

ANNUAL CONSOLIDATED
FINANCIAL REPORT FOR THE
YEAR ENDED
DECEMBER 31, 2025



RINO MASTROTTO

As the issuer of
€320,000,000 Senior Secured Floating Rate Notes due 2031
Rule 144A Notes ISIN number: XS2850687034
Reg S Notes ISIN number: XS2850686903
Annual Financial Report
For the year ended December 31, 2025



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01

PRESENTATION OF FINANCIAL
INFORMATION



RINO MASTROTTO

OVERVIEW

We are a leading supplier of high-quality leather and textile materials, providing a full suite of value-added services, such as printing, laser engraving, cutting and embroidery decorations on both fabric and leather products, mainly for luxury and premium clients across the fashion, automotive and mobility as well as interior design industries (including some of the most recognizable and iconic high-street fashion houses and luxury automotive brands), combining artisanal craftsmanship with state-of-the-art industrial processes in all the key steps of the value-chain.

Our business is built around three business units, serving customers in attractive end-markets, namely Luxury Creations, Automotive & Mobility, and Interior Design, which are characterized by positive long-term growth prospects and high barriers to entry. Within our end-markets, the luxury and premium segments constitute our primary focus and drive a large part of our growth. High-quality materials play a key differentiating role, addressing evolving quests for premiumization, elevation, and more refined materials.

PRESENTATION OF FINANCIAL INFORMATION

In this annual consolidated financial report, we present the following financial information:

- 1- certain financial and other information of the Group as of and for the year ended December 31, 2025, including comparative information for the year ended December 31, 2024, prepared in accordance with Italian GAAP (see “**Annex A – Annual Consolidated Financial Statements**”). For the year ended December 31, 2025, the financial statements of two newly incorporated companies – Conceria Superior S.p.A. and Tannerie Limoges S.A.S., which were contributed in kind by Prada Group as part of its strategic equity investment in Rino Mastrotto Group, together with a cash investment (resulting, in total, in a 10% minority stake in Rino Mastrotto Group) – have been consolidated using the full consolidation method solely with respect to balance sheet items, as their income statement contribution for the period was not significant. In addition, following the completion of its start-up phase, the subsidiary Brusarosco De Mexico S.A. has been consolidated using the line-by-line method for the year ended December 31, 2025. By contrast, for the year ended December 31, 2024, Brusarosco De Mexico S.A. was consolidated using the equity method (see “**Annex A – Annual Consolidated Financial Statements**”);
- 2- certain unaudited pro forma financial and other information of the Group for the year ended December 31, 2025 and for the year ended December 31, 2024, reflecting the retroactive effect on the Group’s consolidated income statement of the acquisition by the Issuer of Conceria Superior S.p.A. and Tannerie Limoges S.A.S., completed on June 30, 2025, as if such acquisitions had taken place on January 1, 2024 (see “**Annex B – Unaudited Pro Forma Consolidated Financial Information**”);

For additional information, please refer to the “*Presentation of Financial Information*” section of the listing particulars dated as of July 11, 2024, relating to the issuance by the Company of the €320,000,000 Senior Secured Floating Rate Notes due 2031 (the “**Listing Particulars**”), posted on the website of the Luxembourg Stock Exchange (www.luxse.com).

KEY FINANCIAL INFORMATION

The following table provides an overview of key results and certain financial information of the Group as of and for the year ended December 31, 2025 and 2024, and certain pro forma financial information as of and for the year ended December 31, 2025 and 2024:

(in € million, except for percentages and ratios)	notes	As of and for the year ended December 31,			
		2024	2024 Pro Forma	2025	2025 Pro Forma
EBITDA	1	58.0	53.1	39.9	41.3
Adjusted EBITDA	2	72.6	75.6	55.3	54.9
Adjusted EBITDA margin	3	22.1%	20.3%	18.1%	16.4%
Net working capital	4	80.4	-	101.7	101.7
Trade working capital	4	99.7	-	110.1	110.1
Trade working capital ratio	4	30.4%	-	36.0%	32.8%
Adjusted Free Operating Cash Flow	5	68.2	-	50.9	50.9
Cash conversion	5	94.0%	-	92.0%	92.0%
Adjusted Cash flow before debt service and M&A	5	43.9	-	22.3	22.3
Total Gross Financial Indebtedness	5	328.9	-	335.5	335.5
Total Net Financial Indebtedness	5	271.2	-	291.9	291.9
Structuring Adjusted EBITDA	2				65.0
Structuring Adjusted EBITDA margin	3				19.4%
Ratio of Total Gross Financial Indebtedness to Structuring Adjusted EBITDA	5-2				5.2
Ratio of Total Net Financial Indebtedness to Structuring Adjusted EBITDA	5-2				4.5

NOTES

1 - EBITDA

We define *EBITDA* as the sum of profit for the year/period, income taxes, financial income, financial expenses and amortization and depreciation. EBITDA is a supplemental measure of our performance that is not required by, or presented in accordance with, Italian GAAP or other generally accepted accounting principles. We believe that EBITDA provides useful information with respect to our overall operating performance. For additional information, please refer to the “*Summary Historical Financial and Other Information–Other Financial Information*” section of the Listing Particulars.

2 - ADJUSTED EBITDA/STRUCTURING ADJUSTED EBITDA

We define *Adjusted EBITDA* as the sum of profit for the year/period, income taxes, financial income, financial expenses, and amortization and depreciation adjusted for certain items that we believe are not reflective of the underlying operating performance, including unrealized exchange gains/(losses), M&A costs and other adjustments and R&D expenses (as detailed in the table below). We define *Structuring Adjusted EBITDA* as Adjusted EBITDA for the year ended December 31, 2025, calculated on a pro forma basis and derived from the Pro Forma Financial Information as further detailed in “Annex B – Unaudited Pro Forma Consolidated Financial Information,” which reflects the pro forma adjustments arising from the acquisitions of Conceria Superior S.p.A. and Tannerie Limoges S.A.S., as further adjusted for certain estimated production cost savings.

We believe Adjusted EBITDA and Structuring Adjusted EBITDA are useful metrics for investors to understand our results of operations and profitability because they permit investors to evaluate our recurring profitability from underlying operating activities. Additionally, we believe that Adjusted EBITDA and Structuring Adjusted EBITDA provide investors with a tool to compare the historical performance of our business across different periods as our adjustments to net profit from continuing operations and the exclusion of certain costs and expenses include items not considered by management to be attributable to the day-to-day operation of our business. We also use Adjusted EBITDA and Structuring Adjusted EBITDA internally to establish forecasts, budgets and operational goals, to manage and monitor our business, and to evaluate our underlying historical performance. Our presentation of Adjusted EBITDA and Structuring Adjusted EBITDA may be different from the presentation used by other companies and therefore comparability may be limited. For additional information, please refer to the “*Summary Historical Financial and Other Information–Other Financial Information*” section of the Listing Particulars.

The following table reconciles: (i) our Profit for the year/period, presented in our Financial Statements prepared in accordance with Italian GAAP, to EBITDA, (ii) EBITDA to Adjusted EBITDA, and (iii) Adjusted EBITDA to Structuring Adjusted EBITDA for the periods indicated therein.

(in € million)	notes	As of and for the year ended December 31,			
		2024	2024 Pro Forma	2025	2025 Pro Forma
Profit for the year		3.2	(2.7)	(16.1)	(17.1)
Income taxes		5.4	3.8	1.5	1.7
Financial expenses		21.7	22.9	25.4	26.3
Financial income		(1.6)	(1.7)	(1.2)	(1.2)
Depreciation and Amortization		29.3	30.8	30.2	31.6
EBITDA		58.0	53.1	39.9	41.3
Unrealized exchange gains/ (losses)	a	0.6	0.6	1.5	1.5
M&A costs	b	1.6	1.6	0.8	0.8
Start up and discontinued business costs	c	2.7	2.7	3.6	3.6
Other adjustments	d	7.0	7.0	6.4	6.4
Superior & Limoges adjustments	e	-	7.9		(1.8)
R&D	f	2.7	2.7	3.1	3.1
Adjusted EBITDA		72.6	75.6	55.3	54.9
Run rate production cost savings	g				4.8

Run rate Superior & Limoges	h				5.3
Structuring Adjusted EBITDA					65.0

- (a) - *Unrealized exchange (gains)/losses* includes the unrealized portion of Net exchange rate losses/ (gains) for the relevant periods.
- (b) - *M&A costs* include the consultancy and legal fees incurred by the Group for acquisition and potential acquisition for the year ended December 31, 2025 and 2024. These amounts are recorded within “costs of services” in the consolidated income statement.
- (c) - *Start up and discontinued business costs* for the year ended December 31, 2024 consist of: (i) an addback of €2.0 million for start-up costs incurred for the set-up of the cutting center in Italy, the Morellino (*Morelab*) laboratory and the set-up of the new product range of Imatex23/Jacqart and (ii) an addback of €0.7 million of EBITDA result related to the business operated at the Galassia facility, which we intend to discontinue. *Start up and discontinued business costs* for the year ended December 31, 2025 consist of: (i) an addback of € 3.0 million for start-up costs incurred for the set-up of the cutting center in Italy, the Morellino laboratory (*Morelab*), the set-up of the new product range of Jacqart, the new entity formed by the transfer of the Prosetex-Marzotto business to Imatex23, and (ii) an addback of €0.6 million of EBITDA result related to the business operated at the Galassia facility, which we intend to discontinue.
- (d) - For the year ended December 31, 2024, *Other adjustments* consists of: an addback of €0.8 million for local sponsorship marketing expenses; an addback of €0.4 million for other personnel costs for discretionary welfare expenses dedicated to employees; an addback of €0.7 million consultancy fees for corporate non operative projects; an addback of €3.4 million for board of directors fees recorded within “cost of services” in our consolidated income statement; an addback of €0.8 million for bank fees & commission recorded within “cost of services” in our consolidated income statement; an addback of €0.8 million for property and capital tax (I.M.U; I.P.T.U; federal tax and small penalties related to tax examinations) recorded within “other operating costs” in our consolidated income statement; and other minor adjustments. For the year ended December 31, 2025, *Other adjustments* consist of: an addback of €0.9 million for local sponsorship marketing expenses; an addback of €0.3 million consultancy fees for non-operative projects; an addback of €3.1 million for board of directors fees recorded within “cost of services” in our consolidated income statement; an addback of €0.8 million for bank fees & commission recorded within “cost of services” in our consolidated income statement; an addback of €0.9 million for property and capital tax (I.M.U; I.P.T.U; federal tax and small penalties related to tax examinations) recorded within “other operating costs” in our consolidated income statement and an addback of €0.4 million for personnel costs for discretionary welfare expenses.
- (e) - *Superior & Limoges adjustments* include the add-back of certain costs recorded in the financials of Conceria Superior and Tannerie Limoges related to the periods before the acquisition of the company. In particular: (i) certain extraordinary inventory write-downs made to align inventory values with the lower cost / market value, (ii) costs related to the former Board of Directors, net of costs related to the new one, have been eliminated and (iii) non-operative grants received.
- (f) - *R&D expenses* include personnel expenses and other expenses incurred for the development of new products and new production technologies. These amounts are recorded within “personnel costs” and “manufacturing costs” in our consolidated income statement.
- (g) - *Run rate production cost savings* include our excellence program dedicated costs. The adjustment aims at reflecting the full year effect of a series of cost saving activities implemented by us. There can be no guarantee that we will be able to realize the estimated benefits from these cost savings initiatives within the anticipated timeframe or at all.
- (h) - *Run rate Superior & Limoges* reflects the full-year effect of a number of already defined synergies and cost savings activities in connection with the Prada’s investment in RM and the incorporation of Conceria Superior and Tannerie Limoges. There can be no guarantee that we will be able to realize the estimated benefits from these cost savings initiatives within the anticipated timeframe or at all.

3 - ADJUSTED EBITDA MARGIN/STRUCTURING ADJUSTED EBITDA MARGIN

We define *Adjusted EBITDA margin* as the ratio of Adjusted EBITDA to revenue, expressed as a percentage, which the Group uses as a supplemental measure of operating performance. We define *Structuring Adjusted EBITDA margin* as the ratio of Structuring Adjusted EBITDA to pro forma revenue, in each case for the year ended December 31, 2025, expressed as a percentage and used by the Group as a supplemental measure of operating performance. When assessing our operating performance, you should not consider this data in isolation or as a substitute for our net profit, operating profit or any other operating performance or liquidity measure calculated in accordance with Italian GAAP.

4 - NET WORKING CAPITAL

We define *Net Working Capital* as current assets less current liabilities, adjusted for: other current financial assets; cash and cash equivalents; current borrowings; and current other financial liabilities. We define *Trade Working Capital* as current assets less current liabilities, adjusted for: current tax receivables; deferred tax assets; other receivables; prepaid expenses and accrued income; other current financial assets; cash and cash equivalents; current borrowings; current other financial liabilities; tax liabilities; social security payables; other liabilities; and accrued expenses.

The following table sets forth a calculation of our Net working capital and Trade working Capital as of the periods indicated therein. In addition, for illustrative purposes, the following table also presents the working capital of the Group as of December 31, 2025, excluding the impact of the incorporation of Conceria Superior and Tannerie Limoges.

Following the closing of the Prada Group's equity investment in Rino Mastrotto Group, realized with the contribution in kind by Prada Group of 100% of Conceria Superior S.p.A. and Tannerie Limoges S.A.S. and with a cash investment, the financial statements of the two newly incorporated companies have been consolidated using the full consolidation method solely with respect to the balance sheet items.

(in € million)	As of December 31		
	2024	2025	2025 w/o Superior & Limoges
Current assets	214.0	222.0	194.6
Current liabilities	(82.4)	(89.6)	(77.2)
Working capital	131.6	132.4	117.4
Less:			
Other current financial assets	0.5	-	-
Cash and cash equivalent	57.2	43.6	42.8
Current borrowings	(6.1)	(12.5)	(3.9)
Current other financial liabilities	(0.4)	(0.4)	(0.4)
Net working capital	80.4	101.7	78.8
Less:			
Current tax receivables	6.4	11.8	11.3
Deferred tax assets	0.6	3.9	1.5
Other receivables	1.3	2.7	1.9
Prepaid expenses and accrued income	1.0	1.5	1.3
Tax liabilities	(2.6)	(2.5)	(2.3)

Social security payables	(4.0)	(4.9)	(4.6)
Other liabilities	(19.9)	(18.8)	(18.4)
Accrued expenses	(2.1)	(2.1)	(1.6)
Trade working capital	99.7	110.1	89.7
<i>of which Inventories</i>	110.3	126.1	106.1
<i>of which Trade receivables</i>	36.7	32.4	29.7
<i>of which Trade payables</i>	(47.3)	(48.4)	(46.1)

5 - ADJUSTED FREE OPERATING CASH FLOW

We define *Adjusted Free Operating Cash Flow* as Adjusted EBITDA less maintenance capital expenditures. We define *Cash Conversion* as Adjusted Free Operating Cash Flow divided by Adjusted EBITDA for the relevant period, expressed as a percentage. We define Adjusted Cash Flow before debt service and M&A as Adjusted Free Operating Cash Flow adjusted for changes in Net Working Capital, expansion capital expenditures and income taxes paid. The following table sets forth a calculation of Adjusted Free Operating Cash Flow, Cash Conversion and Adjusted Cash Flow before debt service and M&A for the periods indicated therein.

(in € million)	For the year ended December 31,	
	2024	2025
Adjusted EBITDA	72.6	55.3
Maintenance capital expenditures	(4.4)	(4.4)
Adjusted Free Operating Cash Flow	68.2	50.9
Cash conversion (as % of Adjusted EBITDA)	94.0%	92.0%
Change in net working capital	(0.5)	(6.7)
Expansion capital expenditures	(15.4)	(17.4)
Income tax paid	(8.4)	(4.5)
Adjusted Cash Flow before debt service and M&A	43.9	22.3

5 - TOTAL GROSS FINANCIAL INDEBTEDNESS

We define *Total Gross Financial Indebtedness* as the sum of current and non-current financial indebtedness (excluding the impact of amortized costs). We define Total Net Financial Indebtedness as Total Gross Financial Indebtedness less other current financial assets and Cash and Cash Equivalent, each as of the date indicated.

The following table sets forth a calculation of Total Gross Financial Indebtedness and Total Net Financial Indebtedness for the periods indicated therein. In addition, for illustrative purposes, the following table also presents the Gross Financial Indebtedness of the Group as of December 31, 2025, excluding the impact of the incorporation of Conceria Superior and Tannerie Limoges. Following the closing of the Prada Group's equity investment in Rino Mastrotto Group, realized with the contribution in kind by Prada Group of 100% of Conceria Superior S.p.A. and Tannerie Limoges S.A.S. and with a cash investment, the financial statements of the two newly incorporated companies have been consolidated using the full consolidation method solely with respect to the balance sheet items

(in € million)	As of December 31		
	2024	2025	2025 w/o Superior & Limoges
Current borrowings	(6.1)	(12.5)	(3.9)
Current other financial liabilities	(0.4)	(0.4)	(0.4)
Current financial indebtedness	(6.5)	(12.9)	(4.2)
Non-current borrowings	(310.6)	(312.2)	(311.0)
Non-current other financial liabilities	(1.3)	(0.8)	(0.7)
Gross-up amortizing capitalized costs & MTM	(10.5)	(9.6)	(9.6)
Non-current financial indebtedness	(322.4)	(322.6)	(321.3)
Total Gross Financial Indebtedness	(328.9)	(335.5)	(325.5)
Other current financial assets	0.5	-	-
Cash and cash equivalent	57.2	43.6	42.8
Total Net financial indebtedness	(271.2)	(291.9)	(282.7)

RESULTS OF OPERATIONS

The following table provides an overview of the results of operations of the Group for the year ended December 31, 2024 and 2025.

(in € million)	Year ended December 31,	
	2024	2025
Total revenue and other income	362.7	349.2
Purchase of goods and changes in inventory	174.1	168.7
Cost of services	64.7	64.4
Costs for leases and rentals	1.0	1.4
Personnel costs	65.9	70.5
Other operating (income)/costs	2.1	3.5
Depreciation and Amortization	29.3	30.2
Impairment of trade receivables	0.2	0.2
Total operating costs	337.3	338.9
Operating profit	25.4	10.3
Financial income	1.6	1.2

Financial expenses	(21.7)	(25.4)
Net exchange rate gains/ (losses)	1.7	(1.6)
Result from investments accounted for using the equity method	1.6	1.0
Profit before tax	8.6	(14.5)
Income taxes	(5.4)	(1.5)
Profit for the period	3.2	(16.1)

DISCUSSION OF THE RESULTS OF OPERATIONS

REVENUE¹ AND OTHER INCOME

Revenue for the year ended December 31, 2025 decreased by €28.8 million, or 8.8%, to €299.0 million, from €327.8 million for the year ended December 31, 2024, primarily due to soft market conditions. The year-over-year decline was driven by volume decreases across our business sectors and across most geographies, partially offset by price realization in the Luxury and Automotive units.

With regard to our Luxury Creations business unit, revenues for the year ended December 31, 2025 decreased by €13.9 million, or 8.3%, to €153.9 million, from €167.8 million for the year ended December 31, 2024, primarily due to soft market conditions in particular for our Textile & Components and Value Added Services companies.

With regard to our Automotive & Mobility business unit, revenue for the year ended December 31, 2025 decreased by €10.2 million, or 9.9%, to €93.5 million, from €103.7 million for the year ended December 31, 2024, primarily due to the already foreseen phase-in/phase-out of some portfolio car models and to market headwind.

With regard to our Interior Design business unit, revenue for the year ended December 31, 2025 decreased by €4.7 million, or 8.4%, to €51.6 million, from €56.3 million for the year ended December 31, 2024, primarily due to the uncertainty that characterized the markets; customer demand softened in North America amid ongoing tariff uncertainty.

The following table includes a breakdown of certain selected key performance measures for the year ended December 31, 2024 and December 31, 2025. Certain unaudited historical financial information presented in the tables below has been derived from our Unaudited Management Reporting Data and certain financial measures are “non-GAAP measures.”

REVENUE BY PRODUCT¹

(in € million)	For the year ended December 31,	
	2024	2025
Leather	297.2	270.1
Textile & Components	25.3	23.4
Value Added Services	5.3	5.5

¹ To ensure a more comprehensive understanding of the Group's consolidated core business revenue, the sales presented in this section incorporate also the core business revenue of Group companies consolidated using the equity method, provided they are under full control of the Issuer, and carve-out the sales of discontinued and no-core business (the latter being mainly some specific production processes for third parties).

Total	327.8	299.0
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REVENUE BY END-MARKET ¹

(in € million)	For the year ended December 31,	
	2024	2025
Luxury Creations	167.8	153.9
Automotive & Mobility	103.7	93.5
Interior Design	56.3	51.6
Total	327.8	299.0

REVENUE BY GEOGRAPHY ^{1,2}

(in € million)	For the year ended December 31,	
	2024	2025
Italy	119.8	99.3
France	75.2	78.7
United States	60.4	61.7
Other ³	72.4	59.3
Total	327.8	299.0

Other income for the year ended December 31, 2025 increased by €7.6 million, or 21.5%, to €43.0 million, from €35.4 million for the year ended December 31, 2024, primarily due to an increase in sales of semi-finished products (i.e., surplus materials sold to third parties) in order to better absorb fixed overhead production costs.

PURCHASE OF GOODS AND CHANGES IN INVENTORY

Purchase of goods and changes in inventory for the year ended December 31, 2025 decreased by €5.4 million, or 3.1%, to €168.7 million, from €174.1 million for the year ended December 31, 2024. This decrease was primarily attributable to lower volumes of raw material purchases, in line with the decline in revenues. Nevertheless, the proportion of purchase of goods and changes in inventory relative to Total revenue and other income increased slightly, from 48.0% for the year ended December 31, 2024 to 48.3% for the year ended December 31, 2025.

COST OF SERVICES

Cost of services for the year ended December 31, 2025 decreased by €0.3 million, or 0.5%, to €64.4 million, from €64.7 million for the year ended December 31, 2024, remaining substantially stable year on year.

PERSONNEL COSTS

Personnel costs for the year ended December 31, 2025 increased by €4.6 million, or 7.0%, to €70.5 million, from €65.9 million for the year ended December 31, 2024, primarily due to the effect of the

2 Based on location of the clients, who in turn may sell to other geographies around the world.

3 Other countries mainly include Czech Republic, Romania, Slovakia, Mexico, Sweden.

renewal of the Labour Collective Agreement in the Italian Leather and Textile Companies, some targeted investments in our sales professionals and ESG personnel and the effect of the consolidation using the line-by-line method of Brusarosco de Mexico SA (for an amount of €1.1 million).

OTHER OPERATING (INCOME)/COSTS

Other operating costs for the year ended December 31, 2025 increased by €1.4 million, or 66.7%, to €3.5 million, from €2.1 million for the year ended December 31, 2024. Such increase is mainly attributable to the effect of government grants received by the Bermas subsidiary in 2024, which were not received again in 2025 and the effect of the consolidation using the line-by-line method of Brusarosco de Mexico for an amount of €0.3 million.

DEPRECIATION AND AMORTIZATION

Depreciation and Amortization for the year ended December 31, 2025 increased by €0.9 million, or 3.1%, to €30.2 million, from €29.3 million for the year ended December 31, 2024, primarily due to the depreciation of the tangible fixed assets recognized in connection with the investments made during the period and the impairment of assets related to the Jacqart acquisition.

FINANCIAL INCOME

Financial income for the year ended December 31, 2025 decreased by €0.4 million, or 25.0%, to €1.2 million, from €1.6 million for the year ended December 31, 2024, primarily due to the decrease in remuneration rates (driven by the decrease in the Euribor rate) on cash held in the bank accounts opened by the Group companies, compared to the same period of the prior year.

FINANCIAL EXPENSES

Financial expenses for the year ended December 31, 2025 increased by €3.7 million, or 17.1%, to €25.4 million, from €21.7 million for the year ended December 31, 2024, primarily due to the increase in borrowing costs linked to the issuance of high-yield notes in mid 2024 and the resulting increase in the Group's financial indebtedness.

NET EXCHANGE RATE GAINS/(LOSSES)

Net exchange rate gains/(losses) for the year ended December 31, 2025 decreased by €3.3 million, or 194.1%, to a net loss of €1.6 million, from a net gain of €1.7 million for the year ended December 31, 2024, primarily due to the effect of a weaker USD vs. Euro rate.

RESULT FROM INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

The result from investments accounted for using the equity method for the year ended December 31, 2025 decreased by €0.6 million, or 37.5%, to €1.0 million, from €1.6 million for the year ended December 31, 2024, primarily as a result of the change in the consolidation method for Brusarosco de Mexico S.A. from the equity method to the line-by-line method.

INCOME TAXES

Income taxes for the year ended December 31, 2025 decreased by €3.9 million, or 72.2%, to €1.5 million, from €5.4 million for the year ended December 31, 2024. Such decrease was primarily attributable to the lower taxable income recorded during the year.

CASH FLOWS

The table below sets forth a summary of our consolidated statements of cash flows for the periods indicated. As noted in the Presentation of Financial Information, the financial statements of Conceria Superior S.p.A. and Tannerie Limoges S.A.S. have been consolidated using the full consolidation method solely with respect to balance sheet items as at December 31, 2025; accordingly, their cash flow activity has not been included for the year ended December 31, 2025.

(in € million)	For the year ended December 31,	
	2024	2025
Net cash flow from / (used in) operating activities (A)	26.8	5.0
Net cash flow from / (used in) investing activities (B)	(20.1)	(22.0)
Net cash flow from / (used in) financing activities (C)	3.9	3.3
Increase (decrease) in cash and cash equivalents (A+B+C)	10.6	(13.6)
Cash and cash equivalents at the beginning of the period	46.6	57.2
Cash and cash equivalents at the end of the period	57.2	43.6

NET CASH FLOW FROM (USED IN) OPERATING ACTIVITIES

Net cash flow from operating activities amounted to €5.1 million for the year ended December 31, 2025, representing a decrease of €21.8 million compared to the year ended December 31, 2024. More than half of this decrease was driven by higher interest payments and lower cash inflows related to VAT and tax receivables recovered during the first half of 2025. Conversely, the change in Trade Working Capital improved compared to the prior year.

NET CASH FLOW FROM (USED IN) INVESTING ACTIVITIES

Net cash flow used in investing activities amounted to €22.0 million for the year ended December 31, 2025, representing an increase of €1.9 million compared to the year ended December 31, 2024. This increase was primarily attributable to: (i) an increase in capital expenditures to €21.8 million for the year ended December 31, 2025 from €19.8 million for the year ended December 31, 2024; partially offset by (ii) the absence of the €1.1 million cash outflow related to the Mapel acquisition, which occurred during the year ended December 31, 2024.

NET CASH FLOW FROM (USED IN) FINANCING ACTIVITIES

Net cash flow from financing activities amounted to €3.3 million for the year ended December 31, 2025, representing an increase of €0.6 million compared to the year ended December 31, 2024. Such increase was primarily driven by: (i) a decrease in proceeds from borrowings, amounting to €0.2 million for the year ended December 31, 2025 compared to €332.0 million for the year ended December 31, 2024; (ii) a decrease in repayments of borrowings, amounting to €1.3 million for the year ended December 31, 2025 compared to €200.4 million for the year ended December 31, 2024; (iii) a decrease in dividends paid to non-controlling interests, amounting to €0.2 million for the year ended December 31, 2025 compared to €125.2 million for the year ended December 31, 2024; and (iv) proceeds from a capital increase of €5.3 million for the year ended December 31, 2025, in connection with the Prada Group equity investment and the Marzotto/Jacqart transaction, compared to nil for the year ended December 31, 2024.

WORKING CAPITAL

Working Capital consists of inventories, trade receivables, other receivables and prepaid expenses and accrued income less trade payables, social security payables, current tax payables and accrued expenses. Our raw materials and work in progress inventories are primarily affected by production management, invoicing and inventory management. The change in accounts payables and receivables is primarily linked to the fluctuation of our revenues and purchases, and the timing of collection and payment and the ability to recover payments from customers.

The following table summarizes our change in Working Capital as of the dates and for the periods indicated. In addition, for illustrative purposes, the following table also presents the working capital of the Group as of December 31, 2025, excluding the impact of the incorporation of Conceria Superior and Tannerie Limoges.

Following the closing of the Prada Group's equity investment in Rino Mastrotto Group, realized with the contribution in kind by Prada Group of 100% of Conceria Superior S.p.A. and Tannerie Limoges S.A.S. and with a cash investment, the financial statements of the two newly incorporated companies have been consolidated using the full consolidation method solely with respect to the balance sheet items.

(in € million)	As of December 31		
	2024	2025	2025 w/o Superior & Limoges
Inventories	110.3	126.1	106.1
Trade receivables	36.7	32.4	29.7
Other current financial assets	0.5	0	0
Current tax receivables	6.4	11.8	11.3
Deferred tax assets	0.6	3.9	1.5
Other receivables	1.3	2.7	1.9
Prepaid expenses and accrued income	1.0	1.5	1.3
Cash and cash equivalent	57.2	43.6	42.8
Current assets	214.0	222.0	194.6
Current borrowings	6.1	12.5	3.9
Current other financial liabilities	0.4	0.4	0.4
Trade payables	47.3	48.4	46.1
Tax liabilities	2.6	2.5	2.3
Social security payables	4.0	4.9	4.6
Other liabilities	19.9	18.8	18.4
Accrued expenses	2.1	2.1	1.6
Current liabilities	82.4	89.6	77.2
Working Capital	131.6	132.4	117.4
Change in Working Capital		0.8	(14.2)

Working Capital increased by €0.8 million, or 0.6%, from €131.6 million as of December 31, 2024 to €132.4 million as of December 31, 2025. However, excluding the effect of the incorporation of Conceria Superior S.p.A. and Tannerie Limoges S.A.S., Working Capital decreased by €14.2 million, or 10.8%.

In particular, the overall variation was due to an increase in current liabilities of €7.2 million, or 8.7%, from €82.4 million as of December 31, 2024, to €89.6 million as of December 31, 2025, primarily driven by higher current borrowings, amounting to €12.5 million as of December 31, 2025 (including the current borrowings of Conceria Superior, equal to €8.6 million), compared to €6.1 million as of December 31, 2024.

Current assets increased by €8.0 million, or 3.7%, from €214.0 million as of December 31, 2024 to €222.0 million as of December 31, 2025. This increase was primarily attributable to: (i) an increase in inventories to €126.1 million as of December 31, 2025 (compared to €110.3 million as of December 31, 2024), reflecting the first-time consolidation of the inventories of Conceria Superior (€16.3 million), Tannerie Limoges (€3.7 million) and Brusarosco de Mexico S.A. (€5.0 million, consolidated for the first time using the line-by-line method), representing a total incremental contribution of €25.0 million; (ii) higher deferred tax assets of €3.9 million as of December 31, 2025 (including €2.4 million attributable to Conceria Superior), compared to €0.6 million as of December 31, 2024; and (iii) higher current tax receivables of €11.8 million as of December 31, 2025 (including €0.5 million attributable to Conceria Superior), compared to €6.4 million as of December 31, 2024.

This increase was partially offset by: (i) a decrease in cash and cash equivalents to €43.6 million as of December 31, 2025 from €57.2 million as of December 31, 2024; and (ii) a decrease in trade receivables to €32.4 million as of December 31, 2025 from €36.7 million as of December 31, 2024, primarily driven by the change in the consolidation method for Brusarosco de Mexico S.A., which was consolidated for the first time using the line-by-line method.

CAPITAL EXPENDITURE

To support our business strategy and development plans and to further expand our business, we regularly incur capital expenditure. The table below sets forth our capital expenditure based on cash flows for the periods indicated:

(in € million)	For the year ended December 31	
	2024	2025
Payments for Property, plant and equipment	18.9	20.9
Payments for Intangible assets	0.9	1.0
Capex payables	-	-
Capital expenditures	19.8	21.9
<i>Of which: maintenance capital expenditures</i>	4.4	4.4
<i>Of which: expansion capital expenditures</i>	15.4	17.4

For the year ended December 31, 2025, capital expenditures amounted to €21.9 million, compared to €19.8 million for the year ended December 31, 2024. We continued to deploy our capital expenditure strategically to meet operational requirements and business development targets. Maintenance capital expenditure remained in line with the prior year, reflecting the well-maintained condition of our equipment and plants across the Group, while expansion capital expenditure was slightly higher than in the year ended December 31, 2024, driven by continued investment in green and innovative technologies.

SUBSEQUENT EVENTS

As of the date of this annual financial report, there have been no other material changes to our business, risk factors, management team, principal shareholders, related party transactions or indebtedness, other than those mentioned above.

DISCLAIMER

Forward-Looking Information Certain information in this annual financial report may constitute “forward-looking statements” within the meaning of the securities laws of the United States and certain other jurisdictions, including prospective financial information and forecasts. All statements other than statements of historical fact contained in this annual financial report are forward-looking statements. Words such as “believe,” “anticipate,” “estimate,” “expect,” “intend,” “predict,” “project,” “could,” “may,” “will,” “plan,” “seek,” “continue” or similar words or phrases, or the negatives of those words or phrases, may identify forward-looking statements, but the absence of these words does not necessarily mean that a statement is not forward-looking. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that the predictions, forecasts, projections and other forward-looking statements will not be achieved and that actual results will differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. In addition, even if actual results are consistent with the forward-looking statements contained in this annual financial report, those results or developments may not be indicative of results or developments in subsequent periods. Such forward-looking statements speak only as of the date on which they are made. Accordingly, we do not undertake any obligation to update or revise any of them, whether as a result of new information, future events or otherwise. Furthermore, we do not make any representation, warranty or prediction that the results anticipated by such forward-looking statements will be achieved, and such forward-looking statements represent, in each case, only one of many possible scenarios and should not be viewed as the most likely or standard scenario. All future written and oral forward-looking statements attributable to the Group, or any person acting on its behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section and contained in the Listing Particulars, including the cautionary statements set forth under the sections “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” thereof. In light of these risks, the actual results of the Group could differ materially from any forward-looking statements contained in this annual financial report. None of the information contained on the Group’s website is incorporated by reference into or otherwise deemed to be linked to this annual financial report..

NOTICE

This annual financial report constitutes a public disclosure of inside information under Regulation (EU) No. 596/2014, as amended.

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ANNEX A - ANNUAL
CONSOLIDATED FINANCIAL
STATEMENTS



RINO MASTROTTO

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

€ thousand	notes	As of December 31, 2024	As of December 31, 2025
Goodwill	6	159,107	168,258
Intangible assets	7	53,847	59,944
Property, plant and equipment	8	112,283	128,934
Investment in subsidiaries and other companies	9	1,451	2,312
Non-current tax receivables	13	6,755	6,648
Other non-current financial assets	10	3,645	592
Non-current Assets		337,088	366,690
Inventories	11	110,309	126,143
Trade receivables	12	36,669	32,442
Other current financial assets	10	500	1
Current tax receivables	13	6,361	11,774
Deferred tax assets	14	625	3,946
Other receivables	15	1,259	2,746
Prepaid expenses and accrued income	16	1,049	1,530
Cash and cash equivalents	17	57,213	43,571
Current Assets		213,985	222,153
Total Assets		551,073	588,843
Equity			
Share capital	18	39,000	39,000
Reserves	18	50,788	93,856
Retained earnings	18	24,230	28,466
Profit for the period	18	2,038	(16,516)
Equity attributable to shareholders of the parent company	18	116,056	144,806
Equity attributable to non-controlling interests	19	15,190	16,693
Total Equity		131,246	161,499
Non-Current Liabilities			
Deferred tax liabilities	20	16,330	17,488
Employee benefits	21	3,719	5,099
Provision for risks and charges	22	5,153	1,773
Non-current borrowings	23	310,620	312,188
Non-current other financial liabilities	24	1,259	801

Other non-current liabilities	28	450	450
Non-current Liabilities		337,531	337,799
Current Liabilities			
Current borrowings	23	6,065	12,504
Current other financial liabilities	24	351	424
Trade payables	25	47,253	48,354
Tax liabilities	26	2,577	2,506
Social security payables	27	4,019	4,856
Other liabilities	28	19,930	18,826
Accrued expenses	29	2,101	2,075
Current Liabilities		82,296	89,545
Total Equity and Liabilities		551,073	588,843

CONSOLIDATED INCOME STATEMENT

€ thousand	notes	As of December 31, 2024	As of December 31, 2025
Revenue	30	327,276	306,154
Other income	31	35,429	43,039
Total revenue and other income		362,705	349,193
Purchase of goods and changes in inventory	32	174,131	168,698
Cost of services	33	64,701	64,426
Costs for leases and rentals	34	975	1,392
Personnel costs	35	65,922	70,527
Other operating costs	36	2,063	3,514
Depreciation and amortization	6,7,8	29,301	30,193
Impairment of trade receivables	12	168	236
Total operating costs		337,260	338,985
Operating profit		25,444	10,208
Financial income	37	1,675	1,230
Financial expenses	38	(21,736)	(25,386)
Net exchange rate gains/(losses)	39	1,729	(1,550)
Result from investments accounted for using the equity method	40	1,575	953
Profit before tax		8,687	(14,545)
Income taxes	41	(5,446)	(1,536)
Profit for the period		3,241	(16,081)

ATTRIBUTABLE TO:			
Shareholders of the parent company		2,038	(16,515)
Non-controlling interests		1,203	434

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

€ thousand	Balance as of December 31, 2023	Allocation of profit for the year	Other movements	Dividends paid	Profit for the period	Balance as of December 31, 2024
Share Capital	39,000	-	-	-	-	39,000
Other Reserve						
<i>Legal Reserve</i>	7,800	-	-	-	-	7,800
<i>Share Premium Reserve</i>	60,740	-	-	(46,677)	-	14,063
<i>Revaluation Reserve</i>	12,081	-	-	-	-	12,081
<i>Translation Reserve</i>	432	-	(3,807)	-	-	(3,375)
<i>Extraordinary Reserve</i>	73,309	4,014	-	(77,323)	-	-
<i>Other Reserve</i>	21,104	-	-	-	-	21,104
<i>Cash Flow Hedge Reserve</i>	-	-	(855)	-	-	(855)
Retained Earnings	18,185	6,046	-	-	-	24,231
Profit for the year	10,060	(10,060)	-	-	2,038	2,038
Equity attributable to shareholders of the parent company	242,711	-	(4,692)	(124,000)	2,038	116,056
Equity attributable to non-controlling interests	15,033	-	186	(1,232)	1,203	15,190
Total equity	257,744	-	(4,506)	(126,464)	3,241	131,246

€ thousand	Balance as of December 31, 2024	Allocation of profit for the year	Other movements	Dividends paid	Profit for the period	Balance as of December 31, 2025
Share Capital	39,000	-	-	-	-	39,000
Other Reserve						
<i>Legal Reserve</i>	7,800	-	-	-	-	7,800
<i>Share Premium Reserve</i>	14,063	-	46,700	-	-	60,763
<i>Revaluation Reserve</i>	12,081	-	-	-	-	12,081
<i>Translation Reserve</i>	(3,375)	-	(1,806)	-	-	(5,181)
<i>Extraordinary Reserve</i>	-	-	-	-	-	-
<i>Other Reserve</i>	21,104	(2,198)	-	-	-	18,906
<i>Cash Flow Hedge Reserve</i>	(855)	-	372	-	-	(513)
Retained Earnings	24,231	4,236	-	-	-	28,467
Profit for the year	2,038	(2,038)	-	-	(16,516)	(16,516)
Equity attributable to shareholders of the parent company	116,056	-	45,266	-	(16,516)	144,807
Equity attributable to non-controlling interests	15,190	-	1,275	(207)	434	16,692
Total equity	131,246	-	46,541	(207)	(16,082)	161,499

CONSOLIDATED STATEMENT OF CASH FLOWS⁴

€ thousand	Year ended December 31, 2024	Year ended December 31, 2025
Profit for the period	3,242	(16,081)
Income taxes	5,446	1,536
Financial expenses	21,736	25,386
Financial income	(1,675)	(1,230)
Result from investments accounted for using the equity method	(1,575)	(957)
(Gains) from disposal of assets, net	(41)	413
Depreciation and amortization	29,301	30,193
Non-monetary adjustments that have not had a counterpart in working capital	(3,710)	(2,425)
Change in the scope of Consolidation		2,498
Increase/(decrease) in provisions and employee benefits	184	390
Decrease (increase) of inventories	(3,256)	8,731
Decrease (increase) of trade receivables	2,504	(7,594)
(Decrease) increase in trade payables	(4,764)	(1,632)
Other working capital items	4,977	(6,173)
(Income tax paid)	(8,387)	(4,492)
(Interests paid)	(18,604)	(24,314)
Dividends received from joint venture	1,426	736
Net cash flow (used in) operating activities (A)	26,804	4,984
(Payments) for Property, plant and equipment	(18,809)	(20,873)
Proceeds on disposal of Property, plant and equipment	502	-
(Payments) for intangible assets	(949)	(951)
(Investment in financial assets)	(180)	(184)

4 Include the effect of Conceria Superior and Tannerie Limoges consolidated at 31 December 2025

Proceeds from the disposal of financial assets	434	35
Business combinations, net of cash acquired	(1,122)	-
Net cash flow (used in) investing activities (B)	(20,123)	(21,973)
Proceeds / (repayment) from credit lines	(1,809)	(135)
Proceeds / (repayment) of other financial liabilities	(648)	(518)
Proceeds from borrowings	332,025	205
Repayment of borrowings	(200,435)	(1,265)
Capital increase		5,264
Dividends paid to non-controlling interests	(125,232)	(203)
Net cash flow from / (used in) financing activities (C)	3,902	3,347
(Decrease)/increase of cash and cash equivalents (A ± B ± C)	10,582	(13,642)
Cash and cash equivalents at beginning of the period	46,631	57,213
Cash and cash equivalents at the end of the period	57,213	43,571

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ANNEX B - UNAUDITED PRO
FORMA CONSOLIDATED
FINANCIAL INFORMATION



RINO MASTROTTO

ANNEX B - UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL INFORMATION

This unaudited pro forma consolidated financial information comprises the unaudited pro forma consolidated income statement and the related explanatory notes of Rino Mastrotto Group S.p.A. and its subsidiaries (the “**Group**”) for the year ended December 31, 2025 and for the year ended December 31, 2024 (the “**Annual Unaudited Pro Forma Consolidated Financial Information**”). The Annual Unaudited Pro Forma Consolidated Financial Information has been prepared to reflect retrospectively the effects of: (i) the acquisition of Conceria Superior S.p.A. and (ii) the acquisition of Tannerie Limoges S.A.S. (together, the “**2025 Acquisitions**”).

By its nature, the Unaudited Pro Forma Consolidated Financial Information is not intended to represent the Group’s actual or projected future results. Given that it was prepared to reflect retrospectively the effects of subsequent transactions, it does not purport to represent the Group’s actual financial position or operating results for the periods covered.

The Annual Unaudited Pro Forma Consolidated Financial Information have been derived from:

- i - Historical data extracted from the Group’s Audited Consolidated Financial Statements for the year ended December 31, 2024 and for the year ended December 31, 2025;
- ii - Historical data extracted from Audited Financial Statements of Conceria Superior S.p.A. for the year ended December 31, 2024 and the year ended December 31, 2025;
- iii - Historical data extracted from Audited Financial Statements of Tannerie Limoges S.A.S. for the year ended December 31, 2024 and the year ended December 31, 2025..

The Unaudited Pro Forma Consolidated Financial Information has been prepared solely for illustrative purposes and has been obtained by making pro-forma adjustments to the abovementioned historical data to reflect retrospectively the significant effects of the 2025 Acquisitions.

The purpose of presenting the Unaudited Pro Forma Consolidated Financial Information, the assumptions underlying its preparation and the pro-forma adjustments are described in the following paragraphs. The Unaudited Pro Forma Consolidated Financial Information is not by its nature able to represent the Group’s outlook results, considering that it was prepared to retrospectively reflect the effects of subsequent transactions and, therefore, it does not reflect the Group’s financial position or operating results to which the periods pro-forma financial information covered.

Since the Unaudited Pro Forma Consolidated Financial Information is prepared to illustrate the potential impact of the 2025 Acquisitions, it is necessary to consider the following:

- i - it is built on assumptions, as if the 2025 Acquisitions had actually taken place on January 1, 2024, and therefore it is not necessarily true that the same results as those presented in the Unaudited Pro Forma Consolidated Financial Information would have been achieved;
- ii - the pro-forma information does not reflect forward looking results as it was prepared to illustrate the effects of the execution of the 2025 Acquisitions which can be isolated and objectively measured, without taking into account the potential effects of changes in our policies and operating decisions resulting from the completion of the 2025 Acquisitions;
- iii - certain assumptions used in the preparation of the Unaudited Pro Forma Consolidated Financial Information were based on information available at the date of preparation and may differ from assumptions that would be applied in any subsequent annual financial statements covering the same periods;
- iv - the pro-forma financial information does not purport to represent what the Group’s actual results

of operations would have been if the 2025 Acquisitions had actually occurred on the dates assumed.

Except where otherwise indicated the amounts are expressed in Euro thousands.

1. DESCRIPTION OF CONCERIA SUPERIOR S.P.A. AND TANNERIE LIMOGES S.A.S. ACQUISITIONS

On June 5, 2025, Rino Mastrotto Group and Prada Group S.p.A. (the “Prada Group”) announced Prada Group’s strategic equity investment in Rino Mastrotto Group.

The transaction entails the contribution in kind by Prada Group of 100% of Conceria Superior S.p.A. – following the acquisition of full ownership – and Tannerie Limoges S.A.S. In addition, Prada Group will make a cash investment, resulting, in total, in a 10% minority stake in Rino Mastrotto Group.

This transaction further strengthens the strategic partnership between Rino Mastrotto Group – a global provider of materials and bespoke services for the luxury industry and a trusted partner to leading fashion houses – and Prada Group, fostering long-term industrial development and reinforcing the commercial relationship between the two groups.

The closing took place on June 30, 2025.

2. UNAUDITED PRO-FORMA FINANCIAL INFORMATION OF THE GROUP FOR THE YEAR ENDED DECEMBER 31, 2025

Annual Unaudited Pro-Forma consolidated income statement for the year ended December 31, 2024

(in € thousand)	Rino Mastrotto Group historical figures	Conceria Superior S.p.A. Financial Statements	Conceria Superior S.p.A. Leasing effect	Tannerie Limoges S.A.S. Financial Statements	IC	Pro-Forma consolidated figures
	A	B	C	D	E	F=A+B+C+D+E
Revenue	327,276	33,881		10,753	-	371,910
Other income	35,429	1,281		2	(160)	36,552
Total revenue and other income	362,706	35,162		10,755	(160)	408,462
Purchase of goods and changes in inventory	174,131	24,756		6,965	-	205,852
Cost of services	64,701	9,597		871	(160)	75,008
Costs for leases and rentals	975	808	(285)	20	-	1,519
Personnel costs	65,922	5,099		2,016	-	73,037

Other operating costs	2,063	830		191	-	3,085
Depreciation and Amortization	29,301	825	228	464	-	30,818
Impairment of trade receivables	168	-		-	-	168
Total operating costs	337,261	41,916	(57)	10,528	(160)	389,487
Operating profit	25,445	(6,754)	57	227	-	18,976
Financial income	1,675	-		-	-	1,675
Financial expenses	(21,736)	(898)	(10)	(223)	-	(22,857)
Net exchange rate (losses)/ gains	1,729	-		-	-	1,729
Result from investments accounted for using the equity method	1,575	(28)		-	-	1,549
Profit before tax	8,688	(7,670)	47	4	-	1,069
Income taxes	(5,446)	1,675			-	(3,771)
Profit for the year	3,242	(5,995)	47	4	-	(2,702)

Annual Unaudited Pro-Forma consolidated income statement for the year ended December 31, 2025.

(in € thousand)	Rino Mastrotto Group historical figures	Conceria Superior S.p.A. Reporting Package	Conceria Superior S.p.A. Leasing effect	Tannerie Limoges S.A.S. Reporting Package	IC	Pro-Forma consolidated figures
	A	B	C	D	E	F=A+B+C+D+E
Revenue	306,154	21,910		7,197		335,261
Other income	43,039	5,139		3	(2,081)	46,099
Total revenue and other income	349,193	27,048		7,200	(2,081)	381,360

Purchase of goods and changes in inventory	168,698	13,173		4,955	(2,081)	184,744
Cost of services	64,426	6,893		704		72,022
Costs for leases and rentals	1,392	715	(160)	19		1,966
Personnel costs	70,527	4,536		1,682		76,746
Other operating costs	3,514	182		78		3,774
Depreciation and amortization	30,193	764	169	468		31,594
Impairment of trade receivables	236	-		-		236
Total operating costs	338,985	26,264	9	(705)	(2,081)	371,082
Operating profit	10,208	784	9	(705)		10,278
Financial income	1,230	-				1,230
Financial expenses	(25,386)	(648)	(7)	(216)		(26,257)
Net exchange rate gains/ (losses)	(1,550)	-				(1,550)
Result from investments accounted for using the equity method	953	8				945
Profit before tax	(14,545)	129	(16)	(922)		(15,354)
Income taxes	(1,536)	157				(1,704)
Profit for the period	(16,081)	39	(16)	(922)		(17,057)

3. EXPLANATORY NOTES TO THE UNAUDITED PRO-FORMA CONSOLIDATED FINANCIAL INFORMATION

The explanatory notes include information relating to the preparation of the Unaudited Pro-Forma Consolidated Financial Information of the Group and must be read together with the Consolidated Financial Statements and the Unaudited Annual Consolidated Financial Statements of the Group, for a better understanding of the Unaudited Pro-Forma Consolidated Financial Information.

The purpose of the preparation of the Unaudited Pro-Forma Consolidated Financial Information is to illustrate retrospectively the effects of the 2025 Acquisitions as if they had taken place with reference to the income statement on January 1, 2025.

3.1. BASE ASSUMPTIONS, ACCOUNTING STANDARDS AND UNDERLYING ASSUMPTIONS FOR THE PREPARATION OF THE UNAUDITED PRO-FORMA FINANCIAL INFORMATION

The Unaudited Pro-Forma Consolidated Financial Information of the Group was prepared based upon annual and annual consolidated financial statements of the Group and reporting packages of Conceria Superior S.p.A. and Tannerie Limoges S.A.S prepared under the relevant legislation and accounting standards issued by the Italian Accounting Organization (Organismo Italiano di Contabilità, "O.I.C.") ("Italian GAAP") and do not constitute a complete set of financial statements and the disclosure provided in the explanatory notes do not include the minimum disclosure required by the relevant legislation and accounting standards.

The Annual Unaudited Pro-Forma Consolidated Financial Information of the Group therefore includes:

- i - the historical figures taken from the consolidated financial statements of the Group for the year ended December 31, 2024 and for the year ended December 31, 2025 (Column A);
- ii - the historical figures of Conceria Superior S.p.A. taken from the reporting package for the year ended December 31, 2024 and for the year ended December 31, 2025 (Column B);
- iii - the Conceria Superior S.p.A. leasing effect (Column C);
- iv - the historical figures Tannerie Limoges S.A.S. taken from the reporting package for the year ended December 31, 2024 and for the year ended December 31, 2025 (Column D);
- v - the intercompany eliminations (Column E);
- vi - the pro-forma consolidated figures of the Group (Column F).

3.2. HISTORICAL FINANCIAL INFORMATION CONTAINED IN THE ANNUAL UNAUDITED PRO-FORMA CONSOLIDATED INFORMATION

HISTORICAL FIGURES OF RINO MASTROTTO GROUP (COLUMN A)

Column A includes the figures of the consolidated financial statements of the Group for the year ended December 31, 2024 and for the year ended December 31, 2025 prepared in accordance with the relevant legislation (Civil Code and Italian Legislative Decree 127/1991) and the accounting standards Italian GAAP, wherein certain Italian GAAP line items in the Consolidated Financial Statements have been reclassified and renamed in a manner that makes it more comparable to the financial information of businesses that apply IFRS.

HISTORICAL FIGURES OF CONCERIA SUPERIOR S.P.A. (COLUMN B)

Column B includes the historical figures of Conceria Superior S.p.A., resulting from its unaudited reporting package that includes the results for the year ended December 31, 2024 and for the year ended December 31, 2025 and prepared in accordance with the relevant legislation (Civil Code and Italian Legislative Decree 127/1991) and the accounting standards Italian GAAP, wherein certain Italian GAAP line items in the Reporting Package have been reclassified and renamed in a manner that makes it more comparable to the financial information of businesses that apply IFRS.

HISTORICAL FIGURES OF LIMOGES S.A.S. (COLUMN D)

Column D includes the historical figures of Tannerie Limoges S.A.S., derived from its unaudited reporting package for the year ended December 31, 2024 and the year ended December 31, 2025, prepared in accordance with the applicable legislation (the Civil Code and Italian Legislative Decree 127/1991) and Italian GAAP accounting standards, with certain line items reclassified and renamed so as to present them on a basis more comparable to the financial information of businesses applying IFRS.

AUDITED CONSOLIDATED FINANCIAL
STATEMENTS OF RINO MASTROTTO
GROUP S.P.A. AS OF AND FOR THE
YEAR ENDED DECEMBER 31, 2025



RINO MASTROTTO



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01

REPORT ON OPERATIONS



RINO MASTROTTO

The year 2025 was a period of profound strategic evolution for Rino Mastrotto Group S.p.A. (also referred to herein as the “Company” or “Parent company”) and its subsidiaries (also referred to collectively herein as the “Rino Mastrotto Group”, “RMG” or the “Group”), confirming the Group’s ability to navigate assertively in a global luxury market currently characterized by shifts and new macroeconomic challenges. In this scenario, the Company and the Group did not merely consolidate their position as a manufacturing leader; they also redefined their role in the value chain with Prada’s entry into the Company’s ownership with a minority stake acquisition. This transaction represented a financial achievement and sealed a long-term business partnership intended to vertically integrate the Group’s artisanal expertise and technological excellence with the demands of the world’s leading fashion houses.

In addition, a diversification project was completed in 2025 that has transformed the Rino Mastrotto Group from a top-rate leather-making business into a true high-end multi-product hub. The integration of activities involving jacquard fabric and the bolstering of specialized subsidiaries made it possible to offer to the market a range of unique premium materials and to reduce the exposure to the cyclicity of the individual segments. This holistic product vision, which combines leather and textiles under the “Made in Italy” label, proved to be successful in maintaining stable margins despite a general contraction in industry volumes.

On the corporate responsibility front, the Group continued to work toward full environmental sustainability, making significant investments in the energy efficiency of its production sites and in the enhancement of circular economy systems. The 2025 performance demonstrates how sustainability is no longer viewed merely as a compliance obligation, but rather as a real competitive advantage that attracts investors and prestigious business partners. The year ended with the awareness of having built a resilient business model, capable of combining the financial solidity guaranteed by Renaissance Partners with a new industrial spirit that is increasingly aligned with the creative and business dynamics of our end consumers.

The Group currently has more than one thousand employees and owns 14 production facilities (10 in Italy, 1 in Sweden, 1 in Brazil, 1 in Mexico and 1 in France) where all phases of the tanning process are carried as well as, following recent acquisitions, textile production and value-added services such as embossing, etc.

The Group’s main business segments are:

- **Luxury Creations:** in the luxury industry: leather with the Pomari, Basmar and Nuova Osba divisions, and textiles and value-added services with Tessitura Oreste Mariani, Morellino/Morelab and the Mapel Group, serving high-profile customers. In 2025, this business segment generated revenue of Euro 161.1 million, accounting for approximately 53% of the total revenue;
- **Automotive & Mobility:** thanks to solid experience in terms of quality and production capacity, RMG currently serves all major top-tier levels and Original Equipment Manufacturers (OEMs) worldwide. In 2025, the Automotive business segment generated revenue of Euro 93.5 million, corresponding to approximately 30% of total revenue;
- **Interior Design:** the Group enjoys a strong reputation in the upholstery market, serving prestigious brands. In 2025, this business segment generated revenue of Euro 51.6 million, accounting for approximately 17% of total revenue.

REVENUE BY BUSINESS SEGMENT

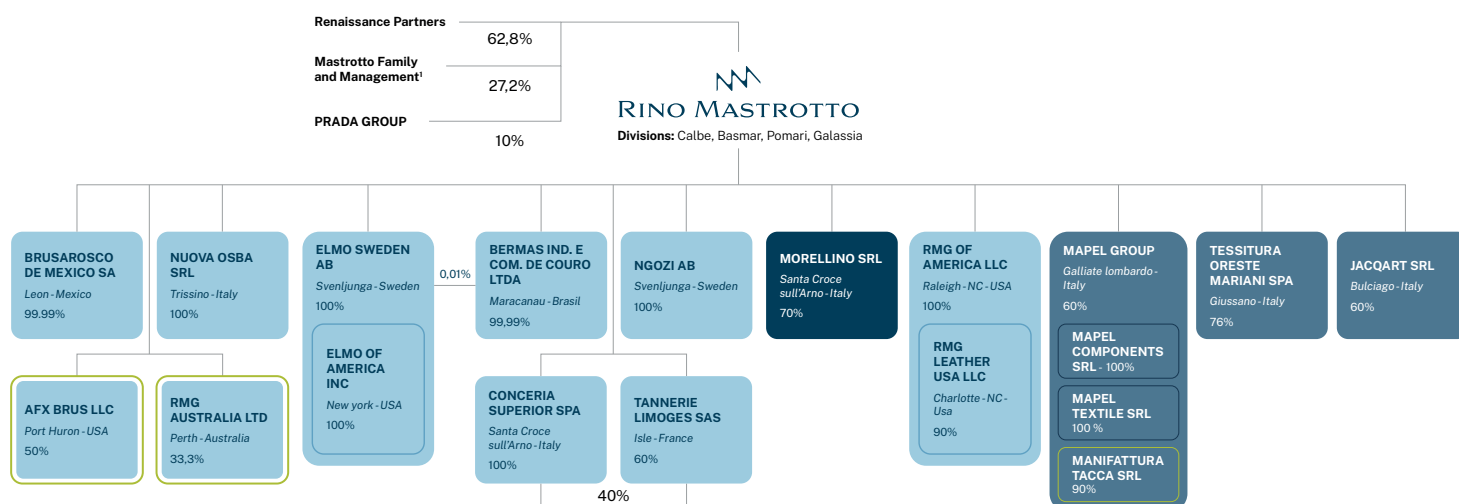
Amounts in EUR/'000	2025	2024
Luxury Creations	161,097	172,179
Automotive & Mobility	93,477	98,740
Interior Design	51,580	56,357
Total	306,154	327,276

REVENUE BY TYPE OF MATERIAL

Amounts in EUR/'000	2025	2024
Leather	277,249	296,675
Fabrics and Components	23,403	25,256
Value-Added Services	5,502	5,345
Total	306,154	327,276

The Group sells its products in various countries in the world through an extensive distribution network. This network consists of both third-party structures (distributors, wholesalers, importers and trade partners) and sales affiliates abroad that serve the market directly and provide adequate support to distributors in the key geographical areas served.

The Rino Mastrotto Group's corporate structure is shown below, displaying the Group's companies in Italy and abroad dedicated to product production and distribution in the various geographical areas.



Note (1): Matteo, Rino, and Barbara Mastrotto each own 9%, while the other managers own the remaining 0.2%.

● LEATHER ● TEXTILE & COMPONENTS ● VALUES ADDED SERVICES ● ENTITIES CONSOLIDATED ACCORDING TO EQUITY METHOD

The main consolidated Balance Sheet information, compared with that of the previous year, is as follows:

Amounts in EUR/'000	2025	2024
Total assets	588,843	551,073
Liabilities	427,344	419,827
Equity	161,499	131,246

The main Consolidated Income Statement information, compared with that of the previous year, is as follows:

Amounts in EUR/'000	2025	2024
Value of production	361,029	364,929
Cost of sales	(350,821)	(339,484)
Operating income/(loss)	10,208	25,445
Financial income/(costs)	(24,974)	(17,409)
Adjustments to value of financial assets	221	652
Profit/(loss) before tax	(14,545)	8,688
Income tax	(1,536)	(5,446)
Profit/(loss) for the year	(16,081)	3,242

PERFORMANCE OF THE PARENT COMPANY AND ITS SUBSIDIARIES

The consolidated financial statements of the Rino Mastrotto Group include the following companies:

1.1 PARENT COMPANY: RINO MASTROTTO GROUP S.P.A.

Rino Mastrotto Group S.p.A.

Headquarters: Trissino (VI) - Via dell'Artigianato n. 100

Share capital: Euro 39,000,000

The Company operates in the tanning and leather processing sector, where it stands out for the quality and assortment of its products.

Its sales revenue fell from Euro 231,685 thousand in 2024 to the current Euro 209,777 thousand.

The year ended December 31, 2025 shows a loss of Euro 5,022 thousand.

The Company's key financial figures are provided below.

The main Balance Sheet information compared with that of the previous year is as follows:

Amounts in EUR/'000	2025	2024
Total assets	552,303	514,067
Liabilities	416,795	420,608
Equity	135,508	93,459

The main Income Statement information compared with that of the previous year is as follows:

Amounts in EUR/'000	2025	2024
Value of production	253,647	271,295
Cost of sales	(241,558)	(252,713)
Operating income/(loss)	12,089	18,582
Financial income/(costs)	(15,974)	(17,753)
Adjustments to value of financial assets	0	0
Profit/(loss) before tax	(3,885)	829
Income tax	(1,137)	(3,034)
Profit/(loss) for the year	(5,022)	(2,205)

The significant data compared with that of the previous year is as follows.

In 2025 the sales revenue was Euro 209,777 thousand, down by Euro 21,909 thousand from the previous year, a 9.5% decrease.

The result for the year is a loss of Euro 5,022 thousand, after depreciation and amortization of Euro 20,470 thousand and impairment losses on current receivables of Euro 193 thousand.

The difference between the value of production and cost of sales was Euro 12,089 thousand, versus Euro 18,582 thousand for 2024.

Finance costs were higher than the previous year (Euro 25,839 thousand in 2025, Euro 21,926 thousand in 2024).

The foreign exchange balance for 2025 was a loss. The net foreign exchange loss at the end of the year is Euro 143 thousand, the result of:

- Realized foreign exchange losses of Euro 716 thousand;
- Unrealized foreign exchange gains of Euro 573 thousand.

OPERATING INCOME AND EXPENSES

The table below sets forth the changes in the operating income and expenses in terms of amount and percentage:

Amounts in EUR/'000	2025	2024	Change	% change
Revenues from sales and services	209,777	231,685	(21,908)	(9.5%)
Change in inventories of finished products and work in progress	(1,153)	2,088	(3,241)	(155.2%)
Other income	45,024	37,522	7,502	20.0%
Total value of production	253,647	271,295	(17,648)	(6.5%)
Raw and ancillary materials, consumables and goods	129,012	147,747	(18,735)	(12.7%)
Services	42,135	42,036	99	0.2%
Cost of leases and rentals	366	382	(16)	(4.2%)
Wages and salaries	25,419	23,879	1,540	6.4%
Social security costs	8,651	8,048	603	7.5%
Post-employment benefits	1,777	1,598	179	11.2%
Other personnel costs	5,572	5,740	(168)	(2.9%)
Amortization of intangible assets	13,386	13,533	(147)	(1.1%)
Depreciation of property, plant and equipment	7,085	6,508	577	8.9%
Impairment losses on current receivables	193	139	54	38.8%
Change in inventories of raw materials	6,716	1,746	4,970	284.7%
Provisions for risks	0	0	0	0.0%
Sundry operating expenses	1,246	1,357	(111)	(8.2%)
Total cost of sales	241,558	252,713	(11,155)	(4.4%)
Difference between value of production and cost of sales	12,089	18,582	(6,493)	(34.9%)

1.2 CONSOLIDATED SUBSIDIARIES

BERMAS MARACANAÚ INDÚSTRIA E COMÉRCIO DE COURO LTDA



Headquarters: Maracanaú - Brazil

Share capital: Euro 7,035,607 (BRL 45,283,979)

Ownership: 100% direct

The company operates in the leather processing sector. Its 2025 sales revenue was Euro 12,890 thousand, and the year ended with a profit of Euro 103 thousand.

The company's key financial figures are provided below.

The main Balance Sheet information compared with that of the previous year is as follows:

Amounts in EUR/'000	2025	2024
Total assets	35,212	36,273
Liabilities	14,086	9,807
Equity	21,126	26,466

The main Income Statement information compared with that of the previous year is as follows:

Amounts in EUR/'000	2025	2024
Value of production	18,614	25,163
Cost of sales	(17,731)	(22,514)
Operating income/(loss)	883	2,649
Financial income/(costs)	(475)	842
Adjustments to value of financial assets	0	0
Profit/(loss) before tax	408	3,491
Income tax	(305)	(519)
Profit/(loss) for the year	103	2,972

ELMO SWEDEN AB



Headquarters: Svenljunga - Sweden

Share capital: Euro 4,620 (SEK 50,000)

Ownership: 100% direct

The following figures refer to the sub-consolidated financial statements of Elmo Sweden AB, which include the results of both that company and its subsidiary, Elmo of America Inc.

The company operates in the tanning and leather processing sector.

Its 2025 sales revenue was Euro 57,512 thousand, and the loss for the year was Euro 1,525 thousand.

The key financial figures for the sub-consolidated company are provided hereunder.

The main Balance Sheet information is as follows:

Amounts in EUR/'000	2025	2024
Total assets	32,978	29,399
Liabilities	17,815	13,825
Equity	15,163	15,574

The main Income Statement information is as follows:

Amounts in EUR/'000	2025	2024
Value of production	67,678	74,294
Cost of sales	(68,718)	(73,021)
Operating income/(loss)	(1,040)	1,273
Financial income/(costs)	(705)	199
Adjustments to value of financial assets	0	0
Profit/(loss) before tax	(1,745)	1,472
Income tax	220	(446)
Profit/(loss) for the year	(1,525)	1,026

NGOZI AB

Headquarters: Svenljunga - Sweden

Share capital: Euro 4,620 (SEK 50,000)

Ownership: 100% direct

The company's sole activity is the leasing of Elmo Sweden AB's real estate, machinery and equipment.

The main Balance Sheet information is as follows:

Amounts in EUR/'000	2025	2024
Total assets	1,289	1,820
Liabilities	191	125
Equity	1,098	1,695

The main Income Statement information is as follows:

Amounts in EUR/'000	2025	2024
Value of production	335	324
Cost of sales	(52)	(50)
Operating income/(loss)	283	274
Financial income/(costs)	1	9
Adjustments to value of financial assets	0	0

Profit/(loss) before tax	284	283
Income tax	(61)	(62)
Profit/(loss) for the year	223	221

NUOVA OSBA S.R.L.

Headquarters: Trissino (VI) - Via dell'Artigianato n. 100

Share capital: Euro 50,000

Ownership: 100% direct

The company operates in the tanning and leather processing sector.

Its 2025 sales revenue was Euro 12,140 thousand, and the loss for the year was Euro 1,280 thousand.

The main Balance Sheet information is as follows:

Amounts in EUR/'000	2025	2024
Total assets	17,813	16,010
Liabilities	16,532	13,449
Equity	1,281	2,561

The main Income Statement information is as follows:

Amounts in EUR/'000	2025	2024
Value of production	12,425	13,085
Cost of sales	(13,761)	(13,609)
Operating income/(loss)	(1,336)	(524)
Financial income/(costs)	(335)	(410)
Adjustments to value of financial assets	0	0
Profit/(loss) before tax	(1,671)	(934)
Income tax	391	218
Profit/(loss) for the year	(1,280)	(716)

RMG OF AMERICA LLC

Headquarters: Raleigh (NC) - USA

Share capital: Euro 21,957,447 (USD 25,800,000)

Ownership: 100% direct

The company is a holding company that owns 90% of RMG Leather LLC.

RMG LEATHER LLC

Headquarters: Conover (NC) - USA



**CARROLL
LEATHER**

Share capital: Euro 23,636,706 (USD 27,773,130)

Ownership: 90% through RMG of America LLC

The company buys and sells finished leather.

Its sales revenue for the year was Euro 25,462 thousand, and the profit for the year was Euro 1,563 thousand.

The main Balance Sheet information of the above two companies above is as follows:

Amounts in EUR/'000	2025	2024
Total assets	32,209	36,057
Liabilities	2,336	3,940
Equity	29,873	32,117

The main Income Statement information is as follows:

Amounts in EUR/'000	2025	2024
Value of production	25,023	27,699
Cost of sales	(23,393)	(25,933)
Operating income/(loss)	1,630	1,766
Financial income/(costs)	374	221
Adjustments to value of financial assets	0	0
Profit/(loss) before tax	2,004	1,987
Income tax	(441)	(452)
Profit/(loss) for the year	1,563	1,535

MORELLINO S.R.L.

Headquarters: Santa Croce sull'Arno (PI) - Via Caduti sul Lavoro 1/3

Share capital: Euro 90,000

Ownership: 70% direct

The company specializes in the hot stamping of leather and textiles, leather lamination and digital printing.

Its sales revenue for the year was Euro 6,533 thousand, and the profit for the year was Euro 120 thousand.

The main Balance Sheet information is as follows:

Amounts in EUR/'000	2025	2024
Total assets	11,773	12,456



Liabilities	4,392	5,094
Equity	7,381	7,362

The main Income Statement information is as follows:

Amounts in EUR/'000	2025	2024
Value of production	6,976	6,168
Cost of sales	(6,701)	(5,972)
Operating income/(loss)	275	196
Financial income/(costs)	(63)	(8)
Adjustments to value of financial assets	0	8
Profit/(loss) before tax	212	196
Income tax	(92)	(61)
Profit/(loss) for the year	120	135

TESSITURA ORESTE MARIANI SPA

Headquarters: Giussano (MB) - Via Catalani 75



Share capital: Euro 206,400

Ownership: 76% direct

The company specializes in weaving, and makes silk, synthetic and natural blend fabrics primarily for technical use.

Its sales revenue for the year was Euro 8,926 thousand, and the profit for the year was Euro 56 thousand.

The main Balance Sheet information is as follows:

Amounts in EUR/'000	2025	2024
Total assets	20,779	20,346
Liabilities	3,106	2,229
Equity	17,673	18,117

The main Income Statement information is as follows:

Amounts in EUR/'000	2025	2024
Value of production	9,128	10,796
Cost of sales	(9,377)	(9,716)
Operating income/(loss)	(249)	1,080
Financial income/(costs)	289	313

Adjustments to value of financial assets	0	0
Profit/(loss) before tax	40	1,393
Income tax	16	(354)
Profit/(loss) for the year	56	1,039

MAPEL GROUP S.R.L. (MAPEL TEXTILE S.R.L. AND MAPEL COMPONENTS S.R.L.)



Headquarters: Galliate Lombardo (VA)

Share capital: Euro 600,000

Ownership: 60% direct

This group operates in the luxury industry, supplying leading fashion houses with ribbons and accessories for the leather goods, footwear and clothing sectors.

Its sales revenue for the year was Euro 10,461 thousand, and the profit for the year was Euro 1,965 thousand.

The main Balance Sheet information for the above companies is as follows:

Amounts in EUR/'000	2025	2024
Total assets	18,367	18,321
Liabilities	3,124	5,029
Equity	15,243	13,292

The main Income Statement information is as follows:

Amounts in EUR/'000	2025	2024
Value of production	10,989	11,559
Cost of sales	(7,961)	(7,961)
Operating income/(loss)	3,028	3,598
Financial income/(costs)	(8)	36
Adjustments to value of financial assets	(119)	(106)
Profit/(loss) before tax	2,901	3,528
Income tax	(936)	(1,077)
Profit/(loss) for the year	1,965	2,451

JACQART S.R.L.

Headquarters: Bulciago (MB)

Share capital: Euro 200,000

Ownership: 60% direct

The company specializes in weaving high-end jacquard fabrics for furnishings.

The 2024 figures of Imatex23 Srl are included for comparative purposes.

The main Balance Sheet information is as follows:

Amounts in EUR/'000	2025	2024
Total assets	9,189	5,614
Liabilities	4,245	2,800
Equity	4,944	2,814

The main Income Statement information is as follows:

Amounts in EUR/'000	2025	2024
Value of production	4,164	3,785
Cost of sales	(6,749)	(5,487)
Operating income/(loss)	(2,585)	(1,702)
Financial income/(costs)	(30)	0
Adjustments to value of financial assets	0	0
Profit/(loss) before tax	(2,615)	(1,702)
Income tax	605	372
Profit/(loss) for the year	(2,010)	(1,330)

BRUSAROSCO DE MEXICO S.A.

Headquarters: Leon - Mexico

Share capital: Euro 10,406 (MXN 224,245)

Ownership: 99.99% direct

The company became fully operational this year. It deals with leather finishing and cutting for the automotive sector.

Its sales revenue for the year was Euro 14,374 thousand, and the profit for the year was Euro 621 thousand.



**BRUSAROSCO
DE MEXICO**

The main Balance Sheet information is as follows:

Amounts in EUR/'000	2025
Total assets	13,776
Liabilities	16,675
Equity	(2,899)

The main Income Statement information is as follows:

Amounts in EUR/'000	2025
Value of production	14,458
Cost of sales	(13,986)
Operating income/(loss)	472
Financial income/(costs)	149
Adjustments to value of financial assets	0
Profit/(loss) before tax	621
Income tax	0
Profit/(loss) for the year	621

CONCERIA SUPERIOR SRL

Headquarters: Santa Croce sull'Arno (PI)

Share capital: Euro 4,027,584

Ownership: 100% direct

The company operates in the tanning and leather processing sector.

The main Balance Sheet information is as follows:

Amounts in EUR/'000	2025
Total assets	25,089
Liabilities	18,980
Equity	6,109



TANNERIE LIMOGES SAS

Headquarters: Isle - France

Share capital: Euro 600,000

Ownership: 100% direct

**TANNERIE
LIMOGES**

The main Balance Sheet information is as follows:

Amounts in EUR/'000	2025
Total assets	9,312
Liabilities	9,911
Equity	(599)

1.3 ASSOCIATES (ACCOUNTED FOR USING THE EQUITY METHOD):

RINO MASTROTTO GROUP AUSTRALIA PTY LTD

Headquarters: Perth - Wa 6001 - Australia

Share capital: Euro 171 (AUD 300)

Ownership: 33.33% direct

The company operates in the leather sales sector.

AFX/BRUS INDUSTRIES L.L.C.

Headquarters: Port Huron, Michigan – USA

Share capital: Euro 0 (USD 0)

Ownership: 50% direct

Profit for the year: Euro 2,899 thousand

The company operates in the leather sales sector.

The list above does not include the investments in “other undertakings”, considered immaterial.

Details are provided in the Notes to the Consolidated Financial Statements.

CASH FLOW MANAGEMENT

The net financial position at the end of the year was Euro 292 million (Euro 269 million at the end of 2024), up from that of the previous year as a result of less cash used for investing activities. At approximately Euro 44 million, the cash and cash equivalents show a 24% decrease from those of the end of 2024. In addition, the Group has a full, undrawn super-senior revolving credit facility and other commercial credit lines, bringing the total funding capacity to approximately Euro 140 million at the start of 2026 available for the Group’s working capital and investing needs.

(€ 000)	2025	2024
Net cash flow from operating activities (A)	4,984	26,804
Net cash flow from investing activities (B)	(21,972)	(20,123)
Net cash flow from financing activities (C)	3,346	3,902

Increase/(decrease) in cash and cash equivalents (A+B+C)	(13,642)	10,583
Cash and cash equivalents at the beginning of the period	57,213	46,631
Cash and cash equivalents at the end of the period	43,571	57,213

CAPITAL EXPENDITURES

In 2025 the Company's and the Group's capital expenditures concerned both infrastructure and technology for the purpose of maintaining and expanding the production facilities while introducing new technologies to improve the efficiency of the production cycle and the use of production inputs. In some divisions, important investment projects were completed to generate alternative energy. During the year, construction continued on the building that will house the Parent company's new headquarters in the municipality of Trissino (Vicenza). The expenditure for plant production capacity maintenance remained modest at approximately Euro 4 million thanks to newer equipment and an effective planned maintenance program.

Details are provided in the Notes to the Consolidated Financial Statements.

(€ 000)	2025	2024
Total investments	21,824	19,702
<i>Of which: expenditures for maintaining plant production capacity</i>	4,423	4,357
<i>Of which: expenditures for increasing plant production capacity, technological innovation, alternative energy sources and new projects</i>	17,401	15,345

RESEARCH AND DEVELOPMENT

In 2025 the Group continued with its research and development activities, with the objective of developing new product technologies and the related processes and/or treatments, while increasing its know-how, through the research and analysis of raw materials and market trends, using both production and management personnel. The Group considers research and development a key success factor and a source of gaining a competitive advantage in international markets. Also during the year, the Group made significant investments in activities aimed at launching new product lines, optimizing and customizing established products, and developing new technological solutions.

Research and development are essential to making any new product, where increasingly greater demands are placed on quality, resistance and durability. As a result, the projects implemented are innovative, and in some cases have helped to create the Group's competitive advantage and keep or expand its market share.

RELATED-PARTY TRANSACTIONS

The intra-Group transactions, prevalently of a trade nature, were conducted on an arm's-length basis.

During the year, the Parent company carried out transactions with subsidiaries, associates and related parties, as detailed below

Company	Type	Receivables	Payables	Income	Expenses
Bermas Ind. e Com. de Couro Ltda	Subsidiary	11,533	1,184	1,176	4,115
Elmo Sweden AB (consolidated)	Subsidiary	10,656	2,905	37,772	8,450
Brusarosco de Mexico SA	Subsidiary	11,438	0	1,119	0
Nuova Osba Srl	Subsidiary	14,236	1	5,088	63
Morellino Srl	Subsidiary	1,537	132	41	716
Tessitura Oreste Mariani Spa	Subsidiary	6	10,888	15	266
Mapel Group Srl	Subsidiary	0	6,566	0	146
Jacqart Srl	Subsidiary	74	984	0	192
Conceria Superior Srl	Subsidiary	9,150	0	1,872	206
Tannerie Limoges Sas	Subsidiary	4,623	0	200	0
Rmg Leather USA LLC	Ind. subsidiary	386	8,851	603	350
Elmo of America	Ind. subsidiary	880	0	710	0
Rino Mastrotto Australia PTY Ltd	Associate	83	0	0	0
Afx/Brus LLC	Associate	253	0	693	0
Industria Conciaria Europea S.r.l.	Related party	77	65	761	881
Mipel S.r.l.	Related party	0	0	0	0
Nexus S.r.l.	Related party	0	175	0	547
RM Holding S.r.l.	Related party	0	0	0	95
Renbertech S.r.l.	Related party	0	0	0	480
Sicit Group S.p.A.	Related party	0	54	0	349
TOTAL		64,933	31,804	50,050	16,856

TREASURY SHARES

The Company did not own any treasury shares at December 31, 2025, and did not purchase or dispose of any treasury shares during the reporting period, not even through trust companies or intermediaries.

DESCRIPTION OF THE MAIN RISKS AND UNCERTAINTIES

Risk is typically defined as an event that can produce adverse effects; it indicates the possibility of incurring damages from the processes in progress or future events.

Risks can be divided into external and internal risks:

- external risks arise from exogenous events such as competition, the socio-economic and geopolitical environment, regulatory frameworks, acts of nature, etc.;
- internal risks arise from endogenous factors such as the corporate strategy, organizational and governance models, and more generally from actions taken by the organization in pursuing its objectives.

Other relevant definitions regard inherent and residual risk:

- inherent risks are those present in the absence of any risk control or mitigation. These risks exist independently of any mitigating actions;
- residual risks are those that remain after mitigation actions have been implemented.

For Rino Mastrotto Group S.p.A., the main risk categories are summarized below:

A) FINANCIAL RISKS

The financial instruments used by the Company – as defined in the international and Italian accounting standards (specifically IFRS 9 and OIC 32, which define a financial instrument as any contract that gives rise to a financial asset of one entity and a financial liability or an equity instrument of another entity) – relate to the Company's ordinary operations and are activated through banks.

The financial risks related to the use of these instruments are identified as:

- **Price (or market) risk:** the risk that the value of a financial instrument could fluctuate as a result of changes in market prices, interest rates and exchange rates, whether specific to an individual instrument or for all similar instruments traded in the market;
- **Credit risk:** the risk that customers could fail to meet their obligations to the Company at the agreed terms, which depends largely on the specific characteristics of each customer, and/or the risk that one party to a financial instrument could default on an obligation and cause the other party to incur a financial loss;
- **Liquidity risk:** the risk of encountering difficulty in raising funds to meet the commitments associated with the financial instruments;
- **Cash flow risk:** the risk that the future cash flows of a financial instrument will fluctuate in response to changes in market interest rates.

The specific risks are detailed below:

- **Price risk:** the Company has hedged against bond interest rate fluctuations through a specific contract, whereas the foreign exchange risk is considered moderate due to natural hedging between cash inflows and outflows in currencies other than the Euro. The Company is exposed to the risk of raw material price fluctuations. Its policy is to hedge this risk where possible through supplier agreements or by stocking up during the lower points in the price fluctuation cycle. Moreover, the product selling prices are periodically reviewed, with efforts made to transfer any increase in purchasing costs not absorbed by improved internal efficiencies and productivity to customers where possible.
- **Credit risk:** the Company assesses the creditworthiness of each new customer. This analysis is based on internal evaluations and/or the analysis of financial statements and business information obtained from suppliers specialized in the financial assessment of companies. For major customers the Company also uses non-recourse factoring, while for smaller customers a provision for bad debts is recognized to reflect estimated losses on trade and other receivables, primarily consisting

of specific individual writedowns of exposures in insolvency proceedings or significantly overdue accounts. Liquidity investments are made and financial contracts, including derivatives, are stipulated solely with counterparties of certified reliability.

- **Liquidity risk:** any liquidity investment occurs in short-term and easily liquidated transactions. Credit lines are managed to increase the Company's financial flexibility, favoring those secured by the collection of receivables from customers, with bank transfers or factoring assignments as payment methods. The Company's financial situation depends on numerous factors, including the achievement of targets and the general conditions of the economy, financial markets and sectors in which it operates. The Company expects to meet its obligations deriving from maturing financial payables and planned investments through operating cash flows, available liquid assets, and the renewal or refinancing of bank loans. Although the Company continues to receive support from banks, it could find itself in the condition of having to use additional funding under unfavorable market conditions, especially in the domestic financial market, with limited access to some sources and higher finance costs. Nonetheless, even in the current market scenario, the Company expects to keep up an adequate capacity to generate financial resources from its operating activities and to maintain sufficient liquidity to handle any unexpected difficulties.
- **Cash flow risk:** for the Company, this risk relates exclusively to the possibility of unexpected changes in interest rates on existing credit lines and outstanding loans.

In light of the foregoing information on the Company's financial risk management objectives and policies, the Company is not considered to be exposed to significant price, credit, liquidity or cash flow risks.

B) THE COMPANY'S EXPOSURE TO ENVIRONMENTAL AND OCCUPATIONAL SAFETY RISKS.

With respect to these risks, the Company undertakes to comply with the growing legislative constraints and to continuously assess and improve its policies, programs and practices with the support of a dedicated function responsible for managing environmental and safety matters.

Since the Company considers the environmental protection and sustainable development of the area where it operates to be of primary importance and is fully aware of the associated risks, it is committed to addressing the vital environmental needs within its business activities and initiatives and to minimizing the adverse environmental impact of its operations.

The Company actively promotes environmental awareness across all organizational and functional levels, implements corporate policies aimed at protecting the environment and saving energy, and encourages responsible behavior and compliance with its environmental policies.

Rino Mastrotto Group S.p.A. uses an environmental management system certified under ISO 14001:2004, which is regularly audited by an accredited external body.

In terms of occupational health and safety risks, the Company is dedicated to providing and maintaining safe and healthy workplaces in compliance with the safety regulations in force.

Accordingly, the Company promotes a culture of safety and risk awareness with respect to the work activities performed, requiring from everyone, at all levels, responsible behavior and compliance with the safety system and procedures and measures adopted to prevent injuries. Employees, contractors and anyone else accessing the Company's premises for any reason are expected to contribute personally to maintaining a safe, high-quality working environment.

To this end, Rino Mastrotto Group S.p.A. has implemented a safety management system compliant with OHSAS 18001:2007, integrated with its existing environmental management system.

In accordance with the Business Crisis and Insolvency Code (Italian Legislative Decree 14/2019 as amended by Italian Legislative Decree 83/2022), the Company periodically reviews the adequacy and consistency of its organizational structure. Consequently, the Board of Directors believes it is in a position to identify any situations of financial imbalance and to take the appropriate remedial measures.

SUBSEQUENT EVENTS

No significant events have occurred since the end of the reporting period that have made the current financial position substantially different from that resulting from the Balance Sheet at December 31, 2025 or that should require adjustments or additions to the financial statements.

Trissino, March 13, 2026

The Chair of the Board of Directors
Rino Mastrotto

“I, Fabio Cavallino, born in Conegliano (TV) on April 15, 1966, pursuant to Italian Law 340/2000, Article 31, paragraph 2-quinquies, hereby state that this document corresponds to the original filed at the company”..

02

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2025



RINO MASTROTTO

BALANCE SHEET

Amounts in Euros	Dec. 31, 2025	Dec. 31, 2024
BALANCE SHEET - ASSETS		
1) Start-up and expansion costs	18,703	41,005
3) Patent and intellectual property rights	527,327	378,103
4) Concessions, licenses, trademarks and similar rights	58,207,455	52,529,731
5) Goodwill	168,258,314	159,106,645
6) Intangible assets under formation and advances	-	201,714
7) Other intangible assets	1,190,909	696,199
BI) INTANGIBLE ASSETS	228,202,708	212,953,396
1) Land and buildings	58,901,515	54,979,233
2) Plant and machinery	47,288,846	39,933,862
3) Industrial and commercial equipment	2,780,505	2,449,173
4) Other tangible assets	3,934,902	2,753,568
5) Tangible assets under construction and advances	16,028,567	12,167,567
BII) PROPERTY, PLANT AND EQUIPMENT	128,934,335	112,283,403
Investments in unconsolidated subsidiaries	13,030	-
Investments in associates	1,219,977	892,728
Investments in other undertakings	1,079,301	557,831
1) Equity investments	2,312,308	1,450,559
Receivables due from subsidiaries after 12 months	46,200	3,148,804
Receivables due from associates within 12 months	-	13,611
Receivables due from others within 12 months	100,045	100,030
Receivables due from others after 12 months	219,405	188,861
2) Non-current receivables	365,650	3,451,305
3) Other securities	204,288	159,288
BIII) NON-CURRENT FINANCIAL ASSETS	2,882,246	5,061,152
B) NON-CURRENT ASSETS	360,019,289	330,297,951
1) Raw and ancillary materials and consumables	29,232,439	29,668,615
2) Inventories of work in progress and semi-finished goods	53,895,723	45,380,405
4) Inventories of finished products	42,960,879	35,243,469
5) Advances	54,033	16,692
CI) INVENTORIES	126,143,074	110,309,181

1) Trade receivables due within 12 months	32,107,526	25,291,757
2) Receivables due from subsidiaries within 12 months	-	10,979,175
3) Receivables due from associates within 12 months	334,623	398,289
5-bis) Tax credits		
<i>due within 12 months</i>	11,773,862	6,360,956
<i>due after 12 months</i>	6,648,015	6,755,319
5-bis) Total tax credits	18,421,877	13,116,274
4ter) Deferred tax assets due within 12 months	3,945,972	624,847
5) Other receivables		
<i>due within 12 months</i>	2,745,694	1,258,551
<i>due after 12 months</i>	22,392	34,796
5) Total other receivables	2,768,086	1,293,348
CII) RECEIVABLES	57,578,083	51,703,688
5) Derivative assets	-	-
6) Other securities	1,334	499,988
C3) CURRENT FINANCIAL ASSETS	1,334	499,988
1) Bank and postal deposits	43,558,911	57,197,866
3) Cash and cash equivalents on hand	12,225	15,235
CIV) CASH AND BANK BALANCES	43,571,136	57,213,101
C) CURRENT ASSETS	227,293,628	219,725,958
Other accrued income and prepaid expenses	1,529,778	1,048,957
D) ACCRUED INCOME AND PREPAID EXPENSES	1,529,778	1,048,957
TOTAL ASSETS	588,842,695	551,072,866
BALANCE SHEET - LIABILITIES		
I Share capital	39,000,000	39,000,000
II Share premium reserve	60,763,228	14,063,228
III Revaluation reserve	12,081,384	12,081,384
IV Legal reserve	7,800,000	7,800,000
VI Other reserves, disclosed separately		
Extraordinary reserve	-	-
Other sundry reserves	18,906,337	21,104,389
VII Cash flow hedge reserve	(513,677)	(885,333)
VII Other reserves	(5,181,241)	(3,375,432)
VIII Retained earnings/(losses)	28,465,848	24,229,976
IX Profit/(loss) for the year	(16,515,522)	2,037,821
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	144,806,357	116,056,034

X Non-controlling interests in share capital and reserves	16,258,305	13,986,617
XI Profit/(loss) for the year attributable to non-controlling interests	434,202	1,203,824
EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	16,692,506	15,190,441
A) EQUITY	161,498,863	131,246,475
1) Provision for agency termination benefits and similar obligations	1,055,208	860,750
2) Provisions for taxes, including deferred tax	17,488,301	16,329,479
4) Other provisions	718,150	4,292,072
B) PROVISIONS FOR RISKS AND CHARGES	19,261,659	21,482,302
C) Provision for post-employment benefits ("TFR")	5,098,785	3,719,120
C) EMPLOYEE SEVERANCE INDEMNITY	5,098,785	3,719,120
1) Bonds		
<i>due within 12 months</i>	3,709,067	3,973,791
<i>due after 12 months</i>	310,949,504	310,422,276
1) Total bonds	314,658,572	314,396,066
3) Loan payables due to shareholders after 12 months	2,300	2,300
4) Payables due to banks		
<i>within 12 months</i>	8,794,763	2,091,091
<i>after 12 months</i>	1,238,894	197,817
4) Total payables due to banks	10,033,657	2,288,908
5) Payables due to other financiers		
<i>within 12 months</i>	424,395	351,153
<i>after 12 months</i>	798,230	1,257,042
5) Total payables due to other financiers	1,222,625	1,608,194
6) Advances due within 12 months	287,140	519,188
7) Trade payables due within 12 months	48,354,394	47,252,577
12) Total tax liabilities due within 12 months	2,505,456	2,576,973
13) Social security due within 12 months	4,855,959	4,018,780
<i>within 12 months</i>	18,538,668	19,410,904
<i>after 12 months</i>	450,000	450,000
14) Total other payables	18,988,668	19,860,904
D) PAYABLES	400,908,770	392,523,890
Other accrued expenses and deferred income	2,074,617	2,101,080
E) ACCRUED EXPENSES AND DEFERRED INCOME	2,074,617	2,101,080
TOTAL LIABILITIES	588,842,695	551,072,866

INCOME STATEMENT

Amounts in Euros	Dec. 31, 2025	Dec. 31, 2024
1) Revenues from sales and services	306,154,300	327,276,448
2) Increase/(decrease) in work in progress, semi-finished products and finished products	11,836,157	2,222,867
5) Other income	42,833,978	35,197,916
Grants related to income	205,019	231,470
A) VALUE OF PRODUCTION	361,029,453	364,928,702
6) Raw and ancillary materials, consumables and goods	(174,449,095)	(177,444,333)
7) Cost of services	(64,425,801)	(64,701,226)
8) Cost of leases and rentals	(1,391,723)	(974,830)
a) Wages and salaries	(50,878,917)	(47,089,242)
b) Social security costs	(10,887,085)	(9,989,427)
c) Post-employment benefits	(2,247,224)	(2,035,797)
e) Other costs	(6,514,056)	(6,807,112)
9) Cost of personnel	(70,527,282)	(65,921,578)
a) Amortization of intangible assets	(18,145,308)	(18,223,809)
b) Depreciation of property, plant and equipment	(12,047,541)	(11,077,257)
d) Impairment losses on current receivables and cash and bank balances	(236,329)	(167,572)
10) Amortization, depreciation and impairment losses	(30,429,178)	(29,468,638)
11) Decrease/(increase) in inventories of raw and ancillary materials, consumables and goods	(6,084,564)	1,090,112
14) Other operating expenses	(3,513,839)	(2,063,118)
B) COST OF SALES	(350,821,481)	(339,483,610)
DIFFERENCE BETWEEN VALUE OF PRODUCTION AND COST OF SALES	10,207,972	25,445,092
Income from associates	732,317	930,839
Other income from equity investments	3,786	3,429
15) Income from equity investments	736,103	934,268
c) Financial income from marketable securities	-	-
d) Other financial income	1,226,186	1,663,181
16) Other financial income	1,226,186	1,663,181
d) From other undertakings	(25,385,705)	(21,735,733)
17) Interest expense and other finance costs	(25,385,705)	(21,735,733)
17-bis) Foreign exchange gains /(losses)	(1,550,388)	1,729,189

C) FINANCIAL INCOME/(COSTS)	(24,973,805)	(17,409,095)
a) Revaluations of equity investments	340,118	1,047,773
c) Revaluations of marketable securities	-	8,251
18) Revaluations	340,118	1,056,024
a) Writedowns of equity investments	(119,381)	(404,093)
19) Writedowns	(119,381)	(404,093)
D) ADJUSTMENTS TO VALUE OF FINANCIAL ASSETS	220,737	651,930
PROFIT/(LOSS) BEFORE TAX	(14,545,096)	8,687,926
Income tax for the year	(3,145,814)	(7,484,211)
Deferred tax expense and income	1,609,589	2,037,930
20) Total income tax	(1,536,225)	(5,446,281)
21) PROFIT/(LOSS) FOR THE YEAR	(16,081,321)	3,241,645
XI Profit/(loss) attributable to non-controlling interests	(434,202)	(1,203,824)
PROFIT/(LOSS) ATTRIBUTABLE TO OWNERS OF THE PARENT	(16,515,522)	2,037,821

STATEMENT OF CASH FLOWS

Amounts in Euros	Dec. 31, 2025	Dec. 31, 2024
Statement of Cash Flows, indirect method		
A) Cash flow from operating activities (indirect method)		
Profit/(loss) for the year	(16,081,321)	3,241,646
Income tax	1,536,225	5,446,281
Interest expense	25,385,705	21,735,733
Interest income	(1,226,186)	(1,674,861)
(Dividends)	(736,103)	
Capital (gains)/losses on disposals of assets	413,000	(41,181)
Profit/(loss) of equity-accounted investments	(220,737)	(1,574,518)
1) Profit/(loss) for the year before income tax, interest, dividends and gains/losses on disposals	9,070,584	27,133,099
Adjustments for non-monetary items not reflected in net working capital		
Allocations to provisions / (Use of provisions)	389,902	183,971
Depreciation and amortization	30,192,849	29,301,066
Other increases/(decreases) for non-monetary items	(2,429,394)	(3,710,003)
Change in scope of consolidation	2,497,770	
Total adjustments for non-monetary items not recognized in working capital	30,651,128	25,775,034
2) Cash flow before movements in working capital	39,721,712	52,908,133
Movements in working capital		
Decrease/(increase) in inventories	8,730,713	(3,255,769)
Decrease/(increase) in trade receivables	(7,593,555)	2,504,053
Increase/(decrease) in trade payables	(1,631,900)	(4,764,106)
Decrease/(increase) in accrued income and prepaid expenses	(422,156)	(109,357)
Increase/(decrease) in accrued expenses and deferred income	(288,167)	(108,948)
Other decreases/(other increases) in working capital	(5,167,595)	5,194,761
Total movements in working capital	(6,372,659)	(539,366)
3) Cash flow after movements in working capital	33,349,053	52,368,767
Other adjustments		
Interest received/(paid)	(24,313,713)	(18,604,268)
(Income tax paid)	(4,492,108)	(8,386,729)
Dividends received	736,103	1,426,143
(Use of provisions)	(295,164)	

Total other adjustments	(28,364,882)	(25,564,854)
Net cash from/(used in) operating activities (A)	4,984,171	26,803,912
B) Cash flows from investment activities		
Change in scope of consolidation	-	(1,121,900)
Property, plant and equipment		
(Purchases)	(20,872,741)	(18,808,551)
Proceeds on disposal		502,012
Intangible assets		
(Purchases)	(951,386)	(948,969)
Proceeds on disposal		-
Non-current financial assets		
(Purchases)	(183,852)	(179,997)
Proceeds on disposal	35,193	434,188
Net cash from/(used in) investing activities (B)	(21,972,787)	(20,123,217)
C) Cash flow from financing activities		
External funding		
Increase/(decrease) in short-term payables due to banks	(134,960)	(1,809,165)
Increase/(decrease) in short-term payables due to other financiers	(518,099)	(647,471)
Loans raised	204,905	332,024,944
(Loan repayments)	(1,265,410)	(200,434,590)
Dividends (and advances on dividends) paid	(203,438)	(125,231,844)
Own funds		
Paid-in capital increase	5,263,653	-
Net cash from/(used in) financing activities (C)	3,346,651	3,901,874
Net increase/(decrease) in cash and cash equivalents (A ± B ± C)	(13,641,965)	10,582,569
Cash and cash equivalents at the beginning of the year		
Bank and postal deposits	57,197,866	46,614,708
Cash and cash equivalents on hand	15,235	15,824
Total cash and cash equivalents at the beginning of the year	57,213,101	46,630,531
Cash and cash equivalents at the end of the year		
Bank and postal deposits	43,558,911	52,918,484
Cash and cash equivalents on hand	12,225	4,294,617
Total cash and cash equivalents at the end of the year	43,571,136	57,213,101

These consolidated financial statements correspond to the Company's accounting records.



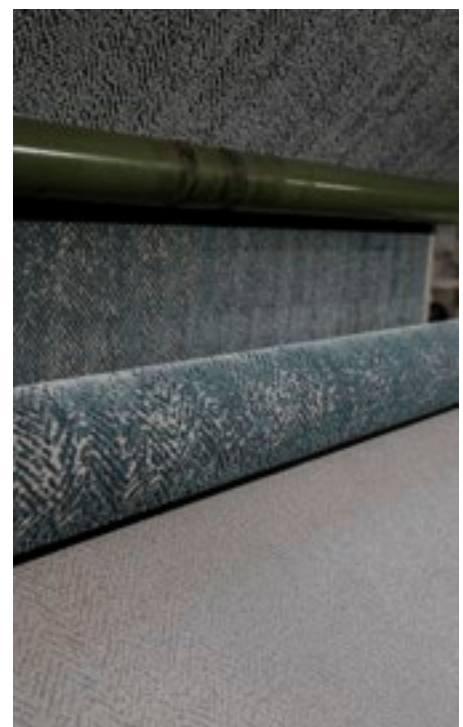
03

NOTES TO THE CONSOLIDATED
STATEMENTS



RINO MASTROTTO

The primary activity of the Rino Mastrotto Group (the “Group”), consisting of Rino Mastrotto Group S.p.A. (the “Company” or “Parent company”) and its subsidiaries, is the processing and sale of fine leathers, from raw hides and skins to finished materials (including cutting) up to high-end fabrics and customized services produced and sold in domestic and foreign markets. The Group is a major player in the luxury fashion, automotive and interior design industries.



SIGNIFICANT EVENTS DURING THE YEAR

On June 5, 2025, Rino Mastrotto Group S.p.A. and Prada S.p.A. (“Prada”) announced the signing of a binding agreement intended to facilitate Prada’s acquisition of a stake in the Parent company.

The transaction entailed Prada’s transfer to Rino Mastrotto Group S.p.A. of its whole ownership of Conceria Superior S.p.A. – following the prior acquisition of the remaining unowned shares – and of Tannerie Limoges S.A.S. In addition, Prada undertook to make a cash investment as consideration for a 10% stake in Rino Mastrotto Group S.p.A.

Founded in the 1960s, Conceria Superior is a key operator in the Santa Croce sull’Arno tanning district. Specialized in calfskin processing, the company is renowned for its artisanal heritage, technological innovation and commitment to environmental sustainability. Prada had acquired an equity interest in Conceria Superior S.p.A. in 2022.

For more than 70 years, Tannerie Limoges, a historic French tannery specialized in lambskin processing, has been a master tanner of plongé nappa leather. Prada’s acquisition of a majority stake in 2014 helped preserve the artisanal know-how behind its high-quality, versatile leather.

The acquisition was completed on June 30, 2025.

On July 3, 2025, Rino Mastrotto Group S.p.A. and the Marzotto Group announced the establishment of Jacqart – Trame d’Arredo, a new company specializing in the production of high-quality jacquard fabrics and velvets, resulting from the combination of Imatex23 S.r.l. (“Imatex”), a subsidiary of Rino Mastrotto Group S.p.A., and Prosetex, a Marzotto Group company.

Jacqart will integrate the expertise of two historic Italian businesses: Imatex, founded in 1960 and headquartered in Nibionno (LC), specializing in jacquard fabrics for interior design applications in both residential indoor and outdoor environments, and Prosetex, which since 1964 has produced jacquard velvets and premium fabrics for the residential and hospitality furnishing sectors. Prosetex also offers a technical product line dedicated to the aviation, marine, and public transportation sectors, using specially engineered fibers designed to comply with the safety standards in force for such industries. Jacqart will be headquartered in Bulciago (LC), in the Brianza district

The name Jacqart – a blend of Jacquard and Art – pays homage to the loom technology shared by both companies, enabling the creation of true “weaves of décor”: intricate designs, innovative textures, and unique weaves that express textile creativity and craftsmanship to bring designers’ visions to life. The name Jacqart is paired in its logo with the tagline Trame d’Arredo (“Weaves of Décor”).

The transaction allows furniture and interior design brands to access a broad portfolio of products and services – from textiles to smooth and jacquard velvets – all through a single point of contact, Jacqart, capable of satisfying the most challenging and creative demands. Additional value is generated through the ability to leverage the industrial expertise of both Rino Mastrotto Group S.p.A. and the Marzotto Group.

The transaction entails transferring Prosetex’s business unit to Imatex, with Rino Mastrotto Group S.p.A. owning 60% of the new company and the Marzotto Group owning the remaining 40%.

The acquisition concluded on July 29, 2025

FORM AND CONTENT OF THE CONSOLIDATED FINANCIAL STATEMENTS

1) THE GROUP'S BUSINESS ACTIVITY AND THE BASIS OF PREPARATION

The consolidated financial statements were prepared in accordance with the relevant regulatory framework (Italian Civil Code and Italian Legislative Decree 127/1991), interpreted and supplemented by the accounting standards and policies established by the Italian Accounting Board (*Organismo Italiano di Contabilità - OIC*).

The consolidated financial statements were prepared on a going concern basis, as the directors had verified the Group's ability to meet its obligations in the foreseeable future, also taking into account the expected future results and the income achieved by the Group in the initial months of 2026.

The consolidated financial statements consist of the Balance Sheet, Income Statement, Statement of Cash Flows (prepared in compliance with Legislative Decree 127/1991, Article 32 and with the layouts required by Italian Civil Code Articles 2424, 2424 bis, 2425, 2425 bis and 2425 ter, respectively), and these Notes to the Consolidated Financial Statements.

In addition to the content required by Legislative Decree 127/1991, Article 30 and other legislation, the Notes to the Consolidated Financial Statements provide all the information deemed necessary to provide a true and fair view of the Group's financial position, financial performance and cash flows. The Balance Sheet and Income Statement contain additional items not required by Legislative Decree 127/1991, Article 32 and Civil Code Articles 2424 and 2425 for the purpose of providing more extensive and detailed disclosures. On the other hand, classes (preceded by Roman numerals), items (preceded by Arabic numerals) and sub-items (preceded by lower-case letters) are not reported if the balance is zero for both the reporting period and the comparative period. If individual accounts or groupings of accounts have been classified using different criteria from those of the previous year, the year ended December 31, 2024 was reclassified in a similar manner and the reclassification is reported in the Notes. These consolidated financial statements are expressed in Euros, the Group's functional currency in which the majority of the Group's transactions are conducted.

1) BASIS AND SCOPE OF CONSOLIDATION

The consolidated financial statements of Rino Mastrotto Group S.p.A. include the Parent company's financial statements, those of the Italian and foreign companies in which it directly or indirectly controls the majority of the votes exercisable at the General Meeting, and those of the companies over which it exercises a dominant influence.

The companies consolidated using the full consolidation method are listed in Table 1 of the Attachment. Subsidiaries whose financial statement amounts are deemed immaterial or that are not yet operational are excluded from full consolidation, without compromising the true and fair view of the Group's financial position, financial performance and cash flows and clarity of the consolidated financial statements; such companies are consolidated using the equity method.

Long-term investments in subsidiaries excluded from full consolidation and investments in associates are accounted for using the equity method.

Associates are those companies in which Rino Mastrotto Group S.p.A. controls either directly or indirectly at least one fifth of the voting rights exercisable at the General Meeting.

The companies accounted for using the equity method are listed in Table 2 of the Attachment.

Investments in other undertakings are accounted for at cost. The companies accounted for at cost are listed in Table 3 of the Attachment.

2) REPORTING DATE

The consolidated financial statements are prepared on the basis of financial statements for the year ended December 31, 2025 approved at their respective General Meetings, or, if lacking, on the basis of the draft financial statements approved by the boards of directors or the reporting packages prepared for this purpose by the foreign entities.

3) CONSOLIDATION PROCEDURES

The consolidated financial statements incorporate the annual financial statements of the individual entities. The financial statements are appropriately reclassified and adjusted to align them with the Parent company's accounting standards and policies, which comply with Italian Civil Code Articles 2423 et seq. and with the Italian accounting standards.

The consolidation procedures followed to prepare the consolidated financial statements, which do not differ from those used to draw up the prior year's consolidated financial statements, are as follows:

- 1- The assets, liabilities, income and expenses of the companies included in the scope of consolidation are aggregated in full;
- 2- Receivables, payables, income, expenses, gains and losses originating from transactions conducted between the consolidated companies are eliminated, as are unrealized intra-Group income, expenses and profits included in inventories;
- 3- The carrying amount of equity investments in consolidated companies is eliminated against the corresponding interests in the equity of the investees;
- 4- Any difference arising from this elimination, if positive, is allocated to the asset and liability items of the consolidated financial statements when justified by an effective higher value of the asset items and/or lower value of the liability items. Any residual positive difference is allocated to goodwill and amortized on a straight-line basis over its estimated useful life. If negative, the difference is allocated to a consolidation reserve in equity;
- 5- Dividends distributed within the Group and writedowns of consolidated equity investments are reversed from the consolidated Income Statement;
- 6- The share capital and reserves of subsidiaries corresponding to third parties is disclosed under equity as "non-controlling interests in share capital and reserves"; the portion of consolidated profit/(loss) corresponding to third parties is disclosed as "profit/(loss) attributable to non-controlling interests";
- 7- Property, plant and equipment under finance leases are recognized using the financial method, in accordance with OIC 17.

4) TRANSLATION OF FOREIGN CURRENCY ACCOUNTS

For consolidation purposes, items of the Balance Sheet are translated into Euros using the exchange rates prevailing at the end of the reporting period, whereas those of the Income Statement are translated using the average exchange rates for the reporting period. Differences emerging between the profit/(loss) for the year, the result of the translation at the average exchange rates and at end-of-period exchange rates, and the effects on assets and liabilities of exchange rate fluctuations from the beginning to the end of the reporting period, are recognized in equity in a “reserve for translation differences”. The exchange rates used, shown against those used in the previous year, are presented hereunder:

Currencies	Year ended:			
	December 31, 2025		December 31, 2024	
	Average exchange rate	Final exchange rate	Average exchange rate	Final exchange rate
Euro/USD	1.1300	1.1750	1.0824	1.0389
Euro/REAL	6.3072	6.4364	5.8283	6.4253
Euro/SEK	11.0663	10.8215	11.4325	11.4590
SEK/USD	9.8166	9.2098	10.5622	10.0299
Euro/MXN	21.1180	21.6705	21.5504	19.8314

5) SIGNIFICANT ACCOUNTING POLICIES

A) GENERAL POLICIES

The most significant accounting policies adopted for the preparation of the financial statements of the subsidiaries are consistent with those of the parent company.

The accounting policies used for the preparation of the consolidated financial statements for the year ended December 31, 2025 were adjusted with the amendments, additions and new standards introduced to the Italian Civil Code by Legislative Decree 139/2015, implementing EU Directive 34/2013 in Italy, and are consistent with the Italian accounting standards issued by the Italian Accounting Board (*Organismo Italiano di Contabilità* or “OIC”). The policies used do not differ from those used to prepare the consolidated financial statements of the previous year with respect to measurements and the continuity of such principles.

The financial statement items are measured on the basis of the prudence and accruals concepts and the going concern assumption. For accounting purposes, prevalence is given to the economic substance of the transactions over their legal form.

Profits are included only if realized within the period, while risks and losses are accounted for even if known at a later date. Components grouped together in individual accounting entries have been measured separately. Assets intended to be used on a long-term basis are classified as non-current assets.

B) ADJUSTMENTS AND REVERSALS

The value of property, plant, equipment and intangible assets with a finite useful life is adjusted downward through depreciation and amortization. Those and other assets are written down whenever a permanent loss in value is identified. The original value is reinstated to the extent that the reason for such loss no longer exists. The depreciation, amortization and writedown methods are described in these Notes.

C) REVALUATIONS

In 2020, the Parent company made use of the option available under Legislative Decree 104, Article 110 August 14, 2020, converted into Law 126 of October 13, 2020, to revalue the “Rino Mastrotto Group” trademark, with tax consequences. As a result, a substitute tax liability of Euro 1,455,028 was recognized in the 2020 financial statements, corresponding to 3% of the Euro 48,500,934 gain attributed to the trademark. The Parent company had obtained the opinion of an independent expert for this asset valuation.

The December 2021 approval of the provision contained in the 2022 Budget Law that changed the fiscal amortization period of the revaluation of the Parent company’s trademarks from the original 18 years to the current 50 years compelled the Parent company to review the rationale that had originally supported the decision to take up this opportunity, with the conclusion that it was no longer deemed beneficial. For this reason, the application of the tax and accounting regulations for the trademark revaluation was terminated in the 2021 Financial Statements, as reflected in the entry of a tax receivable for the first installment of substitute tax paid on the gains generated by the revaluation, the reversal of the payable regarding the two subsequent installments, and the allocation of deferred tax liabilities calculated on the difference between the carrying amount and the new tax basis of the revalued item, with a corresponding entry in equity in the revaluation reserve. The portion of the revaluation reserve pertaining to this transaction was then reclassified to the share premium reserve.

In previous years some Group companies carried out revaluations of tangible assets permitted by special laws (particularly in 2008 pursuant to Law 2 of January 28, 2009) which, like the revaluations originating from the allocation of merger deficits relating to periods prior to the preparation of the first consolidated financial statements, were kept in the consolidated financial statements.

A) DEROGATION FROM ACCOUNTING POLICIES

In the current and previous years, no derogation from the accounting policies provided by legislation regulating separate and consolidated financial statements occurred, except for the revaluations described in the previous section.

The significant accounting policies are as follows:

A) INTANGIBLE ASSETS

Intangible assets are stated at their acquisition cost, inclusive of directly attributable ancillary expenses, net of amortization calculated on a straight-line basis over the remaining useful life of each asset.

Amortization is charged to the Income Statement in the year in which the assets come into operation and begin to produce economic benefits for the Group.

Intangible assets are recognized with the agreement of the Board of Statutory Auditors when required by law.

Advertising and research expenditure is fully charged as a cost of the period in which it is incurred. Patent and intellectual property rights, licenses, concessions and trademarks are amortized at an annual rate of 20%.

Leasehold improvements are amortized at rates reflecting the remaining lease term.

If, apart from the amortization already accounted for, an impairment loss is identified for an asset, the asset is written down accordingly. If the reasons for the writedowns cease to apply in future periods, the original value is reinstated to the extent the asset would have had without the writedown, except as regard goodwill and deferred costs, as per Civil Code Article 2426, number 5.

B) PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION

Property, plant and equipment (tangible assets) are stated at the purchase or internal construction cost net of current and accumulated depreciation. The cost includes ancillary expenses and the direct and indirect costs reasonably attributable to the specific asset, regarding the period of manufacture and until the time the asset can be used.

The values of the assets of companies acquired by the Group are adjusted to take into account the excess of the acquisition cost over the book equity of the subsidiaries at the acquisition date.

Tangible assets can be revalued only in the cases required or permitted by special laws.

The depreciation expense recognized in the Income Statement is calculated considering the use, intended use, and economic and technical nature of the asset, based on its remaining useful life, a criterion that is reviewed regularly to verify whether changes have occurred that require a modification of the estimates made in determining the remaining useful life. Assets that began to be used during the reporting period are depreciated at half the above rates, under the assumption that they were purchased uniformly during the period, as the Group has verified that the depreciation rate obtained with this simplification does not differ significantly from the rate calculated from the time the asset is available and ready for use:

- Industrial buildings	4%
- Industrial plant and machines	10%
- Equipment	25%
- Office machines and furniture	12%-20%
- Electronic office machines	20%-25%
- Vehicles	25%

Depreciation is also calculated on temporarily idle assets. Land is not depreciated because it has an infinite useful life.

Routine maintenance and repair costs are charged directly to the Income Statement of the year in which they are incurred.

If, apart from the depreciation already accounted for, an impairment loss is identified for an asset, the asset is written down accordingly. If the reasons for the writedowns cease to apply in future periods, the original value is reinstated to the extent the asset would have had without the writedown.

C) NON-CURRENT FINANCIAL ASSETS

INVESTMENTS IN UNCONSOLIDATED SUBSIDIARIES AND IN ASSOCIATES

Non-current assets consisting of investments in subsidiaries that are not consolidated with the full consolidation method and investments in associates are accounted for using the equity method, i.e. at the amount of the corresponding share of equity resulting from the latest financial statements of such companies, after deducting dividends and making the adjustments required by the accounting standards for preparing the consolidated financial statements.

Capital gains or losses resulting from use of the equity method are recognized in the Income Statement under "revaluations of equity investments" and "writedowns of equity investments", respectively.

OTHER EQUITY INVESTMENTS

Other equity investments are stated at their purchase or subscription cost, inclusive of ancillary costs, adjusted for any impairment losses.

D) INVENTORIES

Inventories are stated at the lower of purchase or production cost, determined using the weighted average cost method, and the estimated realizable value obtained from market prices (Civil Code Article 2426, n. 9). The purchase cost is the actual purchase price plus ancillary expenses, excluding finance costs.

Inventories are written down for impairment when the realizable value based on market prices is below the related carrying amount. Obsolete and slow-moving inventories are written down in relation to their useful life or realizable value directly and by means of a provision.

E) RECEIVABLES

Receivables are recognized using the amortized cost method, taking into account the time factor and the estimated realizable value.

The amortized cost method is not used when the effects are immaterial, or when the transaction costs, commissions paid between the parties and any other difference between the initial amount and the amount at maturity are of little significance, or if the receivables are short-term (due in less than 12 months).

The receivables are adjusted to their estimated realizable value as necessary by a provision for bad debts deducted directly from the receivables. The estimate of the provision for bad debts includes losses expected due to credit risk situations that have already occurred or are considered probable, and other bad debts that have already occurred or have not occurred but are deemed probable. The amount of the writedown is recognized in the Income Statement.

Receivables assigned in factoring transactions are derecognized only if the assignments are non-recourse and if substantially all risks relating to the receivables are transferred. Receivables assigned with recourse, or without transferring all the risks, remain included in the Balance Sheet, and a financial liability of the same amount is recognized for the advance received.

F) CURRENT FINANCIAL ASSETS

Derivative instruments are financial assets and financial liabilities recognized at their fair value.

Derivatives are designated as hedging instruments when, at the beginning of the hedging relationship, a close and documented correlation exists between the characteristics of the item hedged and those of the hedging instrument, that hedging relationship is formally documented, and the hedge effectiveness, verified regularly, is high.

Changes in the fair value of hedging derivatives are recognized:

- in Income Statement items D18 or D19 in the case of a fair value hedge of a recognized asset or liability, just as for the changes in the fair value of the hedged items (if the fair value change of the hedged item exceeds the fair value change of the hedging instrument, the difference is recognized in the Income Statement item affected by the hedged item);
- in an equity reserve (AVII – cash flow hedge reserve), in the case of cash flow hedges using methods to offset the effects of the cash flows hedged (the ineffective portion, and the change in the time value of options and forwards, are classified in items D18 and D19).

For derivatives classified as held for trading, stipulated to hedge currency risk but not designated for hedge accounting, the fair value changes are recognized in the Balance Sheet and charged to Income Statement items D18 or D19.

G) ACCRUALS AND DEFERRALS

Accrued income, prepaid expenses, accrued expenses and deferred income refer solely to income and expenses that will be realized in future periods, and income received and expenses paid during the year but that pertain to future periods. They reflect the portions of income and expenses that pertain to two

or more years, whose amount varies over time.

H) PROVISIONS FOR RISKS AND CHARGES

The provisions comprise the allowances for certain or probable losses or liabilities whose timing or amount could not be determined at the end of the reporting period. These provisions follow the general prudence and accrual principles and are all economically justifiable.

Contingent liabilities are recognized and stated in the provisions insofar as they are likely to arise and can be measured reliably. These allocations reflect the best estimate on the basis of the information known at the time of preparation of the financial statements. Risks for which the emergence of a liability is merely possible are described in the Notes on provisions, but no amount is allocated for them in the provisions.

The allocations are stated by priority in the related expense categories of the Income Statement (B, C or D). Whenever the nature of the allocation cannot be matched to one of the above categories, the allocations for risks and charges are accounted for in Income Statement items B12 and B13.

I) INCOME TAXES

Income tax is stated on the basis of the estimated taxable income in compliance with the regulations in force, taking into account exemptions and benefits applicable and tax credits due.

Deferred tax assets and liabilities are calculated on temporary differences between the amounts stated in the financial statements and the corresponding amounts recognized for tax purposes, on consolidation adjustments (elimination of intra-Group profits not yet realized from third parties), and in connection with the tax deferral of gains on disposals of fixed assets or business units.

The recognition of deferred tax assets, including the tax benefit from losses carried forward, is subject to the reasonable certainty of their recovery, so the balance from prepaid taxes is accounted for only if it is probable that sufficient taxable income will be generated in the future to absorb it, or solely for those positive differences that will reverse in periods when temporary differences of similar amounts arise.

J) PROVISION FOR POST-EMPLOYMENT BENEFITS (“TFR”)

The provision for post-employment benefits represents the entire obligation accrued toward employees under current legislation, collective bargaining agreements and supplementary employment contracts. This liability is subject to revaluation using ISTAT indices. The provision is payable upon retirement or resignation and is not guaranteed by collateral. Pursuant to the supplementary pension reform (Law 296 of December 27, 2006) and in compliance with the guidance of the Italian Accounting Board (OIC), the provision at the end of the reporting period represents only the portion of post-employment benefits revalued under the law as accrued at December 31, 2006 or at the date of joining the supplementary pension funds, for those employees who exercised that option during the year.

The provision accrued after January 1, 2007 is paid into supplementary pension funds or into the treasury fund set up at INPS, depending on the choice made by the employees.

K) PAYABLES

Payables are recognized using the amortized cost method, taking into account the time factor. The amortized cost method is not used for payables when its effects are immaterial. The effects are considered immaterial for short-term payables (those due in less than 12 months). The amortized cost method is noted in the foregoing description of receivables.

Payables for employees' accrued vacation time and for deferred compensation, including social security, are stated on the basis of the amount that would be payable if the employment contract should terminate on the reporting date.

L) RECOGNITION OF INCOME AND EXPENSES

Income and expenses are stated net of returns, discounts, rebates, premiums and the taxes directly related to the sale of products and supply of services.

Revenues from sales of goods are recognized when the significant risks and rewards associated with the sale have been transferred and the amount of revenue can be measured reliably. The significant rewards are deemed transferred when the Company transfers to the counterparty the ability to decide how to use the good and to obtain the related rewards definitively, which is normally identified with the delivery or sending of the goods.

Revenues from the supply of services are recognized on a percentage-of-completion basis when both of the following conditions are met: (i) the right to consideration, under the agreements with the counterparty, accrues as the performance obligations are met over time; (ii) the amount of revenue can be measured reliably. If these conditions are not met, the revenues from the service provided can be recognized solely upon the definitive completion of the service.

Expenses are accounted for on an accrual basis, regardless of the date of receipt or payment, and net of returns, discounts, rebates and premiums.

Grants related to income are recognized on an accrual basis as they fall due.

Financial income is recognized on a time basis.

M) FOREIGN CURRENCIES

Receivables and payables in foreign currencies are accounted for in Euros at the exchange rates prevailing on the date of the transaction. They are subsequently retranslated using the exchange rate prevailing at the end of the reporting period. The difference deriving from the exchange rates is stated in the Income Statement.

ANALYSIS OF FINANCIAL STATEMENT ITEMS

ASSETS

B) NON-CURRENT ASSETS

I - INTANGIBLE FIXED ASSETS

The balances of the intangible assets at the beginning and end of the financial year are set forth in Table 4 of the Attachment.

The increases regard primarily renewals of patent and intellectual property rights and of the concessions, licenses and trademarks registered by the Group.

The Euro 22,422 thousand increase in goodwill and the Euro 10,967 thousand increase for concessions, licenses and trademarks refer to the first-time consolidation of Conceria Superior S.p.A and Tannerie Limoges S.A.S.

The main increases are Euro 367 thousand for the Parent Company, Euro 86 thousand for Morellino S.r.l., Euro 560 thousand for Jacqart, and Euro 18 thousand for the Mapel Group.

II - PROPERTY, PLANT AND EQUIPMENT

The changes during the year in the historical cost of property, plant and equipment are presented in Table 5 of the Attachment.

The capital expenditures, excluding the assets under construction, relate to purchases made by Rino Mastrotto Group S.p.A. and its subsidiaries. For the Parent company, the capital expenditures of the year (excluding assets under construction) total Euro 7,759 thousand, Euro 5,542 thousand of which was for the purchase or special maintenance of plant and machinery, Euro 963 thousand for purchases of and improvements to industrial buildings, Euro 425 thousand for the purchase of equipment, and Euro 829 thousand for the purchase of other assets.

For Brazilian subsidiary Bermas Ltda, the capital expenditures (excluding assets under construction) amount to Euro 635 thousand, Euro 488 thousand of which was for the purchase or special maintenance of plant and Euro 147 thousand for the purchase or special maintenance of other assets. For Swedish subsidiary Elmo Sweden AB, the increases for the year (excluding assets under construction) involve Euro 657 thousand for the purchase of machinery, plant and equipment. For subsidiary Nuova Osba S.r.l., the capital expenditures (excluding assets under construction) amount to Euro 635 thousand.

For American subsidiary Rmg of America, the increases (excluding assets under construction) refer to Euro 46 thousand for the purchase of other assets.

For subsidiary Morellino, the capital expenditures (excluding assets under construction) total Euro 1,202 thousand, Euro 851 thousand of which for the purchase or special maintenance of plant and machinery, Euro 142 thousand for purchases of and improvements to industrial buildings, Euro 113 thousand for the purchase of equipment, and Euro 96 thousand for the purchase of other assets.

For subsidiary Tessitura Oreste Mariani, the capital expenditures (excluding assets under construction) total Euro 333 thousand, Euro 194 thousand of which for the purchase or special maintenance of plant and machinery, Euro 32 thousand for purchases of and improvements to industrial buildings, Euro 90 thousand for the purchase of equipment, and Euro 17 thousand for the purchase of other assets.

For subsidiary Jacqart, the capital expenditures (excluding assets under construction) amount to Euro

1,097 thousand.

For the Mapel Group, the capital expenditures (excluding assets under construction) amount to Euro 1,436 thousand and refer to Euro 912 thousand for the purchase or special maintenance of plant and machinery, Euro 489 thousand for improvements to industrial buildings, Euro 1 thousand for equipment, and Euro 33 thousand for the purchase of other assets.

In 2008 Rino Mastrotto Group S.p.A. made use of the option granted under Law 2/2009 to perform revaluations, and thus increased the value of built-up areas and buildings for statutory purposes only, so the related deferred taxes were allocated. In 2020, the tax bases were realigned with the carrying amounts in accordance with Decree Law 104/2020, Article 110, paragraphs 7 and 8, with the payment of 3% substitute tax on the difference; for this reason, the deferred tax provision was reversed.

Accounting for the main leases using the financial method at December 31, 2025 resulted in the recognition of a Euro 7,209 thousand increase in the value of land and buildings before the related accumulated depreciation of Euro 6,609 thousand, a Euro 27,444 thousand increase in the value of plant and machinery before the related accumulated depreciation of Euro 25,067 thousand, and a Euro 1,730 thousand increase in the value of other assets before the related accumulated depreciation of Euro 1,594 thousand.

In the Income Statement, Euro 660 thousand of the costs of leases and rentals was reversed, additional depreciation of Euro 545 thousand was charged, interest of Euro 35 thousand was recognized and taxes of Euro 23 thousand were charged.

This accounting method, net of tax, improved the result for the year by Euro 58 thousand, while the effect on equity, consisting of the sum of the Income Statement effects of previous years and of the reporting period reflected in the changes to the above Balance Sheet amounts, is an increase of Euro 1,920 thousand.

III - NON-CURRENT FINANCIAL ASSETS

The non-current financial assets are detailed below (in thousands of Euros):

	2025	2024	Change	% change
Investments in unconsolidated subsidiaries	13	0	13	0.0%
Investments in associates	1,220	893	327	36.6%
Investments in other undertakings	1,080	558	522	93.5%
Total equity investments	2,313	1,451	862	59.4%
Receivables due from associates within 12 months	0	14	(14)	(100.0%)
Receivables due from others within 12 months	100	100	0	0.0%
Receivables due from subsidiaries after 12 months	46	3,148	(3,102)	(98.5%)
Receivables due from others after 12 months	219	189	30	15.9%
Other securities	204	159	45	28.3%
Total non-current financial assets	2,882	5,061	(2,179)	(43.1%)

The Euro 3,102 thousand decrease in the receivables due from subsidiaries is attributable to the change in the consolidation method used for Brusarosco de Mexico SA, which had been consolidated using the equity method until 2024.

The investments in associates, accounted for using the equity method, are detailed below (amounts in thousands of Euros):

	2025	2024	% ownership
RMG Australia Ltd	35	35	33%
AFX BRUS LLC	1,185	858	50%
Total investments in associates	1,220	893	

The investments in other undertakings, accounted for using the cost method, are presented below (in thousands of Euros):

	2025	2024
UTIAC Spa	69	104
Energindustria	1	1
Banca Popolare Italiana	8	8
Consorzio Depuratore Santa Croce sull'Arno	946	438
Other companies	56	7
Total investments in other undertakings	1,080	558

The associates include a 50% interest in AFX/BRUS LLC resulting from a joint venture agreement with U.S. supplier AFX Industries LLC involving leather cut work for the automotive sector in order to better supply the North American market.

The investment in Consorzio Depuratore Santa Croce sull'Arno is owned by subsidiary Nuova Osba S.r.l. for Euro 438 thousand and by subsidiary Conceria Superior for Euro 508 thousand.

C) CURRENT ASSETS

I - INVENTORIES

The inventories are detailed below (in thousands of Euros):

	2025	2024	Change	% change
1) Raw and ancillary materials and consumables	29,232	29,669	(437)	(1.5%)
2) Inventories of work in progress and semi-finished goods	53,896	45,380	8,516	18.8%
4) Inventories of finished products	42,961	35,243	7,718	21.9%
5) Advances	54	17	37	217.6%
Total	126,143	110,309	15,834	14.4%

The total inventories show a Euro 15.8 million increase over the previous year relating to new purchases.

II - RECEIVABLES

The receivables consist of the following (in thousands of Euros):

	2025	2024	Change	% change
Trade receivables	32,108	25,292	6,816	26.9%
Receivables due from unconsolidated Group companies	0	10,979	(10,979)	(100.0%)
Receivables due from associates	335	398	(63)	(15.8%)
Tax credits	18,421	13,116	5,305	40.4%
Deferred tax assets	3,946	625	3,321	531.4%
Other receivables	2,768	1,294	1,474	113.9%
Total	57,578	51,704	5,874	11.4%

The trade receivables consist of the following (in thousands of Euros):

	2025	2024	Change	% change
Italian trade receivables	10,361	8,168	2,193	26.8%
International trade receivables	22,377	17,508	4,869	27.8%
Disputed trade receivables	72	28	44	157.1%
Provision for bad debts	(702)	(412)	(290)	70.4%
Total	32,108	25,292	6,816	26.9%

The changes in the provision for bad debts are set out below (in thousands of Euros):

	Opening balance	Allocation	New consolidation	Use	Closing
Provision for bad debts	412	37	255	(2)	702

The trade receivables of subsidiaries Elmo Sweden AB and Tessitura Mariani Spa are covered by insurance policies, whereas the Parent company, Nuova Osba Srl and Jacqart have entered into non-recourse factoring agreements for receivables due from numerous major customers, with an underlying insurance policy.

The receivables due from associates refer to trade receivables due from RMG Australia Pty and AFX BRUS LLC.

The tax credits are detailed below (in thousands of Euros):

	2025	2024	Change	% change
VAT and ICMS credits	7,077	3,017	4,060	134.6%
PROAPI credit	91	50	41	82.0%
Direct tax credits	4,605	3,294	1,311	39.8%
Due within 12 months	11,773	6,361	5,412	85.1%
PROAPI credit	0	88	(88)	(100.0%)
Tax credits for ICMS and IPI refunds	6,648	6,667	(19)	(0.3%)
Due after 12 months	6,648	6,755	(107)	(1.6%)

The VAT, ICMS and other tax credits due within 12 months include the receivable balance of:

- Rino Mastrotto Group S.p.A. for Euro 1,084 thousand;
- Bermas Maracanaú Indústria e Comércio de Couro Ltda for Euro 1,134 thousand;
- Elmo Sweden AB for Euro 98 thousand;
- Nuova Osba S.r.l. for Euro 1,591 thousand;
- Tessitura Oreste Mariani S.p.A. for Euro 287 thousand;
- Jacqart S.r.l for Euro 283 thousand;
- Brusarosco de Mexico for Euro 2,175 thousand;
- Conceria Superior S.p.A. for Euro 379 thousand;
- Tannerie Limoges Sas for Euro 46 thousand.

The current PROAPI tax credit refers to government grants, equal to 10% of the exports from Brazilian subsidiary Bermas Ltda.

The direct tax credits include:

- Rino Mastrotto Group S.p.A. for Euro 2,123 thousand;
- Bermas Ltda for Euro 276 thousand;
- Elmo Sweden AB for Euro 7 thousand;
- Nuova Osba S.r.l. for Euro 502 thousand;
- Morellino S.r.l. for Euro 192 thousand;
- RMG USA LLC for Euro 577 thousand;
- Tessitura Oreste Mariani for Euro 353 thousand;
- Mapel Group S.r.l. for Euro 525 thousand;
- Conceria Superior S.p.A. for Euro 50 thousand.

In the past, Brazil's difficult domestic and economic environment led to very slow and uncertain tax credit collection periods. For this reason and in view of possible collection costs, a provision for bad debts equal to 20% of the amount of the receivables has been recognized in the Brazilian subsidiary's financial statements since 2018, which amounted to BRL 16,861 thousand (equivalent to Euro 3,145 thousand) at December 31, 2023 and at December 31, 2024. These credits were written down by an additional Euro 4,408 thousand in the consolidated financial statements for prior years and for the reporting period. In 2025 the Brazilian authorities continued with an in-depth review of taxation and settlement mechanisms regarding any tax credits, which is bringing greater certainty to the collection and collection timing of the amounts. Since the reform process is not fully implemented, for the time being, out of prudence, it has been decided to maintain the accounting treatment of the previous years.

The deferred tax assets are detailed below (in thousands of Euros):

	Opening balance	Allocation	New consolidation	Use	Closing
Deferred tax assets	625	926	2,428	(33)	3,946

The deferred tax assets refer to:

- Rino Mastrotto Group S.p.A. for Euro 426 thousand;

- Rmg of America LLC for Euro 55 thousand;
- Nuova Osba for Euro 615 thousand;
- Tessitura Oreste Mariani S.p.A. for Euro 114 thousand;
- Jacqart S.r.l for Euro 4 thousand;
- Conceria Superior S.p.A. for Euro 2,428 thousand;
- consolidation entries for Euro 302 thousand.

These deferred tax assets are deemed recoverable based on the expectations of future profits made by the directors of the respective companies. Deferred tax assets were calculated using tax rates reasonably expected to apply in the years of reversal.

The other receivables are detailed below (in thousands of Euros):

	2025	2024	Change	% change
Receivables due from suppliers for advances	947	465	482	103.7%
Other receivables	1,799	794	1,005	126.6%
Due within 12 months	2,746	1,259	1,487	118.1%
Other receivables	22	35	(13)	(37.1%)
Due after 12 months	22	35	(13)	(37.1%)
Total	2,768	1,294	1,474	113.9%

The receivables due from suppliers for advances refer to the following companies:

- Rino Mastrotto Group S.p.A. for Euro 101 thousand;
- Bermas Ltda for Euro 657 thousand;
- Brusarosco de Mexico for Euro 174 thousand;
- other minor receivables due from other subsidiaries for Euro 15 thousand

The most significant items of the other current receivables refer to:

- Rino Mastrotto Group S.p.A. for Euro 143 thousand;
- Bermas Ltda for Euro 173 thousand;
- Elmo Sweden AB for Euro 35 thousand;
- Nuova Osba S.r.l. for Euro 15 thousand;
- Rmg of America, LLC for Euro 21 thousand;
- Tessitura Oreste Mariani S.p.A. for Euro 108 thousand;
- Jacqart S.r.l. for Euro 257 thousand;
- Morellino per Euro 65 thousand;
- Mapel Group for Euro 94 thousand;
- Brusarosco de Mexico for Euro 20 thousand;
- Conceria Superior S.p.A. for Euro 865 thousand.

IV - CASH AND BANK BALANCES

The cash bank balances consist of the following (in thousands of Euros):

	2025	2024	Change	% change
Bank and postal deposits	43,559	57,198	(13,639)	(23.8%)
Cash and cash equivalents on hand	12	15	(3)	(20.0%)
Total	43,571	57,213	(13,642)	(23.8%)

D) ACCRUED INCOME AND PREPAID EXPENSES

The composition of the accrued income and prepaid expenses is shown below (in thousands of Euros):

	2025	2024	Change	% change
Prepaid insurance premiums	0	16	(16)	(100.0%)
Other prepaid expenses	1,530	1,033	497	48.1%
Total prepaid expenses	1,530	1,049	481	45.9%

LIABILITIES

A) EQUITY

The changes in equity of the past two years are presented in the following tables (in thousands of Euros):

Current financial year	Balance at Jan. 1, 2025	Alloc. of profit/ loss	Other	Dividend distribution	Result of the year	Balance at Dec. 31, 2025
I Share capital	39,000					39,000
II Share premium reserve	14,063		46,700			60,763
III Revaluation reserve	12,081					12,081
IV Legal reserve	7,800					7,800
Foreign currency translation reserve	(3,375)		(1,806)			(5,181)
Extraordinary reserve						-
Tax-suspended reserve for realign. of carrying amounts and tax bases as per Decree Law 104/20	21,104	(2,198)				18,906
Cash flow hedge reserve	(885)		372			(513)
VIII Retained earnings/ (losses)	24,231	4,236				28,467

IX Profit/(loss) for the year	2,038	(2,038)			(16,516)	(16,516)
Equity attributable to owners of the Parent	116,057	-	45,266		(16,516)	144,807
X Non-controlling interests	13,987	1,203	1,275	(207)		16,258
XI Profit/(loss) attributable to non-controlling interests	1,203	(1,203)			434	434
Equity attributable to non-controlling interests	15,190		1,275	(207)	434	16,692
Total equity	131,247		46,541	(414)	(16,082)	161,499

Previous year	Balance at Jan. 1, 2024	Alloc. of profit/loss	Other	Dividend distribution	Result of the year	Balance at Dec. 31, 2024
I Share capital	39,000					39,000
II Share premium reserve	60,740			(46,677)		14,063
III Revaluation reserve	12,081					12,081
IV Legal reserve	7,800					7,800
Foreign currency translation reserve	432		(3,807)			(3,375)
Extraordinary reserve	73,309	4,014		(77,323)		-
Tax-suspended reserve for realign. of carrying amounts and tax bases as per Decree Law 104/20	21,104					21,104
Cash flow hedge reserve	-		(885)			(885)
VIII Retained earnings/(losses)	18,185	6,046				24,231
IX Profit/(loss) for the year	10,060	(10,060)			2,038	2,038
Equity attributable to owners of the Parent	242,711	-	(4,692)	(124,000)	2,038	116,057
X Non-controlling interests	14,049	984	186	(1,232)		13,987
XI Profit/(loss) attributable to non-controlling interests	984	(984)			1,203	1,203
Equity attributable to non-controlling interests	15,033	-	186	(1,232)	1,203	15,190
Total equity	257,744	-	(4,506)	(126,464)	3,241	131,247

The share capital of the Parent company, Rino Mastrotto Group S.p.A., at December 31, 2025 is Euro 39 million, consisting of 75,000,000 ordinary shares with a par value of Euro 0.52 per share.

Pursuant to its decision to make use of the option available under Decree Law 104/2020, Article 110, paragraph 7 to realign the tax bases with the carrying amounts of the buildings at December 31, 2020, the Parent company restricted for tax suspension a portion of the extraordinary reserve, net of the substitute tax, for an amount of Euro 21,104 thousand.

The following tax-suspended reserves are present in the Company's equity:

- Euro 21,104 thousand as a result of the realignment pursuant to Decree Law 104/2020, Article 110, paragraph 7;
- Euro 1,132 thousand included in the revaluation reserve

RECONCILIATION OF THE PARENT COMPANY'S FINANCIAL STATEMENTS WITH THE CONSOLIDATED FINANCIAL STATEMENTS

The reconciliation statement in Table 6 of the Attachment summarizes the differences between the Parent company's financial statements and the consolidated financial statements with respect to items impacting profit/(loss) and equity.

B) PROVISIONS FOR RISKS AND CHARGES

The provisions for risks and charges are detailed below (in thousands of Euros):

	Opening balance	Alloc.	New cons	Used	Closing balance
1) Provision for agency termination benefits and similar obligations	861	194	0	0	1,055
2) Provisions for taxes, including deferred tax	16,329	2,735	96	(1,672)	17,488
4) Other provisions	4,292	514	204	(4,088)	718
Total	21,482	3,443	300	(5,760)	19,261

The provisions for taxes, including deferred tax, concern the Parent company with respect to the following main allocations:

- Euro 2,248 thousand related to the tax effects of the 2006 merger deficit allocation, for statutory purposes only, to equity investments and land. The breakdown is as follows:
 - Euro 16 thousand for the allocation of part of the OIKOS S.p.A. merger deficit to the investment in "Bermas Ind. e Com. de Couro Ltda".
 - Euro 2,232 thousand for the allocation of the OIKOS S.p.A. merger deficit to land.
- Euro 3,214 thousand related to taxes on the allocation to know-how (Euro 28,798 thousand) of part of the merger deficit, generated by the 2020 downstream merger with Odissea S.p.A., for statutory purposes only, net of deferred tax reversals recognized in the Income Statement relating to non-deductible depreciation from 2020 to 2025.
- Euro 9,773 thousand related to taxes on the allocation to trademarks (Euro 48,501 thousand) of part of the merger deficit, generated by the 2020 downstream merger with Odissea S.p.A., for statutory purposes only, net of deferred tax reversals recognized in the Income Statement relating to non-deductible depreciation from 2020 to 2025

The consolidation entries resulted in the following changes:

- release of Euro 23 thousand from the provision for taxes for lease entries accounted for using the financial method.
- allocation of Euro 245 thousand to the provision for taxes for the calculation of deferred tax on temporarily non-taxable profits for Swedish subsidiaries Elmo Sweden AB and Ngozi AB.

The derivative liabilities refer to two interest rate swaps stipulated with Intesa SanPaolo and BNP Paribas to hedge interest rate risk on notional Euro 160,000 thousand forming part of the Euro 320,000 thousand bond.

C) PROVISION FOR POST-EMPLOYMENT BENEFITS (“TFR”)

The following table presents the changes for the period (amounts in thousands of Euros).

	Opening balance	Allocation	New consolidation	Use	Closing
C) Provision for post-employment benefits	3,719	148	1,527	(295)	5,099

The post-employment benefits regard the Parent company for Euro 1,609 thousand, Nuova Osba S.r.l. for Euro 255 thousand, Morellino S.r.l. for Euro 540 thousand, Tessitura Oreste Mariani S.p.A. for Euro 146 thousand, Jacqart S.r.l. for Euro 300 thousand, Mapel Group S.r.l. for Euro 701 thousand, Brazilian subsidiary Bermas Ltda for Euro 21 thousand, and Conceria Superior S.p.A. for Euro 1,527 thousand.

The provision represents the Company’s obligation at December 31, 2025 toward the employees in service at that date, net of any advances paid.

D) PAYABLES

The payables are detailed below (in thousands of Euros):

	2025	2024	Change	% change
Bonds	314,659	314,396	263	0.1%
Payables due to banks	10,034	2,289	7,745	338.4%
Payables due to other financiers	1,222	1,608	(386)	(24.0%)
Payables due on advances from customers	287	519	(232)	(44.7%)
Trade payables	48,354	47,253	1,101	2.3%
Current tax liabilities	2,506	2,578	(72)	(2.8%)
Payables due to social security institutions	4,856	4,019	837	20.8%
Other payables	18,991	19,862	(871)	(4.4%)
Total	400,909	392,524	8,385	2.1%

The Euro 314,659 thousand for bonds is the net balance of the Euro 320,000 thousand notional amount of the total bond notes stipulated in 2024, the Euro 3,709 thousand interest accrued at December 31, 2025 for the November 1, 2025 - January 31, 2026 quarter, and Euro 9,050 thousand in capitalized transaction costs.

The bond notes are secured by a pledge on 99.9% of the Company’s shares, on the Company’s bank accounts where the related funds have been credited, and on the shares or quotas owned by the Company in the following subsidiaries: Elmo Sweden AB, Mapel Group Srl, Tessitura Mariani SpA, RMG of America LLC and RMG Leather USA LLC)

The current tax liabilities consist of the following (in thousands of Euros)

	2025	2024	Change	% change
Income tax	9	338	(329)	(97.3%)
VAT	120	14	106	757.1%
Withholding taxes	1,837	2,018	(181)	(9.0%)
Other taxes payable	540	208	332	159.6%
Total	2,506	2,578	(73)	(2.8%)

The payables due to social security institutions are as follows (in thousands of Euros):

	2025	2024	Change	% change
13) Social security	4,856	4,019	837	20.8%

The amount includes the payables due by Group companies to social security institutions and institutions insuring against workplace injuries: Euro 3,447 thousand refers to the Parent company, Euro 122 thousand to Nuova Osba S.r.l., Euro 305 thousand to Elmo Sweden AB, Euro 109 thousand to Morellino S.r.l., Euro 198 thousand to Tessitura Oreste Mariani S.p.A, Euro 158 thousand to Jacqart S.r.l., Euro 191 thousand to Mapel Group S.r.l., Euro 20 thousand to Brusarosco de Mexico, Euro 217 thousand to Conceria Superio S.p.A., and Euro 89 thousand to Tannerie Limoges SAS.

The other payables consist of the following (amounts in thousands of Euros):

	2025	2024	Change	% change
Remuneration due to Directors	272	86	186	216.3%
Remuneration due to Statutory Auditors	41	35	6	17.1%
Remuneration due to personnel	8,677	7,920	757	9.6%
PROAPI	4	9	(5)	(55.6%)
Other payables	9,995	11,811	(1,816)	(15.4%)
Total	18,989	19,861	(872)	(4.4%)

PROAPI refers to the reimbursement amount due to the Brazilian authorities of export grants accrued by the Brazilian subsidiary and recognized among “other receivables”. They are equal to 10% of such grants.

The “other payables” refer to the Parent company for Euro 7,308 thousand, the Brazilian subsidiary for Euro 559 thousand, Elmo Sweden AB for Euro 361 thousand, Nuova Osba for Euro 4 thousand, Tessitura Oreste Mariani S.p.A. for Euro 399 thousand, Jacqart S.r.l. for Euro 795 thousand, Brusarosco de Mexico for Euro 506 thousand and Conceria Superior S.p.A. for Euro 63 thousand

E) ACCRUED EXPENSES AND DEFERRED INCOME

The composition of the accrued expenses and deferred income is set out below (in thousands of Euros):

	2025	2024	Change	% change
Other deferred income	2,075	2,101	(26)	(1.2%)
Total deferred income	2,075	2,101	(26)	(1.2%)

INCOME STATEMENT

A) VALUE OF PRODUCTION

REVENUES FROM SALES AND SERVICESE

In order to better represent the revenues from sales and services relating to the Company's core business, in 2024 the ancillary revenue from sales of semi-finished leather, by-products, chemical products and sub-contracted processing work was reclassified to Income Statement item A5).

Revenues refer primarily to the consideration deriving from the sale of processed leathers.

These revenues are broken down below (in thousands of Euros):

	2025	2024	Change	% change
Revenues from sales and services	306,154	327,276	(21,122)	(6.5%)

The annual sales revenue is Euro 306 million, down slightly from the previous year.

The other income is detailed below (in thousands of Euros):

	2025	2024	Change	% change
Claims/damage compensation	4	7	(3)	(42.9%)
Capital gains and contingent gains	226	483	(257)	(53.2%)
Income from employee cafeteria	113	99	14	14.1%
Sundry other income	42,503	34,609	7,894	22.8%
Grants related to income	205	231	(26)	(11.3%)
Total	43,039	35,429	7,610	21.5%

The increase in the sundry other income is attributable to higher sales of semi-finished products and by-products.

B) COST OF SALES

RAW AND ANCILLARY MATERIALS, CONSUMABLES AND GOODS

The purchases are detailed below (in thousands of Euros):

	2025	2024	Change	% change
Purchases of raw materials	98,437	108,868	(10,431)	(9.6%)
Purchases of finished products	20,039	11,125	8,914	80.1%
Purchases of consumables	6,191	5,633	558	9.9%
Purchases of chemical products	50,116	52,158	(2,042)	(3.9%)
Customs charges	412	513	(101)	(19.7%)
Office supplies	145	170	(25)	(14.7%)
Discounts on purchases	(891)	(1,023)	132	(12.9%)
Total	174,449	177,444	(2,995)	(1.7%)

COST OF LEASES AND RENTALS

This item includes the costs incurred for machinery leases and rent.

COST OF PERSONNEL

This item comprises the entire expenditure for employees, including merit-based promotions, contractual promotions, unused vacation leave and amounts allocated under the law and collective bargaining agreements.

DEPRECIATION AND AMORTIZATION

Depreciation and amortization are calculated on the basis of the useful life of the asset and its use in the production process

IMPAIRMENT LOSSES ON CURRENT RECEIVABLES AND CASH AND BANK BALANCES.

This item, amounting to Euro 168 thousand, refers to the provision for bad debts entered to adjust receivables to their estimated realizable value

SUNDRY OPERATING EXPENSES

The composition of the sundry operating expenses is presented below (in thousands of Euros):

	2025	2024	Change	% change
Taxes other than on income	1,102	518	584	112.7%
Membership dues	135	122	13	10.7%
Other contingent losses	1,110	494	616	124.7%
Capital losses on asset disposals	252	243	9	3.7%
Other sundry expenses	915	686	229	33.4%
Total	3,514	2,063	1,451	70.3%

The other sundry expenses refer to:

- the Parent company for Euro 251 thousand;
- Elmo Sweden AB for Euro 402 thousand;
- Morellino S.r.l. for Euro 89 thousand;
- Nuova Osba S.r.l. for Euro 9 thousand;
- RMG of America LLC for Euro 63 thousand;
- Tessitura Oreste Mariani S.p.A. for Euro 58 thousand;
- Jacqart for Euro 2 thousand;
- Mapel Group for Euro 2 thousand;
- Brusarosco de Mexico for Euro 39 thousand

C) FINANCIAL INCOME/(COSTS)

The composition of interest expense and other finance costs is as follows (in thousands of Euros):

	2025	2024	Change	% change
Bank interest and charges	1,221	10,196	(8,975)	(88.0%)
Bond note interest	23,877	11,175	12,702	113.7%
Other interest	288	365	(77)	(21.1%)
Total	25,386	21,736	3,650	16.8%

The interest expense includes the amortization of the bond transaction costs (527 thousand Euro) referring to the relevant term of the bond notes.

The foreign exchange gains /(losses) are broken down below (in thousands of Euros):

	2025	2024	Change	% change
Foreign exchange gains	4,065	3,890	175	4.5%
Foreign exchange losses	(5,615)	(2,161)	(3,454)	159.8%
Total net balance	(1,550)	1,729	(3,279)	(189.6%)

The net balance, which had been a gain in 2024, includes Euro 100 thousand in unrealized losses and Euro 1,450 thousand in realized losses

D) ADJUSTMENTS TO VALUE OF FINANCIAL ASSETS (IN THOUSANDS OF EUROS)

	2025	2024	Change	% change
Revaluations of equity investments	340	1,056	(716)	(67.8%)
Writedowns of equity investments	(119)	(404)	285	(70.5%)
Total net balance	221	652	(431)	(66.1%)

The revaluations and writedowns of equity investments refer to the effects of using the equity method to account for the investments in unconsolidated subsidiaries and associates.

Below is the composition of the income tax for the year (in thousands of Euros):

	2025	2024	Change	% change
Corporate income tax (IRES) and other direct income taxes	1,638	5,507	(3,869)	(70.3%)
Regional tax on productive activities (IRAP)	1,873	2,360	(487)	(20.6%)
Tax consolidation (income)/expense	(398)	(382)	(16)	4.2%
Deferred tax expense and income	(1,610)	(2,039)	429	(21.0%)
Total	1,536	5,446	(3,910)	(71.8%)

ADDITIONAL INFORMATION

The composition of the employees and the remuneration of the Directors, Statutory Auditors and independent auditing firm are presented below by category.

TOTAL NUMBER OF EMPLOYEES AT YEAR-END

	2025	2024	Change	% change
Blue-collar employees	1,157	1,044	113	10.8%
White-collar employees	333	257	76	29.6%
Managers of subsidiaries abroad	13	11	2	18.2%
Managers of the Parent company	9	9	0	0.0%
Total blue-collar workers, white-collar workers and managers	1,512	1,321	191	14.5%

REMUNERATION OF DIRECTORS, STATUTORY AUDITORS AND INDEPENDENT AUDITORS (IN THOUSANDS OF EUROS).

	2025	2024	Change	% change
Remuneration of Directors	4,048	3,994	54	1.4%
Remuneration of Statutory Auditors	100	92	8	8.7%
Remuneration of independent auditors	106	106	0	0.0%
Total	4,254	4,192	62	1.5%

The remuneration shown above refers to the Group companies' Directors, Statutory Auditors and auditing firm for the performance of their duties. The remuneration of the Parent Company's Directors, Statutory Auditors and auditing firm amount to Euro 1,668 thousand, Euro 59 thousand and Euro 106 thousand, respectively.

SUBSEQUENT EVENTS

No significant events have occurred since the end of the reporting period that have made the current financial position substantially different from that resulting from the Balance Sheet at December 31, 2025 or that should require adjustments or additions to the financial statements.

Trissino, March 13, 2026.

Chairman of the Board of Directors
Rino Mastrotto

"I, Fabio Cavallino, born in Conegliano (TV) on April 15, 1966, pursuant to Italian Law 340/2000, Article 31, paragraph 2-quinquies, hereby state that this document corresponds to the original filed at the Company".

NOTES TO THE CONSOLIDATED STATEMENTS - TABLES

TABLE 1: COMPANIES CONSOLIDATED USING THE FULL CONSOLIDATION METHOD (AMOUNTS IN EUROS)

Name	Registered office	Share Capital (euros)	Direct	Indirect	Total
Parent Company					
Rino Mastrotto Group Spa	Trissino (VI) - Italy	39,000,000			
Subsidiaries					
Bermas Maracanaú Indústria e Comércio de Couro Ltda	Maracanaú - Brazil	7,035,607	99.999%	0.001%	100%
Elmo Sweden AB	Svenljunga - Sweden	4,620	100%	0%	100%
Ngozi AB	Svenljunga - Sweden	4,620	100%	0%	100%
Rmg of America, LLC	Raleigh (NC) - USA	21,957,447	100%	0%	100%
Rmg Leather, LLC	Conove - NC - USA	23,636,706	0%	90%	90%
Nuova Osba Srl	Trissino (VI) - Italy	50,000	100%	0%	100%
Morellino Srl	Santa Croce sull'Arno (PI) - Italy	90,000	70%	0%	70%
Tessitura Oreste Mariani Spa	Giussano (MB) - Italy	206,400	76%	0%	76%
Jacqart Srl	Nibionno (LC) - Italy	200,000	60%	0%	60%
Mapel Group Srl	Galliate Lombardo (VA) - Italy	600,000	60%	0%	60%
Brusarosco de Mexico SA	Leon - Mexico	10,619	100%	0%	100%
Conceria Superior Spa	Santa Croce sull'Arno (PI) - Italy	4,027,584	100%	0%	100%
Tannerie Limoges Sas	Limoges - France	600,000	60%	40%	100%

TABLE 2: LIST OF SUBSIDIARIES AND ASSOCIATE COMPANIES VALUED AT EQUITY (AMOUNTS IN EUROS)

Name	Registered office	Share capital	Equity	Profit (loss) for the year	Values as at	Share of ownership %	Balance sheet value
Associates							
RMG Australia Pty Ltd	Perth - Australia	184	104,753	4,085	June 30, 2024	33.3%	34,914
AFX/Brus, L.L.C:		0	2,441,344	2,901,785	Dec. 31, 2025	50%	1,185,063
Total associates							892,666
Manifattura Tacca Srl	Cavaglio d'Agogna (NO) - Italy	10,000	132,412	119,382	Dec. 31, 2025	100%	13,030
Total unconsolidated subsidiaries							13,030

TABLE 3: LIST OF EQUITY INVESTMENTS IN COMPANIES VALUED AT COST (AMOUNTS IN EUROS)

Other Companies	Registered office	Share capital	Equity	Profit (loss) for the year	Share of ownership %	Balance sheet value	
Equity investments of the Parent Company							
CAF Interregionale Dipendenti S.r.l.	Vicenza - Via Ontani n. 48	275,756	1,063,168	(5,966)		258	
Consorzio Energia Assindustria	Vicenza - Piazza Castello n. 3	1,044,594	1,052,124	7,528		516	
Utiac S.p.a.	Arzignano (VI) - Via Trieste n. 2	1,708,850	1,258,831	(374,443)	5.0	68,846	
Distretto Conciario Vicentino	Arzignano (VI) - Via Trieste n. 2	47,680	106,608	8,794		2,580	
CONAI	Rome - Via dell'Astronomia n. 30					101	
Former Veneto Banca and former Banca Popolare di	Montebelluna (TV) - Piazza G.B. dell'Armi 1					1	
Banco BPM S.p.A.	Vicenza					8,187	
Consorzio Salus Pueri	Padua - Via Giustiniani n. 3					2,500	
Total							82,989

TABLE 4: INTANGIBLE FIXED ASSETS (AMOUNTS IN EUROS/000)

Type	Opening Balance	Purchases	Disposals	Amort.	Reclassifications	Change in scope of consolidation	Other changes	Closing balance
1) Start-up and expansion costs	41	0	(13)	(9)	0	0	0	19
2) Development costs	0	0	0	0	0	0	0	0
3) Patent and intellectual property rights	378	357	0	(211)	7	0	(4)	527
4) Concessions, licenses, trademarks, and similar rights	52,530	379	0	(5,673)	5	10,967	0	58,208
5) Goodwill	159,106	0	0	(11,938)	0	22,422	(1,332)	168,258
6) Intangible assets under formation and advances	202	0	(195)	0	(7)	0	0	0
7) Other intangible assets	696	424	0	(314)	0	354	31	1,191
Total	212,953	1,160	(208)	(18,145)	5	33,743	(1,305)	228,203

TABLE 5: PROPERTY, PLANT AND EQUIPMENT (AMOUNTS IN EURO/'000)

Type	Initial Balance	Purchases	Disposals	Amort.	Reclassifications	Change in scope of consolidation	Other changes	Closing Balance
1) Land and buildings	54,979	1,676	(123)	(2,715)	1,186	4,062	(163)	58,902
2) Plant and machinery	39,934	9,527	(81)	(7,712)	1,838	3,699	83	47,288
3) Industrial and commercial equipment	2,449	910	0	(686)	70	0	38	2,781
4) Other tangible assets	2,754	1,687	(6)	(935)	138	319	(22)	3,935
5) Assets under construction and advances	12,167	6,974	(64)	0	(3,237)	70	118	16,028
Total	112,283	20,774	(274)	(12,048)	(5)	8,150	54	128,934

TABLE 6: RECONCILIATION OF THE PARENT COMPANY'S FINANCIAL STATEMENTS WITH THE CONSOLIDATED FINANCIAL STATEMENTS (AMOUNTS IN EURO/'000)

Description	2025 profit/ (loss)	Equity at Dec. 31, 2025	2024 profit/ (loss)	Equity at Dec. 31, 2024
BALANCES AS PER PARENT COMPANY FINANCIAL STATEMENTS	(5,023)	135,508	(2,205)	93,459
Effect of full consolidation of investees:				
Carrying amount of investees		(156,689)		(117,997)
Equity and profit/(loss) for the year of consolidated companies	(308)	114,471	7,197	118,165
Equity accounting of undertakings recognized at cost	208	993	643	(2,632)
Allocation of differences to the assets of the consolidated companies and related amortization				
Consolidation difference allocated to goodwill	(10,011)	166,492	(10,104)	145,894
Reversal of merger gains	7,612	(91,338)	7,612	(98,950)
Elimination of merger deficit allocated to land (net of tax)		(5,767)		(5,767)
Elimination of merger deficit allocated to equity investments (net of tax)		18		18
Effect of other adjustments:				
Foreign exchange differences on elimination of intra-Group receivables/payables and income/expenses	97	1,079	618	539
Elimination of intra-Group inventory margins	(524)	(780)	170	(256)
Effect of accounting for leases using the financial method	58	1,920	147	1,862
Elimination of dividends	(8,110)	0	(836)	1,320
Other adjustments (ICMS writedown)		(4,408)		(4,408)
BALANCES AS PER CONSOLIDATED FINANCIAL STATEMENTS	(16,081)	161,499	3,242	131,247
BALANCES AS PER CONSOLIDATED FINANCIAL STATEMENTS – Attributable to non-controlling interests	(434)	(16,693)	(1,204)	(15,191)
BALANCES AS PER CONSOLIDATED FINANCIAL STATEMENTS – Attributable to owners of the Parent	(16,515)	144,806	2,038	116,056

03

REPORT OF THE AUDITING
COMPANY



RINO MASTROTTO



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INDEPENDENT AUDITOR'S REPORT PURSUANT TO ARTICLE 14 OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010

**To the Shareholders of
Rino Mastrotto Group S.p.A.**

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of Rino Mastrotto Group S.p.A. and its subsidiaries (the "Group"), which comprise the consolidated balance sheet as at December 31, 2025, the consolidated statement of income and statement of cash flows for the year then ended and the explanatory notes.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at December 31, 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the Italian law governing financial statements.

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 Rino Mastrotto Group S.p.A. (the "Company") in accordance with the ethical requirements applicable under Italian law to the audit of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Directors and the Board of Statutory Auditors for the Consolidated Financial Statements

The Directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance the Italian law governing financial statements and, within the terms established by law, for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they have identified the existence of the conditions for the liquidation of the Company or the termination of the business or have no realistic alternatives to such choices.

Ancona Bari Bergamo Bologna Brescia Cagliari Firenze Genova Milano Napoli Padova Parma Roma Torino Treviso Udine Verona

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The Board of Statutory Auditors is responsible for overseeing, within the terms established 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 International Standards on Auditing (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 the 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 International Standards on Auditing (ISA Italia), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain 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.
- Obtain 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of management's 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.
- Evaluate 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.
- Obtain 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.

We communicate with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinions and statement pursuant to art. 14, paragraph 2, sub-paragraphs e), e-bis) and e-ter), of Legislative Decree 39/2010

The Directors of Rino Mastrotto Group S.p.A. are responsible for the preparation of the report on operations of the Group as at December 31, 2025, including its consistency with the related consolidated financial statements and its compliance with the law.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 720B in order to:

- express an opinion on the consistency of the report on operations with the consolidated financial statements;
- express an opinion on compliance with the law of the report on operations;
- make a statement about any material misstatement in the report on operations.

In our opinion, the report on operations is consistent with the consolidated financial statements of the Group as at December 31, 2025.

In addition, in our opinion, the report on operations is prepared in accordance with the law.

With reference to the statement referred to in art. 14, paragraph 2, sub-paragraph e-ter), of Legislative Decree 39/2010, made on the basis of the knowledge and understanding of the entity and of the related context acquired during the audit, we have nothing to report.

DELOITTE & TOUCHE S.p.A.

Signed by
Sergio Di Patria
Partner

Padua, Italy
April 15, 2026

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



RINO MASTROTTO