(3,571,292)
Net financial income/(expenses)	27	6,753,001	7,251,164
EBT		(13,252,954)	4,715,543
Taxes	28	1,671,362	1,044,876
(Loss) Profit from discontinued operations		-	-
Profit (loss) (A)		(11,581,592)	5,760,419
Attributable to:			
Non-controlling interests		-	-
Group profit (loss)		(11,581,592)	5,760,419
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			
		-	-
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	17	7,668	(10,919)
Tax effect of Other profit/(loss)		-	-
Total other profit/(loss), net of tax effect (B)		7,668	(10,919)
Total comprehensive profit/(loss) (A) + (B)		(11,573,924)	5,749,500



Statement of changes in equity

Amounts in Euro

	Share capital	Capital reserves	Reserve for stock grants	Reserve for defined benefit plans	Retained earnings	Total
Balance at 1 January 2024	1,124,468	135,102,908	789,694	(2,435)	43,241,087	180,255,722
Increase in capital						-
Purchase of treasury shares		(1,666,343)				(1,666,343)
Sale of treasury shares						-
Dividends					(4,713,414)	(4,713,414)
Allocation of treasury shares		692,132	4,691		97,562	794,385
Legal reserve		15,641			(15,641)	-
Reclassification and other changes		(0)			(3,795)	(3,795)
Total comprehensive profit/ (loss)				(10,919)	5,760,419	5,749,500
Balance at 31 December 2024	1,124,468	134,144,337	794,385	(13,355)	44,366,219	180,416,055
Increase in capital						-
Purchase of treasury shares		(3,164,146)				(3,164,146)
Sale of treasury shares						-
Dividends					(9,355,064)	(9,355,064)
Allocation of treasury shares		838,695	1,462,106		(44,310)	2,256,491
Legal reserve						-
Reclassification and other changes						-
Total comprehensive profit/ (loss)				7,668	(11,581,592)	(11,573,924)
Balance at 31 December 2025	1,124,468	131,818,886	2,256,491	(5,687)	23,385,253	158,579,412



Statement of cash flows

Amounts in Euro

	Notes	31.12.2025	31.12.2024
Profit (loss) before taxes		(13,252,954)	4,715,543
Adjustments for:			
- non-monetary items - stock grant		-	-
- increases in the provision for bad and doubtful accounts, net of utilisations		-	-
- non-monetary items - provisions / (releases)		14,855,864	-
- non-monetary items - amortisation/depreciation		167,739	149,675
Adjusted profit (loss) for the period before taxes		1,770,649	4,865,218
Cash flow generated by operations			
Income tax paid		(6,238,643)	0
Other financial (income)/expenses without cash flow		3,490,503	3,489,590
Total		(2,748,140)	3,489,590
Changes in working capital			
Change in trade receivables		727,183	4,526,792
Change in trade payables		(90,275)	28,123
Change in inventories		-	-
Change in other receivables and payables		8,563,587	1,871,912
Other changes		-	-
Change in post-employment benefits and other provisions		(8,300)	15,485
Change in other provisions and deferred taxes		(264,766)	246,971
Total		8,927,429	6,689,284
Cash flow from operations (1)		7,949,938	15,044,093
Capital expenditure:			
- Tangible		-	-
- Intangible		(14,993)	(31,458)
- Financial		(0)	-
Cash flow from investment activities (2)		(14,993)	(31,458)
Financial assets			
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		-	-
Change in other financial assets		(29,248)	-
Change in other financial liabilities		(95,857)	(674,458)
Purchase of treasury shares		(3,164,146)	(1,666,343)
Sale of treasury shares		-	-
Dividends paid		(9,355,064)	(4,713,414)
Cash increases in capital		-	-
Change in reserve for stock grants		2,256,491	794,385
Change in valuation reserve		-	-
Other changes in shareholders equity		-	(3,795)
Cash flow from financing activities (3)		(13,637,824)	(9,513,624)
Cash flow from continuing operations		(5,702,879)	5,499,010
Change in cash and cash equivalents (1+2+3)		(5,702,879)	5,499,010
Cash and cash equivalents at beginning of period		7,541,914	2,042,903
Cash and cash equivalents at end of period		1,839,035	7,541,914



FORM AND CONTENT OF THE FINANCIAL REPORT

Introduction

These Separate Financial Statements at 31 December 2025 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.

1. Basis of presentation

The Separate Financial Statements at 31 December 2025 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. General principles

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 general principle followed 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 2025, 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 2025), 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 in force from 1 January 2025

Accounting standards and interpretations in force from 1 January 2025:

- **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 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 principles and/or interpretations issued but not yet entered into force and/or not approved

As required by IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”, the new principles or interpretations already issued, but not yet entered into force or not yet approved by the European Union at 31 December 2025 and therefore not applicable, and the foreseeable impacts on the consolidated financial statements are indicated below.

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

- **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 will apply from the financial statements of fiscal years beginning on or after 1 January 2026. The directors do not expect the adoption of this amendment to have a significant effect on the Group's consolidated financial statements.

- **Amendments to IFRS 9 and IFRS 7 - The classification of financial assets with ESG-linked features**

The amendments aim to support entities in reporting the financial effects of contracts for the purchase of electricity produced from renewable sources. Under these contracts, the amount of electricity generated and purchased can vary based on uncontrollable factors such as weather conditions. The IASB has made targeted amendments to IFRS 9 and IFRS 7. The amendments include:

- clarification regarding the application of “own use” requirements to this type of contract;
- criteria to allow such contracts to be accounted for as hedging instruments; and,
- new disclosure requirements to enable users of financial statements to understand the effect of these contracts on an entity's financial performance and cash flows.

The change will apply from 1 January 2026. The directors do not expect the adoption of this amendment to have a significant effect on the Group's consolidated financial statements.

- **Annual Improvements**

The document includes clarifications, simplifications, corrections and changes aimed at improving the consistency of various IFRS. The standards that have been amended are:

- IFRS 1 First-time Adoption of International Financial Reporting Standards;
- IFRS 7 Financial Instruments: Disclosures and guidance on the implementation of IFRS 7;
- IFRS 9 Financial Instruments;
- IFRS 10 Consolidated Financial Statements;
- IAS 7 Statement of Cash Flows.

The amendments will apply from 1 January 2026, but earlier application is permitted. The directors do not expect the adoption of these amendments to have a significant effect on the Group's consolidated financial statements.

- **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.

- **IFRS 14 – Regulatory Deferral Accounts**

The new standard allows only first-time adopters of IFRS to continue to recognize amounts relating to Rate-Regulated Activities under their previous accounting standards. Since the Group is not a first-time adopter, this principle does not apply.

- **Amendments to IAS 21 – Translation to a Hyperinflationary Presentation Currency**

In November 2025, the International Accounting Standards Board (IASB) published “Translation to a Hyperinflationary Presentation Currency,” which amended IAS 21 “The Effects of Changes in Exchange Rates.”



Explanatory 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	01.01.2025	increases	decreases	depreciation/amortization	reclassifications	31.12.2025
Trademarks & patents	-	-	-	-	-	-
Software	102	15	-	(42)	-	74
Start-up costs	-	-	-	-	-	-
Other intangible assets	-	-	-	-	-	-
Intangible assets in course of formation and advances	-	-	-	-	-	-
Net carrying amount of intangible assets	102	15	-	(42)	-	74



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	01.01.2025	increases	decreases	reclassifications/other changes	increases through business combinations	31.12.2025
Land and buildings	-	-	-	-	-	-
Plant and machinery	83	-	-	-	-	83
Equipment	-	-	-	-	-	-
Other	80	-	-	-	-	80
Tangible assets under construction and advances	-	-	-	-	-	-
Right-of-use assets	908	40	-	(327)	-	621
Total historical cost	1,072	40	-	(327)	-	785
PROPERTY, PLANT AND EQUIPMENT						
Accumulated amortization						
Accumulated amortization	01.01.2025	depreciation/amortization	decreases	other changes	increases through business combinations	31.12.2025
Land and buildings	-	-	-	-	-	-
Plant and machinery	(50)	(10)	-	-	-	(60)
Equipment	-	-	-	-	-	-
Other	(52)	(8)	-	-	-	(60)
Tangible assets under construction and advances	-	-	-	-	-	-
Right-of-use assets	(411)	(107)	-	327	-	(190)
Total accumulated depreciation	(513)	(125)	-	327	-	(311)
PROPERTY, PLANT AND EQUIPMENT						
Net amount						
Net carrying amount	01.01.2025	increases	decreases	depreciation/amortization	other changes	31.12.2025
Land and buildings	-	-	-	-	-	-
Plant and machinery	33	-	-	(10)	-	23
Equipment	-	-	-	-	-	-
Other	28	-	-	(8)	-	20
Tangible assets under construction and advances	-	-	-	-	-	-
Right-of-use assets	497	40	-	(107)	-	431
Total net carrying amount	559	40	-	(125)	-	474

The increases in 2025 relate to new long-term rental contracts for the cars used by the employees of Italian Wine Brands S.p.A.



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 2024 is shown below:

Amounts in €000

Net carrying amount	01.01.2025	increases	depreciation/amortization	other changes	31.12.2025
Land and buildings	468		(78)		390
Plant and machinery	-				-
Equipment	-				-
Other	29	40	(29)		41
Total net carrying amount	497	40	(107)	-	431

Amounts in €000

t	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
Total net carrying amount	59	468	(88)	58	497

The financial items relating to existing leasing contracts are shown below, broken down by type and with comparative figures at 31 December 2024:

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

					31.12.2025
Amounts in €000	Short term	Medium/long term (within 5 years)	Long term (over 5 years)	Total	Cash Out
Land and buildings	(75)	(321)	-	(396)	(85)
Plant and machinery			-	-	-
Equipment			-	-	-
Other	(15)	(28)	-	(43)	(34)
Total	(90)	(349)	-	(439)	(119)



					31.12.2024
<i>Amounts in €000</i>					
	Short term	Medium/long term (within 5 years)	Long term (over 5 years)	Total	Cash Out
Land and buildings	(72)	(312)	(84)	(468)	(75)
Plant and machinery			-	-	-
Equipment			-	-	-
Other	(18)	(14)	-	(32)	(30)
			-		
Total	(90)	(326)	(84)	(500)	(105)

The following shows the interest expense charged to the income statement on the lease liabilities compared with 31 December 2024:

<i>Amounts in €000</i>		
Interest	31.12.2025	31.12.2024
Land and buildings	(13)	(1)
Plant and machinery	-	-
Equipment	-	-
Other	(5)	(5)
Total	(17)	(6)

Lastly, please note that:

- the leasing costs of low-value assets charged to the income statement amount to 3 thousand euro (14 thousand euro at 31 December 2024);
- the costs relating to variable payments due for the lease not included in the valuation of the lease liabilities amount to 14 thousand euro (24 thousand euro at 31 December 2024).



7. Equity investments

Investments are detailed below:

Amounts in Euro

	Country	31.12.2025	31.12.2024
Giordano Vini SpA	Italy	6,000,000	20,855,864
Iwb Italia SpA	Italy	256,654,306	256,654,306
Enovation Brands Inc	USA	18,810,227	15,065,547
Italian Wine Brands UK Ltd	UK	1	1
Total		281,464,534	292,575,718

At 31 December 2025, the Group verified that the present value of the flows, estimated by each company for the explicit plan horizon 2026 – 2030 and valued with a g rate of 1 for the Terminal Value (calculated by discounting the expected perpetual income), was at least equal to the carrying amount of the investment.

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 and 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.

The WACC used for each CGU is shown below: i) Giordano Vini SpA equal to 8.8% ii), Iwb Italia SpA equal to 6.9% and iii) Enovation Brands Inc. equal to 8.7%.

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.

Given the current market situation for direct sales and the results achieved by Giordano Vini SpA, despite an action plan aimed at restoring the company to break even, the directors deemed it prudent to write down the value of the investment to bring it into line with the company's net equity.

At 31 December 2025, there were no impairment losses on other Equity investments.

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 2025

Amounts in €000

Description	Tax base	Tax rate	Balance
Remuneration of directors	2,008	24.00%	482
Total deferred tax assets			482

Description

Exchange rate adjustment	-	24.00%	-
Total provision for deferred taxes			-

Amounts at 31 December 2024

Amounts in €000

Description	Imponibile	Aliquota	Saldo
Remuneration of directors	905	24.00%	217
Total deferred tax assets			217

Description

Exchange rate adjustment	-	24.00%	-
Total provision for deferred taxes			-

10. Trade receivables

Trade receivables from subsidiaries at 31 December 2025 and 31 December 2024 are detailed below:

Amounts in €000

	31.12.2025	31.12.2024
Trade receivables	546	1,274
Provision for bad and doubtful accounts	0	0
Total	546	1,274



11. Current tax assets

Tax credits at 31 December 2025 and 31 December 2024 are detailed below:

Amounts in €000

	31.12.2025	31.12.2024
VAT receivables	152	72
IRAP receivables	56	56
IRES receivables	0	0
Total	208	128

12. Other current assets

Other current assets at 31 December 2025 and 31 December 2024 are detailed in the following table:

Amounts in €000

	31.12.2025	31.12.2024
Others	4,861	7,742
Advances to suppliers	0	19
Accrued income and prepaid expenses	49	37
Total	4,910	7,798

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 2025 and 31 December 2024 are detailed in the following table:

<i>Amounts in €000</i>				31.12.2025
	Short term	Medium/long term (within 5 years)	Long term (over 5 years)	Total
Refund on Acquisitions	-	-	-	-
Financial credit vs CFO (Buy-back)	29	-	-	29
Total other lenders	29	-	-	29
Giordano Vini	-	-	-	-
Provinco	-	-	-	-
Enoitalia	11,000	-	-	11,000
Total loans to subsidiaries	11,000	-	-	11,000
Shareholder loans to Giordano Vini	-	-	-	-
Total shareholder loans to subsidiaries	-	-	-	-
Total	11,029	-	-	11,029

<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)
Total other lenders	492	-	-	492
Giordano Vini	-	-	-	-
Provinco	-	-	-	-
Enoitalia	11,000	-	-	11,000
Total loans to subsidiaries	11,000	-	-	11,000
Shareholder loans to Giordano Vini	-	-	-	-
Total shareholder loans to subsidiaries	-	-	-	-
Total	11,492	-	-	11,492



14. Cash and cash equivalents

Cash and cash equivalents at 31 December 2025 and 2024 are detailed in the following table:

Amounts in €000

	31.12.2025	31.12.2024
Bank deposits	1,839	7,542
Total	1,839	7,542

15. Shareholders' equity

The Company's shareholders' equity is made up as follows:

Amounts in Euro

	31.12.2025	31.12.2024
Share capital	1,124,468	1,124,468
Legal reserve	224,894	224,894
Share premium reserve	136,137,071	136,137,071
Reserve for the purchase of treasury shares	(4,543,079)	(2,217,628)
Reserves	131,818,886	134,144,337
Reserve for actuarial gains on defined benefit plans	(5,687)	(13,355)
Reserve for stock grants	2,256,491	794,385
Prior year profits/(losses)	34,966,845	38,605,800
Profit/(loss) for the period	(11,581,592)	5,760,419
Total reserves	157,454,944	179,291,587
Total shareholders' equity	158,579,412	180,416,055

Share capital

At 31 December 2025, 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.

The other reserves consist of 3,112 thousand euro from the reserve for operations "under common control" generated by the first-time consolidation of Giordano Vini S.p.A. which took place during the first half of 2015, net of a negative reserve of 498 thousand euro generated by accounting directly in equity, pursuant to IAS 32, for the costs incurred by the parent company in relation to the capital transactions mentioned above, net of deferred tax.



At 31 December 2025, the Parent Company holds 215,472 of its own ordinary stock as treasury shares, representing 2.28% of the ordinary share capital. During the 2025:

- 148,875 treasury shares were bought;
- 37,700 shares were assigned.

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, section Investors / Financial Documents/Report-General Meetings) as well as on the Borsa Italiana website (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 "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 2025 is the following:

Amounts in €000

				31.12.2025
	Short term	Medium/long term (within 5 years)	Long term (over 5 years)	Total
Bond	-	131,728	-	131,728
Short-term unsecured loans	-	-	-	-
Revolving loans	-	-	-	-
Other medium/long-term unsecured loans	-	-	-	-
Financial accrued expenses and charges to be settled	0	-	-	0
Total banks	0	-	-	0
Payables to factoring companies	-	-	-	-
Deferred price on acquisitions	3,703	-	-	3,703
Other borrowings	-	-	-	-
Total other lenders	3,703	-	-	3,703
Total	3,703	131,728	-	135,431

Amounts in €000

				31.12.2024
	Short term	Medium/long term (within 5 years)	Long term (over 5 years)	Total
Bond	-	131,487	-	131,487
Short-term unsecured loans	-	-	-	-
Revolving loans	-	-	-	-
Other medium/long-term unsecured loans	-	-	-	-
Financial accrued expenses and charges to be settled	0	-	-	0
Total banks	0	-	-	0
Payables to factoring companies	-	-	-	-
Deferred price on acquisitions	-	445	-	445
Other borrowings	-	-	-	-
Total other lenders	-	445	-	445
Total	0	131,932	-	131,932

Debt at 31 December 2025 consists of the following loans:

- A senior, non-convertible, non-subordinated and unsecured bond of 130 million euro 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



- (d) 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;
- (e) it also refers to the consideration that depends on the average EBITDA target to be achieved by Enovation Brands Inc. in the two-year period 2024-2025; the achievement of this target led to a consideration to be paid to the selling shareholders of USD 4.4 million no later than 1 May 2026; of this amount, USD 2.4 million is to be paid to the brothers Alberto and Giovanni Pecora and USD 2 million to Norina Srl, a company belonging to the four branches of the Pizzolo family and as such a related party;
- (f) The financial statements of Enovation Brands Inc. at 31 December 2025 have been audited by an independent firm of auditors in terms of AUP (Agreed Upon Procedures), the terms of which have been integrated with those adopted in previous years to verify achievement of the target.

The debt has been reduced by USD 1,449 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 Brands Inc. 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 2025 are shown below:

Amounts in €000

	31.12.2025	31.12.2024
Provision at the beginning of the period	86	60
Provisions	10	14
Benefits paid during the period	(21)	(1)
Actuarial (gains)/losses	(8)	11
Financial costs	2	2
Provision at the end of the period	70	86

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:

Actuarial assumptions	31.12.2025	31.12.2024
Discount rate	2.36%	2.69%
Inflation rate	1.61%	2.09%
Expected average turnover	13.43%	13.21%



18. Trade payables

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

Amounts in €000

	31.12.2025	31.12.2024
Suppliers - Italy	259	355
Suppliers - Foreign markets	7	1
Total	266	356

19. Other current liabilities

Other liabilities are made as follows:

Amounts in €000

	31.12.2025	31.12.2024
Employees	394	374
Social security institutions	371	322
Directors	2,008	905
Others	1,334	2,357
Total	4,107	3,957

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 follow:

Amounts in €000

	31.12.2025	31.12.2024
IRES	2,030	4,312
IRPEF withholding tax	125	137
IRAP	0	0
Other taxes	0	9
Total	2,154	4,458

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 2,036 thousand euro in 2025 and 2,438 thousand euro in the previous year.

Other income at 31 December 2025 is detailed below with comparative figures:

Amounts in €000

	31.12.2025	31.12.2024
Chargebacks	0	-
Out-of-period income	8	224
Others	-	16
Total other income	8	240

22. Purchases

The item "Purchases" refers to office supplies; material already available was used during the year.

23. Services

Services costs at 31 December 2025 are detailed below with comparative figures:

A) Excluding non-recurring charges:

Amounts in €000

	31.12.2025	31.12.2024
Services from third parties	85	142
Leases and rentals	233	199
Consulting	647	560
Advertising costs	0	0
Utilities	13	13
Remuneration of Directors, Statutory Auditors and Supervisory Body	4,680	2,145
Maintenance	5	6
Other costs for services	162	438
Non-recurring expenses	(3,811)	(1,390)
Total	2,015	2,114



B) Including non-recurring charges:

Amounts in €000

	31.12.2025	31.12.2024
Services from third parties	85	142
Leases and rentals	233	199
Consulting	647	560
Advertising costs	0	0
Utilities	13	13
Remuneration of Directors, Statutory Auditors and Supervisory Body	4,680	2,145
Maintenance	5	6
Other costs for services	162	438
Total	5,825	3,504

The remuneration of Directors, Statutory Auditors and the Supervisory Body is detailed as follows:

Amounts in €000

	31.12.2025	31.12.2024
Directors	4,607	2,075
Statutory auditors	55	55
SB	18	15
Total	4,680	2,145

Amounts in €000

	Audit	Consulting
Holding company	55	0
Total	55	0

Independent auditors BDO Italia S.p.A., appointed by the Shareholders' Meeting of 22 April 2021, pursuant to Legislative Decree 39/2010 for the period 2021-2029, has assigned, effective first January 2026, to BDO Audit Services S.r.l. a business unit that includes, among other things, the assignment to audit the financial statements of Italian Wine Brands S.p.A.



24. Personnel

Personnel costs at 31 December 2025 are detailed below with comparative figures:

Amounts in €000

	31.12.2025	31.12.2024
Wages and salaries	655	961
Social security charges	247	262
Severance indemnities	32	42
Stock grant	136	28
Other costs	3	11
Total	1,072	1,305

The following table shows the number of employees:

	No. at 31.12.2025	Average no. 31.12.2025	No. at 31.12.2024	Average no. 31.12.2024
Managers	2	2	3	3
Middle managers	2	2	2	2
Office workers	1	1	-	0
Factory workers	-	-	-	-
Total	5	5	5	6

25. Other operating costs

The item "other operating costs" is detailed as follows.

Amounts in €000

	31.12.2025	31.12.2024
Damages, penalties/fines	55	3
Concessions and licences	0	0
Out-of-period expenses	32	58
Others	41	103
Total	128	165

The decrease in "other" derives from a lower cost of non-deductible VAT resulting from the recalculation of the pro-rata.



26. Write-downs

The item relates to the write-down of the interest in Giordano Vini S.p.A., which in recent years has faced a declining market and negative results.

27. Financial income and expenses

Financial income and expenses are detailed in the following tables:

Amounts in €000

	31.12.2025	31.12.2024
On current accounts	275	793
Dividends	10,000	10,000
Exchange rate gain/(loss)	52	30
Total	10,327	10,822

Amounts in €000

	31.12.2025	31.12.2024
Bonds	(3,491)	(3,490)
Loans	0	(1)
Lease liabilities	(17)	(6)
Bank fees and charges	(5)	(15)
Exchange gain/(loss)	(58)	(57)
Others	(3)	(3)
Total	(3,574)	(3,571)

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.



28. Taxes

Income taxes at 31 December 2025 are detailed below with comparative figures:

Amounts in €000

	31.12.2025	31.12.2024
IRES	1,411	1,392
IRAP	0	0
Taxes for prior periods	(5)	(100)
Total current taxes	1,407	1,292
Deferred tax assets	265	(276)
Deferred tax liabilities	0	29
Total deferred taxes	265	(247)
Total	1,671	1,045



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 IWB Italia S.p.A. and Provinco S.r.l. under which Provinco S.r.l. (today IWB Italia S.p.A.) 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 the 2025, the fee amounted to 70.4 thousand euro.
- (ii) a service contract with Electa S.p.A. involving for investor relations support for an annual amount of 40 thousand euro.
- (iii) a deferred price that depended on Enovation Brands Inc. achieving its average EBITDA target for the two-year period 2024-2025; the achievement of this target led to a consideration to be paid to the selling shareholders of USD 4.4 million no later than 1 May 2026; of this amount, USD 2.4 million is to be paid to the brothers Alberto and Giovanni Pecora and USD 2 million to Norina Srl, a company belonging to the four branches of the Pizzolo family and as such a related party.

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

- the Shareholders' Meeting, held on the tenth anniversary of the listing, which 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 of 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 October 2025 saw the end of the share buy-back programme launched on 29 July 2025 – as per the press release issued on the same date to which reference should be made for more



detailed information – in implementation of the resolution passed by the IWB's Ordinary Shareholders' Meeting held on 12 May 2025. Under this programme, a total of 60,000 IWB treasury shares were purchased between 29 July 2025 and 2 October 2025, for an average price of Euro 21.64 per share and a total value of Euro 1,298,305.5, in accordance with and within the terms of the resolutions of the aforementioned Shareholders' Meeting and the announcement made on 13 May 2025.

On 23 December 2025, the Valle Talloria real estate, industrial and commercial complex (at Diano D'Alba) was sold to the Caffo 1915 Group, known for the production of Amaro del Capo. The sale was completed at a price of Euro 9.5 million in favour of Italian Wine Brands, of which Euro 9.1 million was paid on the day of the sale. The deal allows the IWB Group to capitalise on an asset that has been available for sale since June 2024, following an industrial rationalisation called the "One Company Project," which is contributing to the Group's results by creating important synergies.

30.2 Significant subsequent events

In the first quarter of 2026, IWB confirmed its participation in all the main sector trade fairs (Wine Paris, Prowein, Vinitaly), doubling the number of appointments and meetings with international customers and distributors compared with what we managed at the same events in 2025. The interest shown in the Group by the main market operators strengthens the prospects for growth and development in new markets.

31. Outlook

The IWB Group is starting 2026 with:

- a new Marketing Department;
- a "GDO Italia team" with a view to expanding distribution on the domestic market, which alone represents approximately Euro 8 billion;
- new plants to optimise processes and products.

In a market context characterised by volatility and uncertainty, having consolidated its leadership position makes the IWB Group an even more strategic partner for its key customers in all markets. We are convinced that the three-year period 2026-2028 represents a horizon of extraordinary opportunities, so we aim to:

- reinforce our premium products, enhancing the most iconic names and special lines in order to continuously improve profit margins;



- expand our presence in strategic markets and new emerging markets, with a global vision but still rooted in Italian territories;
- continue to optimise production chain costs and innovate sustainably, to offer modern, responsible, and engaging consumer experiences;
- continue on the search for investment opportunities to strengthen our position in the reference markets with premium products.

For the Board of Directors

The Chairman and Chief Executive Officer

Alessandro Mutinelli