

Italian Wine Brands S.p.A.

Report on review of the condensed
consolidated half- yearly financial
statements as at 30 June 2025

Report on review of the condensed consolidated half-yearly financial statements

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

Introduction

We have reviewed the condensed consolidated half-yearly financial statements of Italian Wine Brands S.p.A. and subsidiaries (the “IWB Group”), which comprise the consolidated statement of financial position as of 30 June 2025 and the income statement, statement of comprehensive income, statement of changes in equity and cash flow statement for the six-month period then ended, and the related explanatory notes. The Directors are responsible for the preparation of the half-yearly condensed consolidated financial statements in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as issued by the International Accounting Standards Board and adopted by the European Union. Our responsibility is to express a conclusion on the half-yearly condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with the criteria recommended by the Italian Regulatory Commission for Companies and the Stock Exchange (“Consob”) for the review of the half-yearly financial statements under Resolution n° 10867 of July 31, 1997. A review of condensed consolidated half-yearly financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated half-yearly financial statements of IWB Group as at 30 June 2025 are not prepared, in all material respects, in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as issued by the International Accounting Standards Board and adopted by the European Union.

Milan, 29 september 2025

BDO Italia S.p.A.
Signed by

Giovanni Rovelli
Socio

This 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.

ITALIAN WINE BRANDS

Creatori di Eccellenze

CONSOLIDATED HALF-YEAR FINANCIAL REPORT

30 JUNE 2025

ITALIAN WINE BRANDS S.P.A.

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

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

italianwinebrands.it





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Composition of the Corporate and Control Bodies

Board of Directors

Alessandro Mutinelli
(Chairman and Chief Executive Officer)

Giorgio Pizzolo
(Deputy Chairman)

Simone Strocchi

Sofia Barbanera

Antonella Lillo
(Independent Director)

Massimiliano Mutinelli

Marta Pizzolo

Board of Statutory Auditors

David Reali
(Chairman of the Board of Statutory Auditors)

Debora Mazzaccherini
(Standing Auditor)

Eugenio Romita
(Standing Auditor)

Independent Auditors

BDO Italy S.p.A.

Euronext Growth Advisor

Value Track SIM S.p.A.



Key figures

PROFIT & LOSS FIGURES

Amounts in €000	30.06.2025	31.12.2024	30.06.2024	30.06.2023
Revenue from sales	185,133	401,937	191,202	196,778
Adjusted EBITDA	21,885	50,382	21,923	17,254
%	11.8%	12.5%	11.5%	8.8%
Adjusted EBIT	17,098	39,557	15,633	10,920
EBIT	16,188	35,795	14,019	9,889
%	8.7%	8.9%	7.3%	5.0%
Adjusted net profit/(loss)	10,992	25,319	10,279	5,355
%	5.9%	6.3%	5.4%	2.7%
Profit/(loss)	10,336	22,607	9,116	4,612
%	5.6%	5.6%	4.8%	2.3%

ASSETS & LIABILITIES

Amounts in €000	30.06.2025	31.12.2024	30.06.2024	30.06.2023
Net working capital	8,154	6,820	13,121	37,369
Net Invested Capital	316,423	315,851	321,248	351,834
Shareholders' equity	225,968	226,534	213,151	197,606
Net financial position	90,455	89,316	108,097	154,228
Net debt (without effect of applying IFRS 16)	78,404	75,951	93,568	138,576
Net financial position - third-party lenders	78,010	75,506	92,136	134,114

MAIN RATIOS

	30.06.2025	31.12.2024	30.06.2024	30.06.2023
EBITDA Adjusted LTM	50,344	50,382	48,999	40,216
Net financial position/Adjusted EBITDA (LTM)	1.80	1.77	2.21	3.83
Net financial position/Net equity	0.40	0.39	0.51	0.78
EPS	1.11	2.42	0.97	0.49

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



Directors' Report on Operations

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

1.1 Markets

1.1.1 International market

In the first half of 2025, Italian wine exports are expected to decline, reflecting the current decline in consumption, only partially mitigated by the rush in America to buy pre-tariff stocks. According to Unione italiana vini, exports to non-EU countries closed the first quarter with volumes down by almost 9% (-0.1% in value), despite the 4% increase in the USA (slowing down by the end of March, however). The Unione italiana vini Observatory's Nielsen-based calculations of large-scale distribution and retail in the world's top three markets (USA, Germany and UK) show a declining trend in volumes of 8% (-5.5% in value) in the first quarter, with the United States down 5.4%, Germany -11.8% and the UK -6.4%.

Negative signals also come from the main Eastern European markets, where Russia has reduced its imports of Italian wine by more than two-thirds, with just 7.9 million litres purchased from January to March 2025, compared with 27.8 million in 2024 (-64% in value); negative signals are also coming from the Far East: (i) China is down 23% in terms of volumes (-22% in value), Japan by 12% (-10% in value), with the sole exception of South Korea +4.7% in volume (+6.5% in value).

Almost all the main appellations are in difficulty: from Pinot Grigio delle Venezie to Chianti, from Lambrusco to Piedmontese reds to Sicilian whites.

The one notable exception is prosecco Dop, which with Euro 387 million of sales marks **an increase of 5%** in value on the corresponding quarter of a year ago, against volumes that grew by over 6%, to 88.6 million litres. An appellation that confirms its **key role in Italian exports**.

In terms of future prospects:

The **United States** continue to represent the main market but because of the tariffs, it is also the area of greatest uncertainty given the potential damage to Italian companies: approximately Euro 317 million cumulative over the next 12 months if the 15% tariffs are confirmed, aggravated by the trend in the Euro/USD exchange rate. It will be essential for the EU and the Italian government to push for direct and indirect promotion, coordinated with the companies involved, to support brands in a context of general price and cost increases.

The wine market in **Europe** presents contrasting prospects. While on the one hand there is a decline in consumption and in exports, on the other hand there are signs of growth in the premium segment and in specific foreign markets. The general trend sees a decrease in per capita consumption, with a greater focus on quality and product diversification.

The prospects for wine consumption in **Eastern Europe**, on the other hand, are better with signs of moderate growth in 2025, with particular attention to the rising demand for quality



wines and those from specific regions. In particular, countries such as Poland, Romania and Türkiye have shown an increase in imports of Italian wine in recent years.

Positive prospects could come from **market diversification** and from **free trade agreements**, with Mercosur in the lead, in the hope that it will be ratified soon.

Currently, **Mercosur** as a market represents a small percentage of Italian wine exports, but the growth potential is significant, especially in **Brazil**, a country with an expanding middle class and a growing interest in imported wine.

The situation in the **Far East** is more complex:

- the **Chinese market** for wine has undergone a significant decline in recent years, with falling sales and a decrease in per capita consumption. This is due to several factors, including the reduction in consumer purchasing power and a growing preference for local alcoholic beverages such as baijiu and beer. However, there is growth potential for high-quality wines and those suited to more informal drinking styles, such as aperitifs.
- As regards other Asian markets: (i) **India and Southeast Asia**, in particular **Vietnam and Thailand**, offer growth opportunities for the wine market, driven by increasing disposable income and the adoption of Western lifestyles; (ii) despite being a mature market, **Japan** is showing signs of resilience with a growing interest in sparkling wines and a greater awareness of wine among younger generations.

1.1.2 Domestic market

After a start to the year that revealed a market that was still in difficulty, in the second quarter of 2025 wine in Italian large-scale retail trade began to show positive signs again, helped by the Easter holidays: volumes limited their losses (-1%), with overall sales recovering to show a +3.5% increase in value.

Overall, in the first half of the year, sales in value terms held up (+1.1%), supported by increases in average prices (+3.5%), while overall volumes continued to show a negative trend (-2.4%).

Still and fizzy wines are the ones penalising overall sales the most, showing the biggest declines in volume (-3.8%) and failing to bring values back into positive territory despite the rise in prices (-0.4%). Sparkling wines, on the other hand, confirmed their position as the most dynamic category, with widespread growth of more than six percentage points in both value and volume.

In terms of distribution formats, the best results are recorded in hypermarkets, supermarkets and discount stores, which prove more resilient especially in sales of sparkling wine; Cash &



Carry shows a different trend, continuing with previous months, which is still struggling to recover, with contractions in both value (-4.2%) and volume (-6.2%), trends that reflect out-of-home consumption that is still unstable.

1.1.3 Trends

2025 promises to be a year of significant change for wine, driven by innovation, well-being and sustainability:

- the sector is evolving to conquer Millennials and Gen Z;
- **the trend towards low-alcohol wines and eco-friendly practices** outlines a future that focuses on quality and engagement, responding to the demands of an increasingly aware public;
- **Packaging** is going through a revolution, with alternative formats like cans gaining popularity among younger consumers, who are increasingly attentive to convenience and sustainability.

Another central element of 2025 will be **the wine experience**. Wineries are moving beyond the traditional approach to tasting to offer more immersive experience. Events that combine wine with broader narratives, such as art installations or evenings, are gaining traction, especially among Millennials and Gen Z.

The following phenomena are also being seen:

➤ **Moderation strategies getting stronger**

The trend towards moderation in alcohol consumption, which has been underway for several years, is becoming a cultural phenomenon that cuts across all age groups and global markets. According to IWSR¹, consumers are increasingly adopting **moderation strategies** which include:

- *Lighter consumption*: Light drinkers are now the largest segment in the 15 main markets monitored by IWSR, surpassing medium and high drinkers.
- *Temporary abstinence*: In India, 72% of affluent consumers in 10 major cities report abstaining from alcohol for specific periods of time. Similar trends can be seen in South Africa, Mexico and Brazil.

In this context, the **no/low-alcohol segment** continues to expand, with an expected compound annual growth rate (CAGR) of **+4% between 2024 and 2028**. The **no-alcohol segment**, in particular, will grow at a **rate of 7%**, generating an estimated increase in value of more than \$4 billion by 2028.

¹ International Wine and Spirits Record



➤ **Growth's centre of gravity is shifting towards emerging markets**

If growth in mature markets is marginal or even negative, **the future of the sector will be driven by emerging economies. Countries such as India, China, Brazil, Mexico, South Africa, Vietnam and Nigeria** are seeing significant increases in demand for alcoholic beverages, thanks to younger populations, rising incomes and an expanding middle class.

Some examples:

- In India, total alcoholic beverage volume grew by 4% in the first half of 2024, with a boom in premium spirits, RTDs (ready-to-drink packaged beverages) and local whiskies.
- In Southeast Asia, Vietnam and the Philippines are seeing increased demand for premium beers and spirits.
- In Africa, South Africa is seeing significant increases in the beer, cider and RTD segments.
- In Latin America, consumption of RTDs and premium beers is on the rise in Mexico and Brazil, driven by changing social behaviours and the preferences of young consumers.
- India is a case in point: despite still being a highly regulated market, some states are adopting more flexible policies, recognising the sector's contribution to tax revenue.

➤ **Consumption is becoming more informal and spontaneous**

Consumption occasions are changing, moving towards more informal situations. This is benefiting categories such as rosé wines, prosecco, bitters and spirit-based aperitifs.

Some examples:

- in the United States, prosecco and RTDs are becoming the stars of brunches, barbecues and casual gatherings, replacing more expensive options like Champagne;
- in Italy, the aperitif culture is driving the growth of prosecco and bitters;
- in China, the preference for cheap and informal options is redefining the out-of-home market, while the economic crisis is leading to a downgrading of consumer choices;
- RTDs and pre-mixed cocktails continue to gain traction in all major markets, with significant growth forecast through 2028, especially in Brazil (+6%), Australia (+4%), Germany (+4%), the United States (+3%) and Canada (+3%).



➤ Wine as a status symbol

Positive trends in consumer quality and "premiumization". A Unione italiana vini study is overturning certain commonplaces: in Italy and the USA (together representing 60% of the total Italian wine sales) **those under 44 are stemming the decline in consumption, seeing wine as a status symbol**: they are willing to spend on super premium labels, but without necessarily becoming attached to the brands.

➤ Digital is transforming the buying process

Digital is playing a crucial role in decision-making: according to IWSR, **63% of online alcohol shoppers carry out thorough research before buying** and this behaviour is spreading to in-store purchases. Key information sources include brand websites, product reviews, and delivery apps, with price comparison and the discovery of new products among the main drivers.

1.1.4 The 2025 Harvest

According to Coldiretti's forecasts, a **45 million hectolitre harvest** with a quality **between good and excellent**, thanks to a winter that was not too cold, following a normal course with a spring that was cool in April, which favoured gradual flowering. Overall, rainfall dotted the peninsula without ever being excessive, helping to build up good water reserves without hindering work in the vineyard. June was marked by a heat wave that accelerated vegetative growth, but without causing excessive stress thanks to the water reserves accumulated in the previous months. The result was a vegetative cycle in line with or slightly ahead of schedule, with vineyards in excellent shape and general good health. Since July, many areas have benefited from significant temperature variations between day and night, favouring a regular veraison and good phenolic ripening. To date, the health of the grapes is generally very good, with well-shaped bunches. Expected yields are in line with the averages and quality expectations are high. Providing there are no extreme events, the 2025 harvest could yield wines of great delicacy and freshness, a good reflection of the local terroir.

The harvest has already started in Sicily and will carry on until November when the Nerello grapes will be picked. An early start because of the high temperatures, which accelerated the ripening of the grapes. In general, drought and bad weather have affected yields in some areas, but without compromising quality, just as problems related to diseases such as downy mildew and powdery mildew have proven to be less damaging than initially feared, the same as for attacks by alien insects. These phenomena have nevertheless had an impact on production costs, from water to grape protection strategies.



ITALIAN WINE BRANDS S.p.A.

The main problem could arise from the volumes (already last year, production reached 44 million hectolitres), given the high levels of stock still in Italian cellars, but high quality after a number of difficult years is an important and positive aspect for the entire sector. The difficulties mainly concern red wines, to the point that **Unione italiana vini has proposed blocking the authorisation of new plants** at least for one year: Italy is the only country in the world where the area under vine is growing, as in all other countries it is declining.



1.2 The IWB Group

1.2.1 Strategy and Results

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

- **confirmation of the Top Brands Development Strategy:** following the corporate integration effective from 1 January 2024, the “One Company Project”, the Group has been focusing on (i) rationalising and categorising the product portfolio and (ii) identifying the main “Top Brands” that have a profit margin (i.e. the difference between revenue and the cost of raw materials) of more than 45%: they represent and will increasingly represent the growth driver of the Group's revenue and profitability. In the first half of 2025, the Top Brands achieved a growth of 3% in volume and 2% in value with a contribution to the profitability of the “Business to Business” channel, equal to Euro 13.5 million, up by 7.6% compared with the first half of 2024;
- **product innovation:** new product launches continued in the first half of 2025, which involved:
 - for Gen Z, the presentation at TFWA Asia Pacific of a new range of products focused on sustainability and modern trends in wine consumption, in particular the first IWB ZERO alcohol product which enriches the product range of the Top Brand Grande Alberone;
 - entry into the “Ready To Drink” segment with the launch in the United States of Luna Pops, a wine-based product enriched with natural fruit flavours with low calorie and alcohol content, perfect for summer;
 - the launch of the Grande Alberone Rosso "Jubileum Edition" to celebrate the Vatican's Jubilee Holy Year, with a golden bottle inspired by the Baroque style;
- **procurement management** has been further improved, which has led to a **5% reduction in the cost of glass bottles**.
- **a first half full of successes:** in the first half of 2025, Italian Wine Brands continued to distinguish itself internationally, winning **over 80 awards** in the most important wine competitions in the world. This extraordinary result confirms the Group's ongoing commitment to quality, authenticity and the valorisation of Italian terroirs. The most prestigious awards include the following:
 - **Ngudrà** won the **Grand Gold Medal at the Berliner Wein Trophy**, one of the most authoritative and selective international wine competitions, standing out for its strong character and production excellence.
 - **Gigino Grande Toscana Rosso IGT** obtained the highest recognition of **"4 Tralci" from the VITAE (FIS) Guide**, awarded by the Italian Sommelier Federation (FIS) to wines of extraordinary complexity, elegance and territorial expression.



- **9 Legni** got **94 points** from ***Wine Enthusiast*** thanks to its extraordinary complexity and the unique character that comes from its refinement in nine different types of wood.
- **Ticchè** and **Rasole** respectively received **91 and 92 points** from **James Suckling**, one of the most influential wine critics in the world. These scores highlight the expressive intensity and stylistic refinement that are making Le Forconate emerge as a benchmark in the premium wine segment.
- **In addition to these, there have been other prestigious awards for Le Forconate wines:** at the WineHunter Award 2025 (Merano Wine Festival) the Toscana Cabernet Franc IGT 2022 received the Red Medal and the Toscana Vermentino IGT 2024 won the Gold, in addition to the recent and important score of **91 points** awarded by **James Suckling**, again for the Vermentino, authentic expressions of an unprecedented Tuscan excellence.

From an economic point of view, the Group confirmed its performance in terms of Adjusted EBITDA in the first half of the year and achieved a new record in terms of Net Profit, coming in at Euro 10.3 million.



ITALIAN WINE BRANDS S.p.A.

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

**GRANDE
ALBERONE®**
ITALY IN A BOTTLE

VOGA ITALIA™
DRINK IN STYLE

RAPHAEL DAL BO
PROSECCO E SPUMANI 


DUCA DI SARAGNANO®


BARBANERA
— TUSCANY SINCE 1938 —


RONCO DI SASSI
MEDITERRAAN TASTE

**ALBERTO
NANI**
*Prosecco
Organic*

E L E T T R A
(SHINING STAR)


**POGGIO
DEL CONCONE**

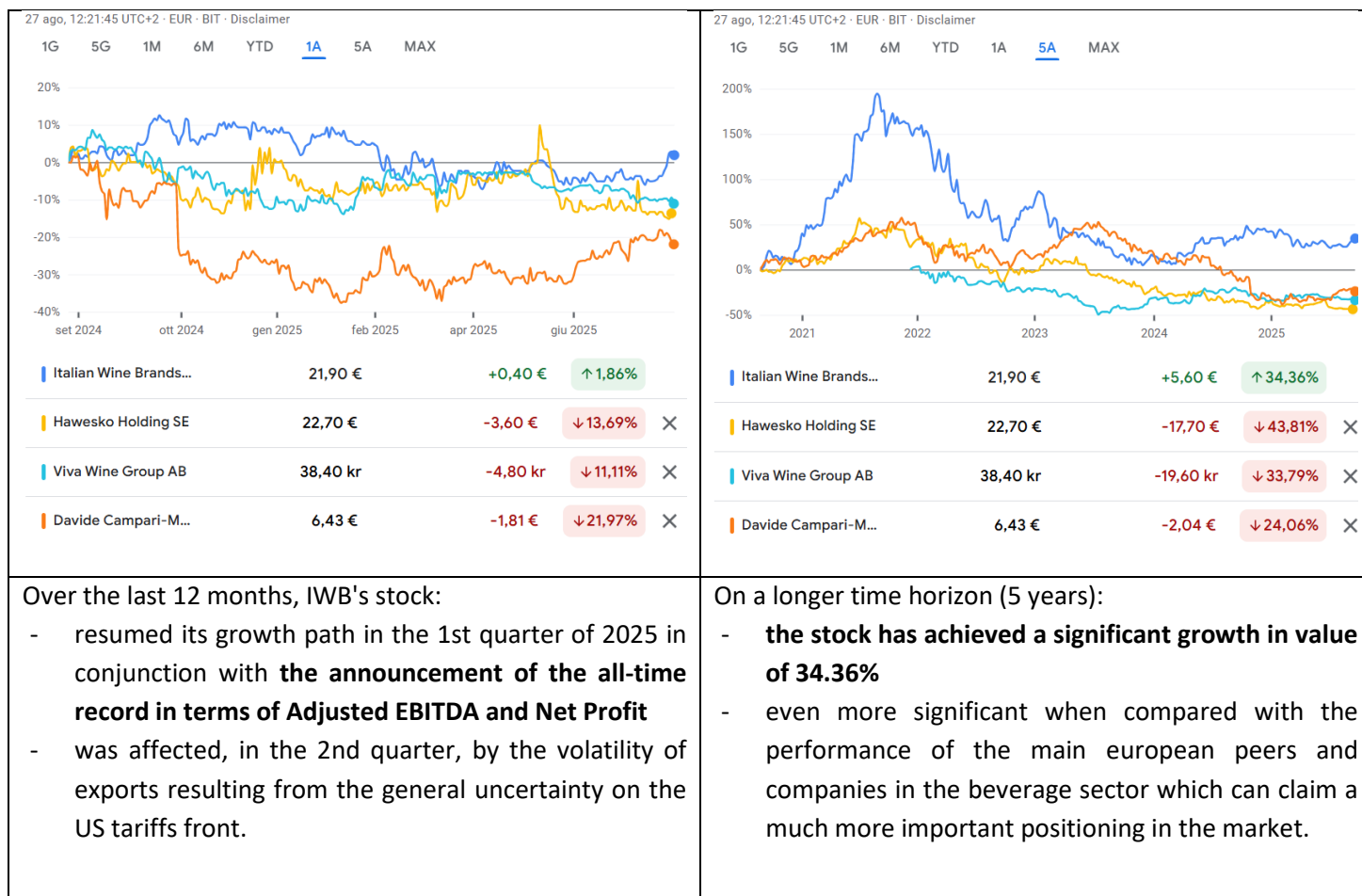
RAPHAEL DAL BO
LA VITA È BELLA


LE FORCONATE



ITALIAN WINE BRANDS S.p.A.

1.2.2 Stock performance



The performance of the stock is still far from the consensus valuations expressed by financial analysts and the resulting capitalisation of around 210 million euro, being equal to:

- ❖ 4 x Adjusted EBITDA LTM
- ❖ 9 x Net Profit LTM
- ❖ 7 x cash generation LTM

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

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



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

1.2.3 Group Structure

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

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

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

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

IWB S.p.A. maintains management and coordination activities for the Group companies by directly holding controlling interests in the main companies: Giordano Vini SpA, IWB Italia SpA, Enovation Brands Inc., and IWB UK Ltd as well as indirect control of Raphael Dal Bo Ag (controlled by IWB Italia SpA) which:

- guarantees a leading position in the Swiss market;
- contributes significantly to the growth in margins due both to the Top Brands component and to the higher prices and unit margins recognised by Swiss consumers for the Group's products.



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



- IWB Italia S.p.A. was born from the merger, effective 1 January 2024, of Provinco Italia S.p.A., Enoitalia S.p.A. Barbanera S.r.l., Fossalto S.r.l. and the B2B and production side of Giordano Vini S.p.A.;
- Giordano Vini S.p.A. remains as a company focused on B2C sales.
In addition to organisational simplification, the objective of the demerger was a better focus on commercial and production activities and the maximisation of business synergies;
- Provinco Deutschland GmbH in liquidation was permanently cancelled from the companies register in August 2025.



1.2.4 Summary of financial results

The following is a summary of the consolidated half-year economic and financial results obtained by the Italian Wine Brands Group in the period between the first half of 2025 and the corresponding periods of 2024 and 2023, with figures expressed in thousands of euro.

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

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

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



The reclassified consolidated figures are shown below.

Reclassified statement of financial position

Amounts in €000

	30.06.2025	31.12.2024	30.06.2024
Other intangible assets	38,341	38,469	38,365
Goodwill	215,969	215,969	215,969
Tangible assets	41,605	40,856	39,272
Right-of-use assets	12,047	13,399	13,904
Equity investments	3	5	5
Total Fixed Assets	307,964	308,698	307,515
Inventory	76,652	65,264	76,655
Net trade receivables	31,698	50,613	48,842
Trade Payables	(86,063)	(94,698)	(101,929)
Other assets (liabilities)	(14,133)	(14,359)	(10,447)
Net working capital	8,154	6,820	13,121
Payables for employee benefits	(1,433)	(1,548)	(1,648)
Net deferred and prepaid tax assets (liabilities)	(7,901)	(7,694)	(7,845)
Other provisions	(100)	(166)	(154)
Non-current assets (liabilities) held for sale	9,740	9,740	10,259
NET INVESTED CAPITAL	316,423	315,851	321,248
Shareholders' equity	225,968	226,534	213,151
Profit (loss) for the period	10,124	22,336	8,971
Share capital	1,124	1,124	1,124
Other reserves	214,445	203,012	203,120
Non-controlling interests	275	63	(64)
Net debt - third-party lenders	78,010	75,506	92,136
Deferred price on acquisitions	394	445	1,432
Lease liabilities	12,051	13,365	14,530
TOTAL SOURCES	316,423	315,851	321,248



Reclassified Income statement

Amounts in €000

	30.06.2025	30.06.2024	30.06.2023
Revenue from sales	185,133	191,202	196,778
Change in inventories	9,244	(2,809)	2,269
Other income	1,505	1,715	1,628
Total revenue	195,882	190,108	200,675
Purchase costs	(129,968)	(122,558)	(135,732)
Costs for services	(30,352)	(31,914)	(34,613)
Personnel costs	(13,086)	(13,149)	(12,537)
Other operating costs	(590)	(563)	(539)
Operating costs	(173,997)	(168,184)	(183,420)
Adjusted EBITDA	21,885	21,923	17,254
Write-downs	(111)	(574)	(828)
Depreciation and amortization	(4,676)	(5,717)	(5,506)
Net releases (accruals) of provision for risks and charges	0	0	0
Adjusted operating result	17,098	15,633	10,920
Net financial income/(expenses)	(2,283)	(1,731)	(3,642)
EBT	14,815	13,901	7,278
Taxes	(3,823)	(3,622)	(1,923)
Net profit before non-recurring items and related tax effect	10,992	10,279	5,355
Non-recurring items	(910)	(1,614)	(1,030)
Tax effect of non-recurring charges	254	450	287
Profit/(loss)	10,336	9,116	4,612



Reclassified Income statement

Amounts in €000

	Reported 30.06.2025	Management (1)	adjustments (2)	Adjusted 30.06.2025
Revenue from sales	185,133			185,133
Change in inventories	9,244			9,244
Other income	1,505	0		1,505
Total revenue	195,882	0	0	195,882
Purchase costs	(129,968)			(129,968)
Costs for services	(30,469)	117	0	(30,352)
Personnel costs	(13,804)	718	0	(13,086)
Other operating costs	(665)	75		(590)
Operating costs	(174,906)	910	0	(173,997)
EBITDA	20,975	910	0	21,885
Write-downs	(111)			(111)
Depreciation and amortization	(4,676)			(4,676)
Net releases (accruals) of provision for risks and charges	0			0
EBIT	16,188	910	0	17,098
Net financial income/(expenses)	(2,283)			(2,283)
EBT	13,905	910	0	14,815
Taxes	(3,569)	(254)	0	(3,823)
Profit/(loss)	10,336	656	0	10,992

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

1) Management:

- i) Costs for services amounting to Euro 117 thousand including i) Euro 21 thousand of costs related to the event organised by the Group for the 10th anniversary of its listing on the stock exchange ii) Euro 67 thousand for due diligence on possible acquisitions iii) Euro 4 thousand for legal advice regarding settlements iv) Euro 25 thousand for waste disposal related to the closure of the Valle Talloria production site.
- ii) Personnel costs of Euro 718 thousand including i) Euro 435 thousand for employee bonuses paid for the 10th anniversary of the Group's listing on the stock exchange (ii) Euro 283 thousand for settlements with former employees and related costs.
- iii) Other operating costs of Euro 75 thousand including i) Euro 27 thousand for penalties relating to supply relationships ii) Euro 48 thousand of fines following a tax audit by the Revenue Agency.



Alternative performance measures (APM)

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

The following is a definition of the alternative performance measures used in the condensed half-year financial report and their use:

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

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

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

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



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

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

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

Adjusted gross operating margin or Adjusted EBITDA LTM is arrived at by adding the Group's Adjusted EBITDA for the half-year to that of the second half of the previous year. It is used to measure the Net Financial Position/Adjusted EBITDA ratio for the six-month periods to make the relationship between a YTD indicator (NFP) and a period indicator (Adjusted EBITDA) consistent and comparable.

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

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

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



Other receivables and payables (or other assets and liabilities) given by the sum of the following items: other current and non-current assets, current tax assets, other current liabilities and current tax liabilities. These items exclude any fair value of hedging derivatives and current financial assets. It is used to calculate net working capital.

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

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

It is divided into:

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

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

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

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



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

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



1.2.5 Financial situation of the Parent Company

The situation of IWB S.p.A. at 30 June 2025 shown here represents the separate financial statements of IWB S.p.A., and presents:

- a profit for the period of Euro 8.1 million (Euro 8.4 million at 30 June 2024);
- net debt – third-party lenders of Euro 109.7 million (Euro 92.8 million at 30 June 2024). The rise is mainly due to the increase in capital in favour of Giordano Vini S.p.A. with a consequent waiver of intercompany loans for an amount equal to Euro 20.9 million.

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

Reclassified statement of financial position

Amounts in €000

	30.06.2025	31.12.2024	30.06.2024
Other intangible assets	96	102	121
Goodwill	0	0	0
Tangible assets	52	61	72
Right-of-use assets	482	497	30
Equity investments	292,576	292,576	271,720
Total Fixed Assets	293,206	293,236	271,942
Inventory	0	0	0
Net trade receivables	813	1,274	4,163
Trade Payables	(530)	(356)	(227)
Other assets (liabilities)	(5,036)	(470)	1,832
Net working capital	(4,754)	447	5,768
Payables for employee benefits	(72)	(86)	(70)
Net deferred and prepaid tax assets (liabilities)	0	217	24
Other provisions	0	0	0
NET INVESTED CAPITAL	288,380	293,814	277,663
Shareholders' equity	177,814	180,416	183,409
Profit (loss) for the period	8,128	5,760	8,371
Share capital	1,124	1,124	1,124
Other reserves	168,561	173,531	173,913
Non-controlling interests	0	0	0
Net debt - third-party lenders	109,684	112,453	92,786
Deferred price on acquisitions	394	445	1,432
Lease liabilities	487	500	37
TOTAL SOURCES	288,380	293,814	277,663



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

- at 30 June 2025, investments in subsidiaries are made up of Giordano Vini S.p.A. for Euro 20,856 thousand; IWB Italia S.p.A. for Euro 256,654 thousand and Enovation Brands Inc. for Euro 15,066 thousand;
- note that as a result of the merger, effective 1 January 2024, of Provinco Italia S.p.A., Barbanera S.r.l., Fossalto S.r.l. with Enoitatia S.p.A. which gave rise to IWB Italia S.p.A., the amount of the investment corresponds to the sum of the values of the companies involved in the merger.

Reclassified Income statement

Amounts in €000

	30.06.2025	30.06.2024	30.06.2023
Revenue from sales	1,018	1,174	1,165
Change in inventories	0	0	0
Other income	15	230	2
Total revenue	1,033	1,404	1,167
Purchase costs	0	0	(0)
Costs for services	(1,021)	(1,002)	(888)
Personnel costs	(378)	(674)	(650)
Other operating costs	(83)	(130)	(80)
Operating costs	(1,482)	(1,806)	(1,618)
Adjusted EBITDA	(449)	(402)	(451)
Write-downs	0	0	0
Depreciation and amortization	(83)	(60)	(74)
Net releases (accruals) of provision for risks and charges	0	0	0
Adjusted operating result	(532)	(462)	(525)
Net financial income/(expenses)	(1,612)	(1,352)	(1,277)
Dividends	10,000	10,000	11,360
EBT	7,856	8,186	9,558
Taxes	375	307	363
Net profit before non-recurring items and related tax effect	8,230	8,494	9,921
Non-recurring items	(142)	(170)	(348)
Tax effect of non-recurring charges	40	47	97
Profit/(loss)	8,128	8,371	9,670

As regards the income statement, note that:

- the dividends all refer to the subsidiary IWB Italia S.p.A.;
- costs for services include Euro 464 thousand of fees for the directors (excluding the effect of the incentive plan), statutory auditors/SB and Euro 388 thousand of consultancy fees;
- financial income refers to the interest earned on the loan granted to the subsidiary IWB Italia S.p.A. (Euro 136 thousand); financial expenses are mainly interest on the bond amounting to Euro 1,730 thousand.



1.2.6 Consolidated net financial position

The following is a breakdown of net debt at 30 June 2025 compared with the figures at 31 December 2024, 30 June 2024 and 31 December 2023, based on the new format introduced by ESMA Guideline 32-382-1138 of 4 March 2021.

The net financial position remains below 100 million and shows a cash generation of Euro 18 million over the last 12 months (net of dividend payments of Euro 9.4 million and purchase of treasury shares of Euro 2.5 million).

<i>Amounts in €000</i>	30.06.2025	31.12.2024	30.06.2024	31.12.2023
A. Cash	13	18	20	23
B. Cash equivalents	53,571	59,482	48,977	70,878
C. Other current financial assets	550	529	720	524
D. Cash and cash equivalents (A) + (B) + (C)	54,134	60,029	49,718	71,424
E. Current debt (including financial instruments, but not including current portion of non-current debt)	51	303	4,896	27,927
F. Current portion of non-current debt	4,302	5,464	4,746	3,985
G. Current debt (E) + (F)	4,354	5,767	9,641	31,912
H. Net current debt (G) - (D)	(49,781)	(54,262)	(40,076)	(39,512)
I. Non current debt (excluding current portion and debt instruments)	811	1,254	5,867	7,217
J. Debt instruments	129,967	131,487	129,730	131,248
K. Trade payables and other non-current debts	9,459	10,837	12,577	16,980
L. Non current debt (I) + (J) + (K)	140,236	143,578	148,174	155,444
M. Net financial position (H) + (L)	90,455	89,316	108,097	115,932
<i>of which</i>				
<i>Deferred price on acquisitions</i>	394	445	1,432	4,405
<i>Current lease liabilities</i>	3,292	3,317	3,867	3,106
<i>Non-current lease liabilities</i>	8,760	10,049	10,662	12,108
Net financial position without the effect of IFRS 16 and deferred price on acquisitions	78,010	75,506	92,136	96,313



1.3 Revenue and profit margins

Volume of business – Revenue

Italian Wine Brands S.p.A. confirms its position as the leading listed Italian wine group, posting revenue of Euro 185.1 million in the first half of 2025 despite a macroeconomic environment characterised by heightened uncertainty, particularly regarding consumption, resulting from volatile tariff announcements and consequently an increased propensity for households to save.

Amounts in €000

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

In this context, the revenue trend by channel reflects IWB's strategy to increase its presence in the more profitable channels and segments, as well as new consumer habits and the greater attention to spending resulting from the more general macroeconomic context. To summarize, it is worth noting in particular:

- (i) a constant increase in presence in the Ho.re.ca channel (+8.77% vs the first half of 2024); CAGR 23/25 +5.55% consistent with the Group's development strategy in premium own-brand products;
- (ii) a reduction in wholesale sales (to large-scale retail chains and state monopolies) due to a reduction in prices towards pre-inflationary levels, more than offset in terms of margins by the reduction in production costs;
- (iii) a repositioning of the distance selling channel (direct sales to private individuals) at pre-pandemic levels due to new consumer habits and the reduced appeal of “traditional” sales via teleselling and direct mailing. Sales through digital channels are impacted by the increasingly competitive offering, recording a 5.6% decrease despite good volume performance, particularly on the Svinando platform.



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

Amounts in €000

	30.06.2025	30.06.2024	30.06.2023	Δ % 24 / 25	Cagr 23 / 25
Revenues ho.re.ca division - Italy	1,231	1,021	1,514	20.59%	(9.85%)
Revenues from ho.re.ca division - Foreign markets	28,804	26,592	25,443	8.32%	6.40%
UK	17,306	15,061	12,416	14.90%	18.06%
US	4,033	3,885	4,170	3.81%	(1.66%)
Canada	1,434	1,414	1,653	1.41%	(6.88%)
Germany	964	1,411	1,577	(31.68%)	(21.82%)
Netherlands	633	344	542	83.79%	8.09%
China	311	333	509	(6.62%)	(21.89%)
Belgium	256	209	82	22.53%	76.47%
Ireland	240	355	504	(32.38%)	(30.99%)
Poland	207	268	363	(22.65%)	(24.50%)
Switzerland	205	282	168	(27.41%)	10.43%
France	161	99	163	63.50%	(0.71%)
Denmark	48	60	510	(18.80%)	(69.21%)
Austria	25	24	68	1.26%	(39.63%)
Sweden	-	0	441	(100.00%)	(100.00%)
Other countries	2,983	2,848	2,275	4.75%	14.50%
Total Revenues from sales - ho.re.ca division	30,035	27,612	26,957	8.77%	5.55%

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

In the first half of 2025, England confirmed its position as IWB's leading on-trade market, with revenue growing by 14.9% thanks to a broad wine assortment focusing in particular on prosecco and sparkling wines. The UK is in fact the world's second largest importer of wine in terms of volume and the first in sparkling wines.

The Group's presence in the United States is ensured by being there directly thanks to Enovation Brands Inc., which was acquired in 2022. In the IWB Group's strategy, it is and will continue to be a factor in accelerating sales in the US market for all brands in the portfolio. A similar commercial development is expected in the Canadian market. As regards the USA, the on-trade channel plays a dual strategic role for the Group: in terms of both sales and visibility for historic brands (such as Voga Italia and Ca' Montini) which are also marketed in the wholesale channel. In the first half of 2025, Luna Pops was launched, the Group's first "Ready to drink" low-alcohol product, aimed at reaching a new and constantly growing market segment and increasing penetration among Gen Z groups, who are increasingly attentive to sustainable consumption. Revenue growth for the Group's two premium brands offered in the USA in 2023 also continues very positively: Poggio del Concone and Ronco di Sassi, which were initially reserved for the Ho.re.ca. channel, generated total revenue of USD 569,000 in the first half of 2025, a 36% increase compared with the first half of 2024.



Wholesale Channel revenue is affected by the general decline in exports, as well as by the increasing attention of the large-scale retail trade to protecting the competitiveness of their products and the spending power of families.

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

Amounts in €000

	30.06.2025	30.06.2024	30.06.2023	Δ % 24 / 25	Cagr 23 / 25
Revenues wholesale division - Italy	21,281	24,191	18,624	(12.03%)	6.90%
Revenues from wholesale division - Foreign markets	109,302	111,186	121,466	(1.69%)	(5.14%)
UK	25,064	23,323	28,334	7.46%	(5.95%)
Switzerland	16,624	18,647	17,355	(10.85%)	(2.13%)
Germany	16,419	15,534	19,161	5.70%	(7.43%)
US	11,729	12,339	10,944	(4.95%)	3.52%
Poland	5,537	5,616	5,470	(1.41%)	0.61%
Austria	4,334	5,729	6,518	(24.34%)	(18.46%)
Netherlands	3,531	2,678	2,894	31.87%	10.45%
Denmark	2,775	2,710	3,187	2.39%	(6.68%)
Canada	2,363	2,292	2,453	3.08%	(1.87%)
Belgium	2,100	2,039	2,541	3.02%	(9.09%)
Ireland	2,067	2,016	2,321	2.50%	(5.64%)
France	2,063	3,431	6,491	(39.87%)	(43.62%)
Sweden	938	1,232	1,134	(23.88%)	(9.04%)
China	340	423	410	(19.55%)	(8.91%)
Other countries	13,419	13,177	12,253	1.84%	4.65%
Total Revenues from sales - wholesale division	130,584	135,377	140,089	(3.54%)	(3.45%)

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

- the increase in revenues in the UK, the main reference country, where the Group's product portfolio, particularly sparkling wines, confirms that it is much appreciated by consumers;
- the recovery of sales in Germany, which remains a historic reference partner, as well as one of the main export markets;
- It is also worth highlighting the 1.8% increase in revenue in other countries, even though the comparison is made with respect to the first half of 2024, which had already shown growth of 7.5%, confirming the Group's ability to penetrate and foster emerging markets (with respect to Italian wine consumption);



In the **Direct Sales** market, the repositioning of consumption that began in the post-pandemic period continues in favour of other channels, particularly Ho.Re.Ca. The channel also reflects the decline in appeal of traditional selling methods (mailing and teleselling) and suffers from the greater competition on digital channels that allow the consumer to appreciate better what is being offered. The cumulative annual result of online sales observed by the Nielsen panel is negative both in value (-1.2%) and volume (-1.7%) for still and sparkling wines, whereas it is positive for sparkling wines (+6.9% in volume), even if supported by a distinct decline in the average price (-6.5%)

In this context, the performance of the Svinando marketplace is extremely positive, with growth of 4.3% on digital channels during the half-year (+14.3% on foreign portals).

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

Amounts in €000

	30.06.2025	30.06.2024	30.06.2023	Δ % 24 / 25	Cagr 23 / 25
Revenues from distance selling division - Italy	9,300	11,025	11,174	(15.65%)	(8.77%)
Revenues from distance selling div - Foreign markets	15,170	17,099	18,048	(11.28%)	(8.32%)
Germany	9,469	10,831	11,116	(12.58%)	(7.71%)
UK	2,050	2,216	2,438	(7.53%)	(8.31%)
France	1,421	1,709	1,927	(16.84%)	(14.12%)
Switzerland	1,002	1,068	1,237	(6.11%)	(9.98%)
Austria	840	934	1,006	(10.06%)	(8.62%)
Netherlands	224	196	176	13.97%	12.78%
Belgium	150	128	133	17.37%	6.25%
Other countries	14	17	15	(17.46%)	(2.62%)
Total Revenues from sales - distance selling division	24,470	28,125	29,222	(13.00%)	(8.49%)

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

In the first half of 2025 IWB announced that its subsidiary Giordano Vini S.p.A., through the Italian platform Svinando, an international leader in the online sale of food and wine products, had launched “Nando”, the first virtual winemaker based on artificial intelligence developed internally to offer a fascinating experience in terms of browsing and consulting, responding to the needs of its customers. Thanks to an advanced search engine based on AI technology, “Nando” is able to guide users on broad topics, from the characteristics of the products in the catalogue, to food/wine pairings, the right occasions to drink a certain wine, and the customer's budget. This is a truly expert guide, capable of understanding and anticipating customers' needs, offering personalised advice with precision and reliability, encouraging the development of consumption, which on Svinando Italia has grown by 4.3%.



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

Amounts in €000

	30.06.2025	30.06.2024	30.06.2023	Δ % 24 / 25	Cagr 23 / 25
Revenues from distance selling division - Italy	9,300	11,025	11,174	(15.65%)	(8.77%)
Direct Mailing	3,518	4,251	4,407	(17.25%)	(10.65%)
Teleselling	2,669	3,529	3,731	(24.36%)	(15.42%)
Digital / WEB	3,113	3,245	3,036	(4.08%)	1.26%
% Direct Mailing on total Italy	37.83%	38.56%	39.44%		
% Teleselling on total Italy	28.70%	32.01%	33.39%		
% Digital / WEB on total Italy	33.47%	29.43%	27.17%		
Revenues from distance selling div - Foreign markets	15,170	17,099	18,048	(11.28%)	(8.32%)
Direct Mailing	7,857	8,973	9,872	(12.44%)	(10.79%)
Teleselling	1,675	2,102	2,512	(20.32%)	(18.36%)
Digital / WEB	5,639	6,025	5,664	(6.41%)	(0.22%)
% Direct Mailing on total International revenues	51.79%	52.48%	54.70%		
% Teleselling on total International revenues	11.04%	12.29%	13.92%		
% Digital / WEB on total International revenues	37.17%	35.23%	31.38%		
Total Revenues from sales - distance selling division	24,470	28,125	29,222	(13.00%)	(8.49%)

Overall, in the first half of the year, the Group consolidated a solid market position, particularly in high-margin segments and its key countries, especially in Europe.



The following is the breakdown by country:

Amounts in €000

	30.06.2025	30.06.2024	30.06.2023	Δ % 24 / 25	Cagr 23 / 25
Revenues from sales - Italy	31,812	36,237	31,312	(12.21%)	0.80%
Revenues from sales - Foreign markets	153,277	154,877	164,956	(1.03%)	(3.61%)
UK	44,419	40,601	43,188	9.40%	1.42%
Germany	26,851	27,775	31,854	(3.33%)	(8.19%)
Switzerland	17,831	19,997	18,760	(10.83%)	(2.51%)
US	15,761	16,224	15,114	(2.85%)	2.12%
Poland	5,744	5,884	5,833	(2.38%)	(0.76%)
Austria	5,199	6,687	7,592	(22.26%)	(17.25%)
Netherlands	4,387	3,218	3,612	36.34%	10.21%
Canada	3,796	3,706	4,107	2.44%	(3.85%)
France	3,646	5,239	8,582	(30.41%)	(34.82%)
Denmark	2,824	2,770	3,697	1.94%	(12.60%)
Belgium	2,506	2,376	2,757	5.51%	(4.65%)
Ireland	2,307	2,371	2,825	(2.72%)	(9.64%)
Sweden	938	1,233	1,575	(23.90%)	(22.83%)
China	651	755	919	(13.85%)	(15.86%)
Other countries	16,417	16,042	14,543	2.33%	6.25%
Other Revenues	45	88	510	(49.40%)	(70.39%)
Total Revenues from sales	185,133	191,202	196,778	(3.17%)	(3.00%)

At the same time as the increase in the “Country portfolio”, expansion of the customer base continues. In this regard, it should be noted that turnover for the two main customers amounts respectively to (i) Euro 28,331 thousand versus Euro 31,025 thousand at 30 June 2024 for the first customer and (ii) Euro 23,227 thousand versus Euro 24,108 thousand at 30 June 2024 for the second customer; the decrease is attributable to the strategy of developing own-brand sales and reducing dependence on individual customers, particularly private label ones.



Analysis of profit margins

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

Amounts in €000

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

In the first half of 2025, the Group's margins remained at an all-time high.

The table above shows:

- a reduction in the proportion of Consumption of raw materials on turnover due to (i) a better product mix with growth in both volume and value of the Top Brands with a profit margin (defined as the difference between revenue and the cost of raw materials) equal to or greater than 45%, and (ii) lower production costs, particularly glass, which decreased by 5% compared with the first half of 2024, more than offsetting the fall in prices resulting from the market repositioning towards pre-inflation levels.
- Costs for Services, equal to Euro 30.4 million, lower than in the first half of 2024 and previous half-year periods, mainly due to (i) optimisation of transport costs (ii) reduction of commissions not only due to lower volumes, but as a further synergy from the commercial integration of B2B; this in addition to the reductions resulting from lower B2C volumes (tariffs and excise duties). The higher investments in advertising and marketing were therefore more than compensated. The increase in maintenance costs is due to a change in the timing of the interventions, as well as biennial maintenance carried out during the half-year.



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

Amounts in €000

	30.06.2025	30.06.2024	30.06.2023
Services from third parties	5,898	5,805	5,949
Customs and excise duty	2,727	2,801	3,088
Transport	6,278	7,211	8,418
Postage expenses	1,857	1,629	1,726
Leases and rentals	815	994	1,028
Consulting	1,223	1,310	1,648
Advertising costs	685	397	593
Utilities	1,361	1,216	1,596
Remuneration of Directors, Statutory Audi	996	763	810
Maintenance	1,243	1,067	958
Outsourcing costs	2,684	3,358	3,576
Commissions	1,176	1,339	1,723
Other costs for services	3,524	4,133	4,351
Non-recurring expenses	(117)	(108)	(851)
Total	30,352	31,914	34,613

Personnel Costs saw a slight decrease in absolute values from Euro 13.2 million in 2024 to Euro 13.1 million in 2025, attributable to the new contractual conditions, which partially absorbed the effect of the synergies deriving from the industrial integration.

The revenue and cost dynamics described above have allowed us to achieve an Adjusted gross operating profit of Euro 21.9 million (11.8% of sales), an improvement in percentage terms compared with the first half of 2024, confirming an all-time record for the Group.



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

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

The table above shows how the Italian Wine Brands Group's income statement in the first half of 2025 was characterised by a significant improvement in operating profit.

All cost items improved, in particular:

- (i) a significant reduction in write-downs (which include uncollectable B2C receivables) due to the ever-increasing proportion of purchases through digital platforms, which reduces the impact of non-payment;
- (ii) a reduction in amortization of Euro 1 million resulting from industrial rationalisation;
- (iii) financial charges, now limited to those on the bond loan, remain at the same level as the first half of 2024. Savings were also achieved on factoring costs and bank commissions, although these were partially offset by exchange losses. The net amount shows an increase of Euro 0.5 million due to withholding taxes on dividends in 2024, only partially offset by interest income on cash balances.



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

During the first half of 2025, investments in Fixed Capital amounted to a total of Euro 3.6 million, split between tangible assets (Euro 1.9 million, mainly PPE at the production sites in Montebello, Calmasino and Cetona) and intangible assets (Euro 1.7 million, mainly customer lists for Euro 1.4 million, and IT development costs for Euro 0.2 million).

The difference compared with the first half of 2024 is due to the sale of the Torricella plant on 20 June 2024, at the same time signing partnership agreement with Ermes wineries for the production of Apulian products under its own brand, based on IWB specifications.

Net working capital shows a further improvement, reaching Euro 8.2 million compared with Euro 13.1 million at 30 June 2024, due to:

- (i) a decrease in trade receivables thanks to improvements in the collection process following the integration and only partly because of lower revenue;
- (ii) a decrease in "Other receivables/payables" mainly attributable to a reduction in receivables from the factoring company, thanks to better management of the credit transfer process. Again, the benefit is a positive side effect of the integration.
- (iii) partially offset by a reduction in trade payables thanks to (a) lower purchases (b) more favourable payment conditions granted to obtain higher discounts, and (c) measures to build loyalty in the production chain;

These dynamics of i) limited volumes of investments in fixed capital and ii) significant cash flow generated by operating activities, have made it possible to pay a double dividend and a significant increase in the buy-back, absorbing the increase in inventory without increasing **net bank debt which, together with the reduction in lease liabilities calculated in accordance with IFRS 16, meant we could achieve an NFP/EBITDA Adjusted LTM ratio of 1.80.**



ITALIAN WINE BRANDS S.p.A.



2. Significant events

2.1 Significant events during the period

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

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

On 18 February 2025 Italian Wine Brands S.p.A. announced that its subsidiary Giordano Vini S.p.A., through the Italian platform Svinando, an international leader in the online sale of food and wine products, had launched "Nando", the first virtual assistant based on artificial



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

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

2.2 Significant subsequent events

28 July 2025 saw the end of the **share buy-back programme** launched on 13 May 2025 – as per the press release issued on the same date to which reference should be made for more detailed information – in implementation of the resolution passed by the IWB's Ordinary Shareholders' Meeting held on 12 May 2025.

Under this programme, a total of 60,000 IWB treasury shares were purchased between 13 May 2025 and 28 July 2025, for an average price of Euro 20.84 per share and a total value of Euro 1,250,329, in accordance with and within the terms of the resolutions of the aforementioned Shareholders' Meeting and the announcement made on 13 May 2025.

At the same time, IWB has announced the launch of a new share buy-back programme, in accordance with the resolution passed by the Ordinary Shareholders' Meeting on 12 May 2025, as a useful strategic investment opportunity for any purpose permitted by current legislation. The buy-back will involve a maximum of 60,000 of the Company's ordinary shares with no par value, for a maximum of Euro 1,800,000.00.



3. Outlook

In the second half of 2025, thanks to (i) a new record bottom line and (ii) a strong financial situation that will allow it to confidently tackle both organic and external growth, the IWB Group will continue:

- (i) along the path of growth in sales of top brands with a view to an ongoing rise in profit margins;
- (ii) in the optimisation of costs in the production supply chain;
- (iii) in the optimisation of costs in the production supply chain.

A strengthening of the sales and marketing staff is also planned to provide more pro-active support for the expansion into international markets and the development of Top Brands.

4. Code of Ethics and the Organisational Model

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

5. Related-party transactions

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

To summarize:

- (i) a commercial lease contract signed on 1 February 2012 by IWB Italia S.p.A. and Provinco S.r.l. under which Provinco S.r.l. has been leasing the property located in Via per Marco 12/b, Rovereto (TN) to Provinco Italia S.p.A. (now IWB Italia S.p.A); the lease has a duration of six years (until 31 January 2018) with tacit renewal for the same period unless notice of cancellation is given 12 months before the expiry date; the agreed rent is Euro 60 thousand per year, index-linked to ISTAT inflation statistics, plus VAT. The fee for the first half of 2025 was Euro 34.9 thousand.
- (ii) a service contract with Electa S.p.A. involving investor relations support for an annual amount of Euro 40 thousand.

These relationships are regulated at market conditions.

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



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

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

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

GFSI (FOOD SAFETY) CERTIFICATIONS



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

BRCGS food;

IFS food (International Featured Standard).

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

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

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

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

GFSI certifications also represent a great opportunity to demonstrate Group companies' ongoing commitment to safety, quality and compliance with the regulations governing the



agri-food sector, ensuring the selection and qualification of suppliers and providing a framework for managing product safety, integrity, legality and quality.

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

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

This standard offers companies the opportunity to:

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

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

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

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



ENVIRONMENTAL CERTIFICATION UNI EN ISO 14001:2015



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

Certification according to ISO 14001 is the result of IWB's voluntary choice to establish, implement, maintain and improve its environmental management system.

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

By virtue of this certification, IWB undertakes to:

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

The certified environmental management system makes it possible to:

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



- improve the relationship and communication with the authorities;
- improve corporate image and reputation (brand integrity).

"VIVA" SUSTAINABILITY CERTIFICATION



The organisation's commitment to the topic of sustainability, increasingly important also for international markets, is certified through adoption of the specific standard for winemakers: *VIVA la sostenibilità nella vitivinicoltura*.

With the commitment of the entire organization, from the workforce to top management, in addition to the operational sites of Calmasino and Montebello, the Cetona site has also been included in the programme and all of the production units are now covered by the sustainability certification valid for 2024-2026.

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

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

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



Advantages:

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

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



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

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

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

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



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

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

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

ISO 9001 QUALITY



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



ETHICS: *Sedex – SMETA (ETHICAL)*



SMETA the Sedex Members Ethical Trade Audit

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

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

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

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

GROUP STAFF

The specific and average number by category at 30 June 2025, 30 June 2024 and 30 June 2023 is shown below.

	No. at 30.06.2025	Average no. 30.06.2025	No. at 30.06.2024	Average no. 30.06.2024	No. at 30.06.2023	Average no. 30.06.2023
Managers	7	8	7	7	8	8
Middle managers	20	20	21	21	22	23
Office workers	188	183	184	202	210	209
Factory workers	135	134	127	136	142	142
Total	350	344	339	366	382	383



7. Treasury shares

At 30 June 2025, the Parent Company holds 131,678 of its own ordinary stock as treasury shares, representing 1.39% of the ordinary share capital. During the first half of 2025:

- 65,081 treasury shares were bought;
- 37,700 shares were assigned.



8. Risks

The Group is mainly exposed to risks from exchange rate and interest rate fluctuations, credit risk and liquidity risks as well as the operational risks relating to the reference market.

Risks from exchange rate fluctuations

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

Risks from interest rate fluctuations

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

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

Credit risk

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

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

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

Liquidity risk

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



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

Risk of default and covenants on debt

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

Operational and management risks

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

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

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

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

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

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

Risks related to tariffs and international trade policies

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

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



9. Statement of Directors' Responsibility

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

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

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

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

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

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

- The Consolidated Financial Statements for the half-year ended 30 June 2025 have been prepared in accordance with the IFRS adopted by the European Union. They provide a true and fair view of the financial and equity situation of the Group and of the companies included in the consolidation, taken as a whole, and of the profit for the half-year to 30 June 2025;
- the Directors' Report on pages 6-38 includes a fair analysis of the business performance for the half-year to 30 June 2025 and of the financial position of the Company and the Group at the end of the period;



- the Risk Management Report provides a description of the main risks and uncertainties at the end of the half-year that could affect the future performance of the Company and the Group; and
- the half-year report and the condensed consolidated financial statements, taken as a whole, provide the information necessary for shareholders to evaluate the situation and performance of the Company and the Group, the business model and the strategy and are fair, balanced and comprehensible.

Milan, 12 September 2025

Alessandro Mutinelli

Chairman and Chief Executive Officer







Condensed consolidated half-year financial statements at 30 June 2025

Consolidated financial position

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



Comprehensive income statement

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



Statement of changes in equity

Amounts in Euro

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

Amounts in Euro

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



Statement of cash flows

Amounts in Euro

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



FORM AND CONTENT OF THE CONDENSED CONSOLIDATED HALF-YEAR FINANCIAL STATEMENTS

Introduction

These condensed consolidated half-year financial statements at 30 June 2025 have been prepared pursuant to the EGM Regulation and in compliance with the International Accounting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and endorsed by the European Union. IFRS also means the International Accounting Standards (IAS) still in force, as well as all the interpretative documents issued by the Interpretation Committee, previously called the International Financial Reporting Interpretations Committee (IFRIC) and before that the Standing Interpretations Committee (SIC).

This condensed consolidated half-year financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting: in application of the option granted by the accounting principle IAS 34 – Interim Financial Reporting, the information provided in this financial statement is drawn up in summary form and therefore does not include the complete information required for the annual financial statements, as it is aimed at providing an update on the activities, facts and circumstances that occurred in the half-year in object - if considered relevant - as well as on certain minimum additional information expressly required by the same principle, for this reason, this document must be read in conjunction with the Group's consolidated financial statements as of 31 December 2024.

The accounting standards and the recognition, measurement and classification criteria adopted, as well as the consolidation methods applied to this condensed consolidated half year financial statements are uniform with those used for the preparation of the consolidated financial statements as of 31 December 2024, to which reference is made for a more detailed discussion, with the exception of what is reported in section 2.2 - Newly applied accounting standards and interpretations. In this condensed half-year consolidated financial statements, the balance sheet values are compared with those relating to the closing of the previous financial year, while the economic values are compared with those of the closing of the corresponding half-year 2024.

The condensed consolidated half-year financial statements are subject to a limited review by the auditing firm BDO Italia S.p.A.

Financial statement formats

This condensed consolidated half-year financial statements at 30 June 2025 consists of the Statement of consolidated Financial Position, the Comprehensive Income Statement, the Statement of Changes in Shareholders' Equity, the Statement of Cash Flows and the Explanatory Notes, and is accompanied by the Directors' Report on the results of operations.



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

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

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

In the Statement of Cash Flows, the financial flows deriving from operations are presented using the indirect method, whereby the profit or loss for the year is adjusted by the effects of non-monetary transactions, any deferral or provision of previous or future operating receipts or payments, and any elements of revenue or costs connected to the financial flows deriving from investing or financial activity.

1. Scope of consolidation

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

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

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

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

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



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

* in liquidation

Provinco Deutschland GmbH in liquidation was permanently cancelled from the companies register in August 2025.

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

2. Basis of preparation

The condensed consolidated half-year financial statements have been drawn up on a going-concern basis with the Euro as the presentation currency; amounts are rounded to the nearest whole number, as are those mentioned in the notes, unless indicated otherwise.

The basis of preparation adopted in preparing these condensed consolidated half-year financial statements is that of cost, except for derivatives which are measured at *fair value*.

2.1 Accounting policies

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

Business combinations

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

The identifiable assets and liabilities acquired are recognised at their fair value at the acquisition date; exceptions to this are deferred tax assets and liabilities, assets and liabilities



for employee benefits, liabilities or equity instruments relating to share-based payments of the acquired company or share-based payments issued in place of contracts of the acquired company, and assets (or groups of assets and liabilities) held for sale, which are measured according to the relevant accounting standard.

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

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

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

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

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

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

Transactions in which the parent company acquires or sells further non-controlling interests without changing the control exercised over the subsidiary are transactions with shareholders



and the related effects must be recognised in shareholders' equity: there will be no adjustments to goodwill and no gains or losses recognised in the income statement.

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

Intangible assets with an indefinite useful life

Goodwill

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

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

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

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

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

Trademark

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



Intangible assets with a finite useful life

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

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

Other intangible assets

Other intangible assets are only recognized in the statement of financial position if it is probable that using the asset will generate future economic benefits and if the cost of the asset can be measured reliably. Once these conditions are met, intangible assets are recorded at cost, which is equal to the price paid plus any ancillary costs.

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

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

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

Right-of-use assets

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



Land, buildings, plant and machinery

Tangible assets are made up of:

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

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

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

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

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

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

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

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



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

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

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

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

Impairment of assets

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

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

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

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

Equity investments

Investments in subsidiaries not included in the scope of consolidation are shown at cost, adjusted for impairment. Any positive difference emerging from the purchase between the cost and the share of net equity in the investee company at replacement cost is therefore included in the carrying amount of the investment. If there is evidence that such investments have suffered impairment, the loss is recognized in the income statement as a write-down. If



the potential share of the investee's losses exceeds the carrying amount of the investment, and the entity is required to cover them, the value of the investment is written off and the share of the additional losses is recognized as a provision under liabilities. If, subsequently, the impairment no longer exists or decreases in amount, a write-up is recorded in the income statement up to a maximum of the original cost.

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

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

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

Financial instruments

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

Non-current financial assets

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



recognized as an expense in the income statement for the period. With the exception of derivatives, financial liabilities are stated at amortized cost using the effective interest method.

Trade receivables/payables and other payables

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

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

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

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

Cash and cash equivalents

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

Financial payables

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

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



Inventory

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

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

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

Non-current assets and liabilities held for sale

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

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

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

Employee benefits

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

Until 31 December 2006, the provision for severance indemnities (TFR) was considered a defined benefit plan. The rules governing severance indemnities were changed by Law no. 296 of 27 December 2006 (the 2007 Budget Law) and subsequent decrees and regulations issued in early 2007. In light of these changes, and in particular with reference to companies with at least 50 employees, TFR is now to be considered a defined benefit plan exclusively for the portions accrued before 1 January 2007 (and not yet paid at the balance sheet date), whereas for the portions accrued after that date it is considered more like a defined contribution plan.



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

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

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

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

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

Salary benefits in the form of equity participation

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



valuation and adjusting the number of rights that are expected to be assigned at each reporting date.

Provisions for future risks and charges

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

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

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

Revenue from sales

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

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

For commercial reasons, the distance selling division accepts returns from customers according to the terms laid down in the conditions of sale. Accordingly, the amounts invoiced at the time of shipment of the goods are adjusted by the amounts which, based on historical experience, it can reasonably be expected that not all the significant risks and benefits of ownership of the goods have been transferred at the reporting date. The returns calculated in this way are recorded in the income statement as a reduction of revenue.

Financial income

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

Public grants

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



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

Dividends

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

Cost recognition

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

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

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

Financial expenses

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

Taxes

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

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

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



and to the extent that there will probably be sufficient taxable income in the future to offset such losses.

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

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

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

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

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

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

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

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

This valuation category includes:

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



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

Derivatives designated as hedging instruments

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

- the items being hedged and the hedging instruments meet the eligibility requirements;
- at the start of the hedging relationship there is a formal designation and documentation of the hedging relationship, the Group's risk management objectives and strategy in undertaking the hedging;
- the hedging relationship meets all of the following effectiveness requirements:
 - there is an economic relationship between the item being hedged and the hedging instrument;
 - the effect of credit risk is not dominant compared with the variations associated with the risk being hedged;
 - the hedge ratio defined in the hedging relationship is respected, also by rebalancing, and is consistent with the risk management strategy adopted by the Group.

Such derivatives are measured at fair value.

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

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



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

Estimating fair value

The fair value of financial instruments listed on an active market is based on their market prices at the reporting date. The market price for financial assets held is the current selling price (purchase price for financial liabilities).

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

The fair value of interest rate swaps (IRS) is determined by discounting their estimated cash flows at the reporting date. For loans and other financial receivables, it is assumed that the face value, net of any adjustments made to take into account the risk that they may not be recovered, approximates the fair value. The fair value of financial liabilities for disclosure purposes is determined by discounting the contractual cash flows at an interest rate that approximates the market rate at which the entity finances itself.



Measuring fair value

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

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

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

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

<i>Amounts in €000</i>	30.06.2025	Level 1	Level 2	Level 3
<hr/>				
<i>Financial assets</i>				
Derivatives	3.9		3.9	
<hr/>				
<i>Amounts in €000</i>	31.12.2024	Level 1	Level 2	Level 3
<hr/>				
<i>Financial assets</i>				
Derivatives	12.0		12.0	

At 30 June 2025, an IRS-OTC derivative contract is recorded in the financial statements to hedge the interest rate risk for the entire duration of the loan; this contract provides for an exchange of flows between the Company and Crédit Agricole based on the residual amount of the underlying loan in each period; the Mark To Model value of the derivative is positive for Euro 12.0 thousand. (see Note 18).

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

- Trade receivables
- Trade payables
- Cash and cash equivalents
- Financial receivables
- Financial payables



ITALIAN WINE BRANDS S.p.A.

Amounts in €000

	30.06.2025		31.12.2024	
	Carrying amount	Fair Value	Carrying amount	Fair Value
<i>Financial assets</i>				
Trade receivables	31,698	31,698	50,613	50,613
Cash and cash equivalents	53,584	53,584	59,500	59,500
Financial receivables	550	550	529	529
<i>Financial liabilities</i>				
Trade payables	86,063	86,063	94,698	94,698
Financial payables	132,539	132,539	135,980	135,980



2.2 Accounting judgements and estimates

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

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

As of the date of the condensed consolidated half-year financial statements at 30 June 2025, no further impacts are expected other than those shown in the income statement, statement of financial position and statement of cash flows.



3. Risks

The Group is mainly exposed to risks from exchange rate and interest rate fluctuations, credit risk and liquidity risk as well as the operational risks relating to the reference market.

Risks from exchange rate fluctuations

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

Risks from interest rate fluctuations

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

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

Credit risk

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

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

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

Liquidity risk

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



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

Risk of default and covenants on debt

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

Operational and management risks

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

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

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

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

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

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

Risks related to tariffs and international trade policies

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

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



4. Accounting policies

4.1 Accounting standards and interpretations endorsed effective from 1 January 2025

Accounting standards and interpretations effective from 1 January 2025:

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

These changes clarify when a currency is exchangeable for another currency and, hence, when it is not. When one currency is not exchangeable for another, these changes define how the exchange rate to be applied is determined. The amendments also clarify the information that must be provided when a currency is not exchangeable.

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

4.2 International accounting standards and/or interpretations issued but not yet effective in 2025

As required by IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”, the new standards or interpretations already issued, but not yet effective or not yet endorsed by the European Union at 30 June 2025 and therefore not applicable, and the foreseeable impacts on the consolidated financial statements are indicated below.

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

- Amendments to IFRS 9 and IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments

The proposed amendments relate to:

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

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

- investments in equity instruments designated at fair value through other components of the comprehensive income statement;
- financial instruments with contractual terms that could change the timing or amount of contractual cash flows based on the occurrence (or non-occurrence) of a contingent event.



The amendments will apply for annual periods beginning on or after 1 January 2026. The directors do not expect the adoption of this amendment to have a significant impact on the Group's consolidated financial statements.

- Amendments to IFRS 9 and IFRS 7 - Classification of Financial Assets with Environmental, Social, and Governance (ESG) Characteristics

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

- clarification regarding the application of the "own use" requirements to these types of contracts;
- criteria to permit the accounting for these contracts as hedging instruments; and,
- new disclosure requirements to enable users of financial statements to understand the effect of these contracts on an entity's financial performance and cash flows.

The amendment will be effective from 1 January 2026. Directors do not expect the adoption of this amendment to have a significant impact on the Group's consolidated financial statements.

- Annual Improvements Volume 11

The document includes clarifications, simplifications, corrections, and changes aimed at improving the consistency of several IFRS Accounting Standards. The amended standards are:

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

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

- IFRS 18 Presentation and Disclosure of Financial Statements

The new standard introduces three sets of new requirements to improve reporting of companies' financial performance and provide investors with a better basis for analyzing and comparing companies: improved comparability in the income statement, greater transparency of management-defined performance measures, and more useful grouping of information in



the financial statements. IFRS 18 replaces IAS 1 Presentation of Financial Statements. It was issued on 9 April 2024 and will be effective for annual periods beginning on or after 1 January 2027, although companies may apply it earlier. Further investigations into any potential impacts on financial reporting are underway.

- IFRS 19 Subsidiaries Not Under Public Responsibility Disclosure

The new standard is intended for subsidiaries of entities that prepare consolidated financial statements in accordance with IFRS accounting principles. These entities, subject to certain requirements, may provide reduced disclosures in their individual financial statements, more suited to the needs of users of their financial statements. IFRS 19 Subsidiaries Without Public Responsibility (Disclosures) was issued on 9 May 2024 and will be effective for annual periods beginning on or after 1 January 2027. It has not yet been endorsed. The adoption of this standard is not expected to impact the group's consolidated financial statements.

- IFRS 14 – Regulatory Deferral Accounts

The new standard allows only first-time adopters of IFRS to continue recognizing amounts relating to rate-regulated activities ("Rate Regulation Activities") in accordance with their previous accounting standards. As the Group is not a first-time adopter, this standard is not applicable.



Segment Reporting

An operating segment is a component of an entity:

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

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

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

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

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

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

In light of the reorganisation of the Group, effective from 1 January 2024 as described in detail in paragraph 1.2 page 16, it is possible to conclude that from 1 January 2024 the Group has two segments subject to disclosure under IFRS 8. In any case, it should be noted that:

- the income statement information required by paragraph 32 of IFRS 8 relating to products and services is already included in the consolidated income statement because the Company sells wine and having to prepare more detailed information would be excessively burdensome;
- the information required by paragraph 33a is provided in the Report on page 34 and in the Notes in note 24;



- the investment information required by paragraph 33b of IFRS 8 is shown below:

Amounts in €000

	30.06.2025	31.12.2024	30.06.2024
Italy	277,817	278,423	277,178
USA	17,503	17,629	17,687
Switzerland	12,867	12,869	12,872
Total non-current assets *	308,187	308,921	307,737

* The total does not include:

- Non-current financial assets
- Deferred tax assets

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

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

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

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



Below are the data for the period from 1 January 2025 to 30 June 2025.

Segment Reporting

INCOME STATEMENT

	HOLDING	B2B	B2C	Eliminations	Consolidation
<i>Amounts in €000</i>					
<i>Wholesales</i>		137,438		(6,854)	130,584
<i>Ho.re.ca.</i>		30,035			30,035
<i>Distance selling</i>			24,639	(169)	24,470
<i>Others</i>	1,018		139	(1,112)	45
Revenue from sales	1,018	167,473	24,778	(8,136)	185,133
Change in inventories	-	8,653	590	-	9,244
Other income	15	1,161	389	(60)	1,505
Total revenue	1,033	177,287	25,757	(8,195)	195,882
Purchase costs	-	(125,261)	(11,755)	7,048	(129,968)
Costs for services	(1,021)	(18,000)	(12,479)	1,148	(30,352)
Personnel costs	(378)	(11,368)	(1,341)	-	(13,086)
Other operating costs	(83)	(453)	(54)	(0)	(590)
Operating costs	(1,482)	(155,081)	(25,629)	8,195	(173,997)
Adjusted EBITDA	(449)	22,207	128	0	21,885
Depreciation and amortization	(83)	(2,443)	(2,150)	-	(4,676)
Provision for risks	-	-	-	-	-
Write-ups / (Write-downs)	-	(42)	(69)	-	(111)
Adjusted operating result	(532)	19,722	(2,092)	0	17,098
Non-recurring items	(142)	(665)	(103)		(910)
Operating profit/(loss)	(674)	19,057	(2,195)	0	16,188
Financial income					1,015
Borrowing costs					(3,298)
Net financial income/(expenses)					(2,283)
EBT					13,905
Taxes					(3,569)
(Loss) Profit from discontinued operations					-
Profit (loss) (A)					10,336
Attributable to:					
Non-controlling interests					(213)
Group profit (loss)					10,124



Segment Reporting

STATEMENT OF FINANCIAL POSITION

	HOLDING	B2B	B2C	Eliminations	Consolidation
<i>Amounts in €000</i>					
Non-current assets					
Intangible assets	96	23,410	6,250	8,586	38,341
Goodwill	-	44,166	-	171,803	215,969
Land, property, plant and equipment	52	40,836	717	-	41,605
Right-of-use assets	482	6,757	4,808	-	12,047
Equity investments	291,258	13,826	1	(305,082)	3
Other non-current assets	19	202	2	-	223
Non-current financial assets	-	-	-	-	-
Deferred tax assets	-	514	679	8	1,200
Total non-current assets					309,388
Current assets					
Inventory	-	69,232	7,419	-	76,652
Trade receivables	813	33,468	4,039	(6,622)	31,698
Other current assets	3,675	1,842	2,499	(5,950)	2,065
Current tax assets	-	1,370	12	-	1,381
Current financial assets	-	-	-	-	550
Cash and cash equivalents	-	-	-	-	53,584
Total current assets					165,931
Non-current assets held for sale	-	9,740	-	-	9,740
Total assets					485,059
Shareholders' equity					
Share capital	-	-	-	-	1,124
Reserves	-	-	-	-	170,578
Reserve for defined benefit plans	-	-	-	-	31
Reserve for stock grants	-	-	-	-	-
Profit (loss) carried forward	-	-	-	-	43,836
Net profit (loss) for the period	-	-	-	-	10,124
Total Shareholders' Equity of parent company shareholders					225,693
Non-controlling interests	-	-	-	-	275
Total Shareholders' Equity					225,968
Non-current liabilities					
Financial payables	-	-	-	-	131,477
Lease liabilities	395	4,359	4,007	-	8,760
Provision for other employee benefits	72	1,165	197	-	1,433
Provisions for future risks and charges	-	100	-	-	100
Deferred tax liabilities	-	6,706	-	2,395	9,102
Other non-current liabilities	-	-	-	-	-
Total non-current liabilities					150,871
Current liabilities					
Financial payables	-	-	-	-	1,062
Lease liabilities	93	1,954	1,245	-	3,292
Trade payables	530	76,027	16,058	(6,552)	86,063
Other current liabilities	2,981	11,528	1,136	(6,020)	9,626
Current tax liabilities	5,748	1,792	636	-	8,177
Provisions for future risks and charges	-	-	-	-	-
Total current liabilities					108,219
Liabilities directly related to assets held for sale	-	-	-	-	-
Total shareholders' equity and liabilities					485,059



Below are the data for the period from 1 January 2024 to 30 June 2024.

Segment Reporting

INCOME STATEMENT

	HOLDING	B2B	B2C	Eliminations	Consolidated
<i>€ thousand</i>					
<i>Wholesales</i>		142,984		(7,607)	135,377
<i>Ho.re.ca.</i>		27,612			27,612
<i>Distance selling</i>			29,380	(1,255)	28,125
<i>Others</i>	1,174		304	(1,389)	88
Revenue from sales	1,174	170,596	29,684	(10,252)	191,202
Change in inventories	-	(1,892)	(918)	-	(2,809)
Other income	230	1,036	652	(204)	1,715
Total revenue	1,404	169,740	29,418	(10,455)	190,108
Purchase costs	-	(117,948)	(13,573)	8,963	(122,558)
Costs for services	(1,002)	(18,702)	(13,703)	1,492	(31,914)
Personnel costs	(674)	(10,832)	(1,642)	-	(13,149)
Other operating costs	(130)	(382)	(51)	0	(563)
Operating costs	(1,806)	(147,865)	(28,969)	10,455	(168,184)
Adjusted EBITDA	(402)	21,876	449	-	21,923
Depreciation and amortization	(60)	(3,442)	(2,214)	-	(5,717)
Provision for risks	-	-	-	-	-
Write-ups / (Write-downs)	-	(76)	(497)	-	(574)
Operating result Adjusted	(462)	18,358	(2,263)	-	15,633
Non recurring items	(170)	(579)	(864)		(1,614)
Operating profit/(loss)	(632)	17,778	(3,127)	-	14,019
Finance revenue					1,512
Borrowing costs					(3,243)
Net financial income/(expenses)					(1,731)
EBT					12,288
Taxes					(3,172)
(Loss) Profit from discontinued operations					-
Profit (loss) (A)					9,116
Attributable to:					
(Profit)/Loss of NCIs					(145)
Group profit (loss)					8,971



Segment Reporting

STATEMENT OF FINANCIAL POSITION

	HOLDING	B2B	B2C	Eliminations	Consolidated
<i>€ thousand</i>					
Non-current assets					
Intangible assets	121	2,718	26,940	8,586	38,365
Goodwill	-	44,166	-	171,803	215,969
Land, property, plant and equipment	72	38,321	879	-	39,272
Right-of-use assets	30	8,327	5,547	-	13,904
Equity investments	270,402	13,828	1	(284,227)	5
Other non-current assets	19	202	2	-	222
Non-current financial assets	-	-	-	-	-
Deferred tax assets	27	736	790	8	1,562
Total non-current assets					309,299
Current assets					
Inventory	-	68,338	8,317	-	76,655
Trade receivables	4,163	49,477	5,844	(10,643)	48,842
Other current assets	5,290	1,859	2,282	(7,074)	2,358
Current tax assets	-	607	9	-	616
Current financial assets	-	-	-	-	720
Cash and cash equivalents	-	-	-	-	48,997
Total current assets					178,189
Non-current assets held for sale	-	10,259	-	-	10,259
Total assets					497,747
Shareholders' equity					
Share capital	-	-	-	-	1,124
Reserves	-	-	-	-	156,118
Reserve for defined benefit plans	-	-	-	-	(64)
Reserve for stock grants	-	-	-	-	-
Profit (loss) carried forward	-	-	-	-	47,065
Net profit (loss) for the period	-	-	-	-	8,971
Total Shareholders' Equity of parent company shareholders					213,215
Shareholders' equity of NCIs	-	-	-	-	(64)
Total Shareholders' Equity					213,151
Non-current liabilities					
Financial payables	-	-	-	-	137,511
Lease liabilities	-	5,801	4,861	-	10,662
Provision for other employee benefits	70	1,406	172	-	1,648
Provisions for future risks and charges	-	154	-	-	154
Deferred tax liabilities	4	1,117	5,891	2,395	9,407
Other non-current liabilities	-	-	-	-	-
Total non-current liabilities					159,382
Current liabilities					
Financial payables	-	-	-	-	5,774
Lease liabilities	37	2,685	1,145	-	3,867
Trade payables	227	97,388	14,885	(10,571)	101,929
Other current liabilities	2,720	13,427	939	(7,145)	9,941
Current tax liabilities	757	2,031	914	-	3,702
Provisions for future risks and charges	-	-	-	-	-
Total current liabilities					125,214
Liabilities directly related to assets held for sale	-	-	-	-	-
Total shareholders' equity and liabilities					497,747



Notes

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

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

5. Intangible assets

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

Amounts in €000

INTANGIBLE ASSETS							
Net carrying amount							
Net carrying amount	01.01.2025	increases	decreases	depreciation/amortization	reclassifications/other changes	increases through business combinations	30.06.2025
Trademarks & patents	31,922	49	-	(191)	(55)	-	31,726
Software	726	56	-	(242)	20	-	558
Start-up costs	57	6	-	(9)	4	-	58
Other intangible assets	5,332	1,169	-	(1,297)	349	-	5,553
Intangible assets in course of formation	432	387	-	-	(372)	-	446
Net carrying amount of intangible assets	38,469	1,666	-	(1,740)	(55)	-	38,341

Trademarks and patents are mainly represented by:

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

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



The increases in 2025 mainly relate to:

- (i) Euro 1,573 thousand for the development of the following activities which mainly concerned Giordano Vini S.p.A.:
 - development of websites for on-line selling;
 - development of the customer base through targeted acquisition by successful cost-per-acquisition (or CPA) marketing campaigns”);
 - software development;
- (ii) Euro 49 thousand for the registration of new trademarks.

6. Goodwill

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

Amounts in €000

Company	30.06.2025	31.12.2024
Provinco Italia S.p.A.	IWB Italia S.p.A.	186,077
Giordano Vini S.p.A.		
Enoitalia S.p.A.		
Barbanera S.r.l.		
Fossalto S.r.l.		
Enovation Brands Inc	17,038	17,038
Raphael Dal Bo AG	12,854	12,854
Total Goodwill	215,969	215,969

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

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

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



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

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

The value in use was determined by discounting the cash flows shown in the financial forecasts prepared by the Companies. In order to determine the value in use of a CGU, the discounted cash flows of the five years of explicit projection are added to a terminal value determined by discounting the expected perpetual income.

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

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

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

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

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



Reportable Segment	CGU's 2023	Goodwill 2023	Carrying Amount	Recoverable amount/VIU	Headroom	WACC
IWB Group	IWB Italia S.p.A.	186.077	265.686	324.504	58.818	6,6%
IWB Group	Giordano Vini S.p.A		28.457	35.893	7.436	7,2%
IWB Group	Raphael Dal Bo AG	12.854	11.957	104.990	93.033	6,2%
IWB Group	Enovation Brands Inc	17.038	11.817	26.391	14.573	6,6%
	IWB GROUP TOTAL	215.969	317.917	491.778	173.861	

Reportable Segment	CGU's 2024	Goodwill 2024	Carrying Amount	Recoverable amount/VIU	Headroom	WACC
IWB Group	IWB Italia S.p.A.	186.077	322.848	1.132.438	809.590	5,3%
IWB Group	Giordano Vini S.p.A	0	9.468	21.289	11.821	7,5%
IWB Group	Raphael Dal Bo AG	12.854	11.772	97.950	86.178	5,8%
IWB Group	Enovation Brands Inc	17.038	14.328	42.505	28.177	5,8%
	IWB GROUP TOTAL	215.969	358.416	1.294.182	935.766	

At 30 June 2025, Management had not identified any indicators of impairment.

In light of the increase in tariffs on products imported from Italy to the United States, it was not deemed necessary to revise the impairment test for the subsidiary Enovation Brands Inc., as a possible increase in product costs during the year had already been considered.



7. Land, buildings, plant and machinery

The changes in tangible fixed assets are shown below.

Amounts in €000

PROPERTY, PLANT AND EQUIPMENT						
Gross amount						
Historical cost	01.01.2025	increases	decreases	reclassifications/other changes	increases through business combinations	30.06.2025
Land and buildings	25,356	120	-	-	-	25,476
Plant and machinery	41,162	843	(257)	26	-	41,773
Equipment	13,466	200	-	-	-	13,665
Other	5,028	59	-	(21)	-	5,066
Tangible assets under construction :	130	859	-	(26)	-	963
Right-of-use assets	27,919	106	-	(658)	-	27,367
Total historical cost	113,060	2,187	(257)	(679)	-	114,311
PROPERTY, PLANT AND EQUIPMENT						
Accumulated amortization						
Accumulated amortization	01.01.2025	depreciation/amortization	decreases	other changes	increases through business combinations	30.06.2025
Land and buildings	(5,337)	(263)	-	-	-	(5,600)
Plant and machinery	(26,372)	(668)	126	(0)	-	(26,915)
Equipment	(7,957)	(202)	-	-	-	(8,159)
Other	(4,618)	(69)	-	22	-	(4,665)
Tangible assets under construction :	0	0	-	-	-	0
Right-of-use assets	(14,520)	(1,735)	-	935	-	(15,320)
Total accumulated depreciation	(58,804)	(2,937)	126	956	-	(60,659)
PROPERTY, PLANT AND EQUIPMENT						
Net amount						
Net carrying amount	01.01.2025	increases	decreases	depreciation/amortization	other changes	30.06.2025
Land and buildings	20,019	120	-	(263)	-	19,876
Plant and machinery	14,789	843	(131)	(668)	26	14,858
Equipment	5,508	200	-	(202)	-	5,506
Other	409	59	-	(69)	1	400
Tangible assets under construction :	130	859	-	0	(26)	963
Right-of-use assets	13,399	106	-	(1,735)	277	12,047
Total net carrying amount	54,255	2,187	(131)	(2,937)	277	53,652

The increases in 2025 were mainly:

- Euro 1,702 thousand for the IWB Italia S.p.A. plants, specifically for the purchase of a capper, a boiler, a wrap and two tag applicators, as well as improvements to the bottling system and the revamping of a boiler;
- Euro 200 thousand relating to new barriques and other equipment of IWB Italia S.p.A.



7 B. Right-of-use assets

The change in right-of-use assets broken down by underlying type of asset with comparative figures at 31 December 2024 is shown below:

Amounts in €000

Net carrying amount	01.01.2025	increases	depreciation/amortization	other changes	30.06.2025
Land and buildings	9,613		(1,059)	(0)	8,554
Plant and machinery	2,890		(455)	277	2,712
Equipment	338		(93)		245
Other	557	106	(128)		535
Total net carrying amount	13,399	106	(1,735)	277	12,047

Amounts in €000

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

The increases in 2025 were mainly:

- Euro 106 thousand for new long-term rental contracts for the Group's cars.

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

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

30.06.2025

Amounts in €000

	Short term	Medium/long term (within 5 years)	Long term (over 5 years)	Total	Cash Out
Land and buildings	(2,283)	(7,198)	(194)	(9,675)	(1,182)
Plant and machinery	(709)	(886)	(61)	(1,655)	(487)
Equipment	(98)	(57)	-	(155)	(96)
Other	(202)	(359)	(6)	(566)	(157)
Total	(3,292)	(8,499)	(260)	(12,051)	(1,921)



31.12.2024

Amounts in €000

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

The following shows the interest expense charged to the income statement on the lease liabilities compared with 30 June 2024.

Amounts in €000

Interest	30.06.2025	31.12.2024
Land and buildings	(148)	(161)
Plant and machinery	(44)	(35)
Equipment	(5)	(17)
Other	(28)	(3)
Total	(225)	(215)

Lastly, we would point out that:

- the costs of low-value leased assets charged to profit or loss amount to Euro 150 thousand (Euro 257 thousand at 30 June 2024);
- the costs relating to variable lease payments not included in the measurement of the lease liabilities amount to Euro 257 thousand (Euro 136 thousand at 30 June 2024).



8. Non-current assets held for sale

As explained in 2024 Financial Statement, on 24 April 2024 IWB Italia S.p.A. announced the closure of the Group's production activities at the Valle Talloria site and the simultaneous transfer to the production site in Calmasino di Bardolino.

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

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

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

			30.06.2025
<i>Amounts in €000</i>			
	Historical cost	Accumulated amortization	Net carrying amount
Land and buildings	14,301	(6,920)	7,381
Plant and machinery	17,169	(15,241)	1,928
Equipment	7,300	(6,933)	367
Other	2,968	(2,904)	64
Total	41,738	(31,998)	9,740

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



9. Equity investments

Investments are detailed below.

Amounts in Euro

	Country	30.06.2025	31.12.2024
Other companies			
BCC di Alba e Roero	Italy	258	258
Consorzio Conai	Italy	675	675
Unione Italiana Vini Scarl	Italy	516	516
Consorzio Natura è Puglia	Italy	500	500
Consorzio Granda Energia	Italy	517	517
Banca Alpi Marittime C.C. Carrù Scpa	Italy	293	293
Banca Valdichiana	Italia	-	1,100
Banca Tema	Italia	-	1,250
Total		2,759	5,109

10. Other non-current assets

Other non-current assets are detailed below.

Amounts in €000

	30.06.2025	31.12.2024
Security deposits	223	222
Total	223	222



11. Deferred tax assets and liabilities

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

Amounts at 30 June 2025

Amounts in €000

Description	Tax base	Tax rate	Balance
Non-deductible interest expense	18	24.00%	4
Provision for risks and charges	247	24.00%	59
Provisions for returns and inventory write-down purposes	2,070	27.90%	577
	235	27.90%	65
Provision for bad and doubtful accounts	1,811	24.00%	435
Remuneration of directors	153	24.00%	37
Maintenance	85	24.00%	20
Others	8	24.00%	2
Total Deferred tax assets			1,200

Description			
Business combination/Brands	24,923	27.90%	6,954
Tangible and intangible fixed assets	7,699	27.90%	2,148
Total Provision for deferred taxes			9,102

Amounts at 31 december 2024

Amounts in €000

Description	Tax base	Tax rate	Balance
Non-deductible interest expense	21	24.00%	5
Provision for risks and charges	301	24.00%	72
Provisions for returns and inventory write-down purposes	2,377	27.90%	663
	235	27.90%	66
Provision for bad and doubtful accounts	2,544	24.00%	611
Remuneration of directors	1,066	24.00%	256
Maintenance	-	24.00%	-
Others	58	24.00%	14
Total Deferred tax assets			1,686

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



12. Inventory

The details are shown below.

Amounts in €000

	30.06.2025	31.12.2024
Raw materials and consumables	10,925	4,353
Semi-finished products	30,920	32,876
Finished products	28,828	24,584
Advances	5,979	3,451
Total	76,652	65,264

Individual entries include:

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

The increase compared with 31 December 2024 is due to seasonality, which implies an increase in inventories in the first part of the year to service the main sales campaigns concentrated in the second half of the year, as well as the evolution of the advance payments necessary to secure the best selections of the new grape harvest.

The carrying amount of inventories is shown net of a provision for obsolete and slow-moving stock of Euro 1,249 thousand; the changes during the period are shown below.

Amounts in €000

Provision at 01.01.2025	1,730
Provisions	128
Amount used	(609)
Provision at the end of the period	1,249

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



13. Trade receivables

Trade receivables at 30 June 2025 and 31 December 2024 are detailed below.

Amounts in €000

	30.06.2025	31.12.2024
Trade receivables	34,602	54,248
Provision for bad and doubtful accour	(2,903)	(3,635)
Total	31,698	50,613

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

Amounts in €000

	30.06.2025
Provision at 01.01.2025	3,635
Provisions	111
Amount used	(843)
Provision at the end of the period	2,904

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

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

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

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



14. Other current assets

Other current assets at 30 June 2025 and 31 December 2024 are detailed in the following table:

Amounts in €000

	30.06.2025	31.12.2024
Security deposits	70	71
Others	704	1,917
Advances to suppliers	32	131
Accrued income and prepaid expenses	1,258	512
Total	2,065	2,631

The item "accrued income and prepaid expenses" mainly includes prepaid expenses for contributions to protection consortia, expenses for exhibitions and fairs, insurance costs and maintenance.

The item "Others" mainly includes receivables from factoring companies of IWB Italia S.p.A. equal to Euro 212 thousand; the reduction compared with the figure at 31 December 2024 (Euro 1,516 thousand) is part of the process of optimising financial management resulting from the corporate integration effective from 1 January 2024 which, as a further effect, has permitted the optimisation of the use of the agreed lines of credit.

15. Current tax assets

Tax credits at 30 June 2025 and 31 December 2024 are detailed in the following table:

Amounts in €000

	30.06.2025	31.12.2024
VAT receivables	1,103	0
Tax Credit	169	623
Others	109	98
Total	1,381	721

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

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

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



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

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

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

16. Cash and cash equivalents

Cash and cash equivalents at 30 June 2025 and 31 December 2024 are detailed in the following table.

Amounts in €000

	30.06.2025	31.12.2024
Bank deposits	52,796	58,239
Postal deposits	776	1,243
Cash	12	18
Total	53,584	59,500

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



17. Shareholders' equity

The Group shareholders' equity is made up as follows:

Amounts in Euro

	30.06.2025	31.12.2024
Share capital	1,124,468	1,124,468
Legal reserve	224,894	224,894
Share premium reserve	136,137,071	136,137,071
Translation reserve	107,181	285,852
Reserve for the purchase of treasury shares	(2,754,209)	(2,217,628)
Other reserves	36,863,434	20,695,158
Reserves	170,578,372	155,125,347
Reserve for actuarial gains on defined benefit plans	30,958	30,958
Reserve for stock grants	-	794,385
Prior year profits/(losses)	43,835,538	47,061,082
Profit/(loss) for the period	10,123,547	22,335,624
Total reserves	224,568,414	225,347,395
Total Group shareholders' equity	225,692,882	226,471,864
Non-controlling interests	275,029	62,505
Total shareholders' equity	225,967,911	226,534,369

Share capital

At 30 June 2025, the share capital of Italian Wine Brands amounts to Euro 1,124,468 divided into 9,459,983 ordinary shares without par value.

Reserves

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

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

At 30 June 2025, the Parent Company holds 131,678 ordinary shares, representing 1.39% of the ordinary share capital which includes:

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

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



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

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

- (a) the ordinary shares pertaining to the year, valuing them at the "market price on the grant date" namely 5 July 2023 and 26 February 2025 as described in the paragraph "Significant events during the period".
- (b) the phantom shares at the market value of the ordinary IWB shares calculated on the basis of the normal value of the shares pursuant to art. 9 of Presidential Decree no. 917 of 22 December 1986.

The share buy-back programme is described in the section "Significant subsequent events".



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

<i>Amounts in Euro</i>	30.06.2025	
	Profit/(loss) for the period	Shareholders' equity
Shareholders' equity IWB SpA (IFRS)	8,128,163	177,813,881
Elimination of carrying amount of consolidated equity investments:		
Carrying amount of consolidated equity investments		(291,257,562)
Pro-quota share of consolidated equity investments net of consolidation differences	16,347,780	339,603,286
Dividends from subsidiaries	(14,215,230)	-
Consolidation adjustments for transactions between consolidated companies	(137,166)	(466,723)
Group shareholders' equity and profit/(loss) for the period	10,123,547	225,692,882
Non-controlling interests	212,520	275,029
Consolidated shareholders' equity and profit/(loss)	10,336,067	225,967,911



18. Financial payables

The situation at 30 June 2025 is the following.

Amounts in €000

	Short term	Medium/long term (within 5 years)	Long term (over 5 years)	30.06.2025 Total
Bond	-	129,967	-	129,967
Other medium/long-term unsecured loan	1,010	811	-	1,821
Financial accrued expenses and charges	51	-	-	51
Total Banks	1,062	811	-	1,872
Payables to factoring companies	-	-	-	-
Deferred price on acquisitions	1,000	(606)	-	394
Other borrowings	-	305	-	305
Total other lenders	-	699	-	699
Total	1,062	131,477	-	132,539

The expected repayment flows in subsequent years are shown on page 108.

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

Amounts in €000

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



The following table shows the changes in financial liabilities.

Amounts in €000

	31.12.2024	Disbursements / Other changes	Repayments/Other r changes	30.06.2025
Bond	131,487	1,730	(3,250)	129,967
Other medium/long-term unsecured loan	3,401		(1,580)	1,821
Financial accrued expenses and charges	191	51	(191)	51
Total Banks	3,592	51	(1,771)	1,872
Payables to factoring companies	112		(112)	-
Deferred price on acquisitions	445		(51)	394
Other borrowings	344		(39)	305
Total other lenders	901	-	(201)	699
Total	135,980	1,781	(5,223)	132,539

Bank debt at 30 June 2025 consists of the following loans:

- A senior, non-convertible, non-subordinated and unsecured bond of Euro 130 million issued by Italian Wine Brands S.p.A. on 13 May 2021 with a duration of 6 years (expiry 13 May 2027), bullet repayment, fixed annual rate of 2.50%, with annual payment of interest. The bond is listed on the MOT market managed by Borsa Italiana and on the Irish Stock Exchange managed by Euronext Dublin.
- A medium-term loan granted on 28 February 2022 by Intesa San Paolo to the subsidiary Giordano Vini S.p.A. (and transferred to IWB Italia at 31 December 2023 as a result of the reorganization through demerger) for Euro 2 million, repayable in quarterly instalments and scheduled for repayment on 28 February 2027, with interest at the 3m Euribor plus a spread of 1.45%. The residual debt at 30 June 2025 measured at amortized cost amounts to Euro 710 thousand.
- A medium-term loan paid out on 26 February 2021 by Crédit Agricole to the subsidiary Giordano Vini S.p.A., (and transferred to IWB Italia at 31 December 2023 as a result of the reorganization through demerger) for Euro 2.4 million repayable in quarterly instalments with repayment scheduled for 26 February 2026, with interest at the 3m Euribor plus a spread of 1.00%. The residual debt at 30 June 2025 measured at amortized cost amounts to Euro 380 thousand.

An IRS-OTC derivative contract was taken out to hedge the interest rate risk on this loan for its entire duration; this contract provides for an exchange of flows between the Company and Crédit Agricole based on the residual amount of the underlying loan in each period; the Mark To Model value of the derivative is positive for Euro 3.9 thousand.

- Two loans for a total of Euro 861 thousand granted to Giordano S.p.A. by Simest for development projects:



- Euro 800 thousand paid out on 28/01/2022 to be repaid by 31/12/2028 with a grace period of 36 months and an interest rate of 0.055% (residual balance at 30 June 2025: Euro 700 thousand);
- Euro 169 thousand disbursed on 06 April 2022 to be repaid by 10 December 2025 with a pre-amortization period of 12 months and a rate of 0.055% (residual balance at 30 June 2025: Euro 31 thousand).
- The deferred price for the acquisition of Enovation Brands Inc. refers to the unconditional consideration to be paid to the sellers for which deferred payment has been agreed as follows: (i) USD 3.3 million no later than 10 January 2023, (ii) USD 3.3 million no later than 10 January 2024 already paid in previous years, and (iii) USD 1.4 million no later than 1 May 2026. The debt has been reduced by USD 927 thousand in consideration of the reimbursement from shareholders provided for in art. 8 of the sale agreement because of the fraud that emerged in the Enovation accounts during the preparation of the consolidated financial statements at 31 December 2022.
- As regards the IRS-OTC, the method used to measure and value the derivative at the end of the year is the mark to market prepared by the bank. Future cash flows are calculated on the basis of the FWD curve of the Eur3m at 30 June 2025 and discounted by applying the relevant coefficients to future nettings, so as to obtain the current value of the derivative at 31 December 2024:

Amounts in €000

	30.06.2025	31.12.2024
STATEMENT OF FINANCIAL POSITION	3.9	12.0
INCOME STATEMENT	(8.1)	(30.7)

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

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

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

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



Calculation of adjusted EBITDA for the covenant

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

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

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

In the 2024:

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

In the first half of 2025, the financial parameters are substantially unchanged compared to 31 December 2024.

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



19. Severance indemnities

Defined contribution plans

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

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

Defined benefit plans

The plans in favour of employees, which qualify as defined benefit plans, are represented by the provision for severance indemnities (known as TFR in Italian); the liability is calculated on an actuarial basis with the unit credit projection method. The actuarial gains and losses that arise when calculating these items are shown in a specific equity reserve. The changes in the liability for severance indemnities in the year to 30 June 2025 are shown below.

Amounts in €000

	30.06.2025	31.12.2024
Provision at the beginning of the period	1,548	1,654
Provisions	28	176
Benefits paid during the period	(143)	(234)
Actuarial (gains)/losses	0	(95)
Financial costs	0	47
Provision at the end of the period	1,433	1,548

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

At 30 June 2025, the severance indemnities valuation was not updated according to IAS 19 as it was not material.

The value at 31 December 2024, was maintained and will be updated again at the end of this year.



20. Provision for risks and charges

This item has changed during the period as follows:

<i>Amounts in €000</i>			30.06.2025
	Non-current	Current	Total
Provision at the beginning of the pe	166	0	166
Provisions	0	0	0
Releases	0	0	0
Amounts used	(66)	0	(66)
Provision at the end of the period	100	0	100

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

Non-current liabilities include a provision of Euro 135 thousand set aside by IWB italia S.p.A. for a lawsuit against a former agent.

21. Trade payables

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

<i>Amounts in €000</i>	30.06.2025	31.12.2024
Suppliers - Italy	82,302	90,249
Suppliers - Foreign markets	3,761	4,449
Total	86,063	94,698



22. Other current liabilities

Other liabilities are made as follows:

Amounts in €000

	30.06.2025	31.12.2024
Employees	4,916	4,318
Social security institutions	1,366	1,503
Directors	218	1,066
Accrued expenses and deferred income	2,494	2,895
Others	633	311
Total	9,626	10,093

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

Accrued expenses and deferred income mainly consist of the portion of Industry 4.0 capital grants pertaining to future years and tax credits relating to Enoitalia. The decrease compared with 31 December 2024 is due to the allocation to the income statement of the 2025 portion of tax credits and investment grants.

"Other" mainly includes: Euro 227 thousand relating to advances to customers, Euro 71 thousand due to the Board of Statutory Auditors and Euro 155 thousand relating to ongoing disputes.

23. Current tax liabilities

These are made up as follow.

Amounts in €000

	30.06.2025	31.12.2024
VAT	0	1,009
IRES	6,408	4,976
IRPEF withholding tax	772	914
IRAP	1,096	996
Excise duty	69	127
Other taxes	(167)	(181)
Total	8,177	7,841

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



24. Revenue from sales

Revenue from sales and other income at 30 June 2025 are detailed below with comparative figures.

Amounts in €000

	30.06.2025	30.06.2024
Revenues from sales - Italy	31,812	36,237
Revenues from sales - Foreign markets	153,277	154,877
UK	44,419	40,601
Germany	26,851	27,775
Switzerland	17,831	19,997
US	15,761	16,224
Poland	5,744	5,884
Austria	5,199	6,687
Netherlands	4,387	3,218
Canada	3,796	3,706
France	3,646	5,239
Denmark	2,824	2,770
Belgium	2,506	2,376
Ireland	2,307	2,371
Sweden	938	1,233
China	651	755
Other countries	16,417	16,042
Other Revenues	45	88
Total Revenues from sales	185,133	191,202

In this regard, it should be noted that the turnover relating to the two main customers amounts to (i) Euro 28,331 thousand (ii) Euro 23,227 thousand respectively. The Group's customers are predominantly international clients with sales referring to a variety of countries. Revenue is attributed to countries based on the destination of the products. Sales per product at the overall customer level are not significant, as the Group essentially sells wine and the cost of an analytical report would be excessive, at least for the time being.



25. Other income

Other income at 30 June 2025 is detailed below with comparative figures.

Amounts in €000

	30.06.2025	30.06.2024
Capital gains	10	410
Contributions and tax credits	421	335
Rental income	243	230
Chargebacks	74	52
Out-of-period income	515	438
Others	241	251
Total Other income	1,505	1,715

26. Purchases

Purchases can be broken down as follows.

Amounts in €000

	30.06.2025	30.06.2024
Giordano Vini S.p.A.	4,967	6,020
IWB Italia S.p.A.	122,719	114,270
Enovation Brands Inc	1,114	972
Raphael Dal Bo AG	1,168	1,296
IWB S.p.A.	0	0
Total	129,968	122,558



27. Services

Services at 30 June 2025 are detailed below with comparative figures.

Amounts in €000

	30.06.2025	30.06.2024
Services from third parties	8,625	8,607
Transport	6,278	7,211
Postage expenses	1,857	1,629
Leases and rentals	815	994
Consulting	1,223	1,310
Advertising costs	685	397
Utilities	1,361	1,216
Remuneration of Directors, Statutory Auditors	996	763
Maintenance	1,243	1,067
Outsourcing costs	2,684	3,358
Commissions	1,176	1,339
Other costs for services	3,524	4,133
Total	30,469	32,022

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

Amounts in €000

	30.06.2025	30.06.2024
Directors	891	660
Statutory auditors	68	70
SB	37	34
Total	996	763

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

Amounts in €000

	Audit	Consulting
Holding company	36	0
Subsidiaries	78	3
Total	114	3



28. Personnel

Personnel costs at 30 June 2025 are detailed below with comparative figures.

Amounts in €000

	30.06.2025	30.06.2024
Wages and salaries	9,348	10,460
Social security charges	2,509	2,639
Severance indemnities	464	501
Stock grant	0	0
Administration cost	1,337	1,025
Other costs	146	31
Total	13,804	14,655

The following table shows the number of employees.

	No. at 30.06.2025	Average no. 30.06.2025	No. at 30.06.2024	Average no. 30.06.2024
Managers	7	8	7	7
Middle managers	20	20	21	21
Office workers	188	183	184	202
Factory workers	135	134	127	136
Total	350	344	339	366

29. Other operating costs

Other operating costs at 30 June 2025 are detailed below with comparative figures.

Amounts in €000

	30.06.2025	30.06.2024
Capital losses	102	0
Other taxes	167	179
Damages, penalties/fines	101	26
Concessions and licences	144	146
Out-of-period expenses	66	92
Others	84	120
Total	665	563



30. Write-downs

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

31. Financial income and expenses

Financial income and expenses are detailed in the following tables.

Amounts in €000

	30.06.2025	30.06.2024
On current accounts	224	236
Exchange rate gain/(loss)	649	701
Others	142	574
Total	1,015	1,512

The item "Others" includes in 2025 other interest income.

Amounts in €000

	30.06.2025	30.06.2024
Bonds	(1,730)	(1,732)
Loans	(18)	(219)
Lease liabilities	(225)	(215)
Bank current accounts	0	(5)
Financial instruments	(8)	(13)
Factoring	(380)	(460)
Bank fees and charges	(224)	(282)
Exchange gain/(loss)	(661)	(23)
Others	(53)	(294)
Total	(3,298)	(3,243)

In detail, interest on loans includes:

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



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

32. Taxes

Income taxes at 30 June 2025 are detailed below with comparative figures.

Amounts in €000

	30.06.2025	30.06.2024
IRES	(2,573)	(1,739)
IRAP	(614)	(545)
Taxes for prior periods	(0)	(0)
Total current taxes	(3,187)	(2,284)
Deferred tax assets	(328)	(597)
Deferred tax liabilities	(54)	(291)
Total deferred taxes	(382)	(888)
Total	(3,569)	(3,172)



33. Related-party transactions

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

To summarize:

- (i) a commercial lease contract signed on 1 February 2012 by Provinco Italia S.p.A. (now IWB Italia S.p.A.) and Provinco S.r.l. under which Provinco S.r.l. has been leasing the property located in Via per Marco 12/b, Rovereto (TN) to Provinco Italia S.p.A.; the lease has a duration of six years (until 31 January 2018) with tacit renewal for the same period unless notice of cancellation is given 12 months before the expiry date; the agreed rent is Euro 60 thousand per year, index-linked to ISTAT inflation statistics, plus VAT. For the first half of 2025 the rent came to Euro 34.9 thousand;
- (ii) a service contract with Electa S.p.A. involving investor relations support for an annual amount of Euro 40 thousand.

These relationships are regulated at market conditions.

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

34. Atypical and unusual transactions

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

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

In accordance with the transparency requirement in art. 1, para. 125 of Law 124/2017, the grants received in the half year 2025 are shown below:

- (i) OCM grants for market promotions of Euro 227,127.76;
- (ii) investment tax credit of Euro 453,949.19;
- (iii) advertising grant of Euro 9,500.00.



36. Significant events

36.1 Significant events during the period

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

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

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

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



36.2 Significant subsequent events

28 July 2025 saw the end of the **share buy-back programme** launched on 13 May 2025 – as per the press release issued on the same date to which reference should be made for more detailed information – in implementation of the resolution passed by the IWB's Ordinary Shareholders' Meeting held on 12 May 2025.

Under this programme, a total of 60,000 IWB treasury shares were purchased between 13 May 2025 and 28 July 2025, for an average price of Euro 20.84 per share and a total value of Euro 1,250,329, in accordance with and within the terms of the resolutions of the aforementioned Shareholders' Meeting and the announcement made on 13 May 2025.

At the same time, IWB has announced the launch of a new share buy-back programme, in accordance with the resolution passed by the Ordinary Shareholders' Meeting on 12 May 2025, as a useful strategic investment opportunity for any purpose permitted by current legislation. The buy-back will involve a maximum of 60,000 of the Company's ordinary shares with no par value, for a maximum of Euro 1,800,000.00.

37. Outlook

In the second half of 2025, thanks to (i) a new record bottom line and (ii) a strong financial situation that will allow it to confidently tackle both organic and external growth, the IWB Group will continue:

- (i) along the path of growth in sales of top brands with a view to an ongoing rise in profit margins;
- (ii) in the optimisation of costs in the production supply chain;
- (iii) in the optimisation of costs in the production supply chain.

A strengthening of the sales and marketing staff is also planned to provide more pro-active support for the expansion into international markets and the development of Top Brands.

Milan, 12 September 2025

For the Board of Directors

The Chairman and Chief Executive Officer

Alessandro Mutinelli

