1INFO
DIGITAL SIGN

August 4th 2025

EARNINGS CALL

1H25 RESULTS

intercos GROUP

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Stefano Zanelli, the Manager in charge of preparing the corporate accounting documents, declares that, pursuant to art. 154-bis, paragraph 2, of the Legislative Decree no.58 of February 24, 1998, the accounting information contained herein correspond to document results, books and accounting records.

Agenda

1H25 Executive Summary

1H25 Financials

Outlook & Guidance

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Executive Summary

1H25 Net Sales

€524.9m

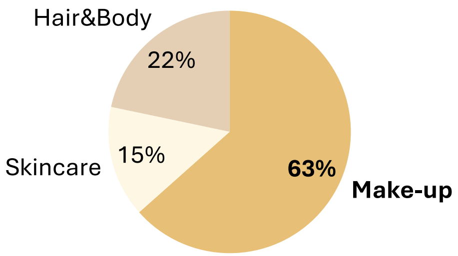
+6.1% c.FX vs. 1H24
+5.0% Rep FX vs. 1H24

1H25 Adj. EBITDA

€74.5m

+16.5% or +€10.5m vs. 1H24
14.2% on Net Sales (**+140Bps** vs. 1H24)
18.2% on Value Added Sales (**+176Bps** vs.1H24)

Make-up (+17.6%) back to >60% of total Group Sales

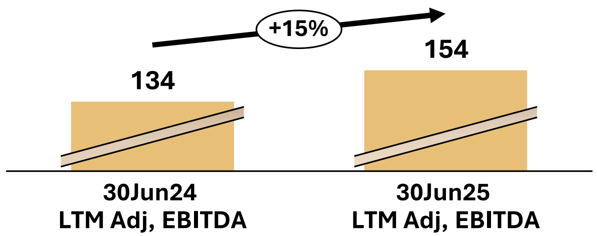


30Jun25 Net Debt

€134.5m

0.87x Net Debt to LTM Adj. EBITDA ratio
30Jun25 Net Debt excl. IFRS16 at €95.2m

2Q25 EBITDA Margin at 16.5%



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Executive Summary

1H	€m	1H25	1H24	% vs 1H24 Rep FX	% vs 1H24 c FX
	Revenues	524.9	499.9	5.0%	6.1%
	Value Added Sales	408.4	388.1	5.2%	
	Adj. EBITDA	74.5	64.0	16.5%	
	Adj. EBITDA %	14.2%	12.8%	140Bps	
	Adj. EBITDA on VAS %	18.2%	16.5%	176Bps	
	Adj. Net Income	20.7	22.9	(9.4%)	
	Adj. Net Income %	4.0%	4.6%		
	Net Debt	134.5	114.1		
	Net Debt/Adj. EBITDA	0.87x	0.85x		

2Q	€m	2Q25	2Q24	% vs 2Q24 Rep FX	% vs 2Q24 c FX
	Revenues	274.1	278.8	-1.7%	0.5%
	Adj. EBITDA	45.3	43.2	4.8%	
	Adj. EBITDA %	16.5%	15.5%	103Bps	

VAS: Value Added Sales = Net Sales – packaging cost

Despite volatile market conditions and unfavourable exchange rates – 1H25 sales growth ***exceeded the overall market trend.***

1H25 EBITDA increased ***3x*** *the growth reported at top line level (EBITDA margin* ***+140Bps*** *on Net Sales and* ***+176Bps*** *on VAS).*

The increase in EBITDA allowed the Group to offset the negative exchange rates impact at Net income level, which closed just -€2.1m below 1H24.

Sound financial structure *with leverage well below 1x with additional expansion capex absorbed.*

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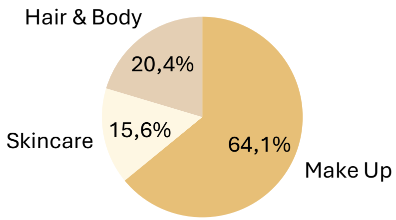
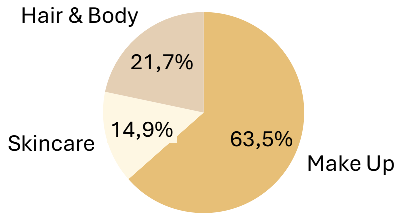
1H25 Financials - Sales Performance – Revenues by BU

Business Units

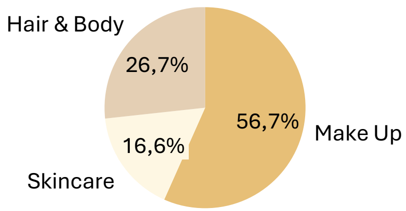
2Q25



1H25



1H24



- **Make-up** reported revenues of **€333.1m** in 1H25, up **+17.6%** compared to the first six months of 2024, delivering double-digit growth in both quarters. All Regions contributed positively to the business unit's performance, with multinational clients outperforming other customer segments. Both the mass and prestige segments grew year-over-year.
- **Skincare** closed the first half at **€78.1m**, below 1H24 mainly due to the gap generated in the first quarter. Decline was mainly driven by US Emerging Brands, while sales to multinational clients increased, particularly in EMEA. Overall, the customer mix improved versus last year, as reflected in the strong profitability of the Business Unit (see overleaf).
- **Hair&Body** recorded revenues of **€113.7m** in 1H25, down **-14.8%**, with the entire decline occurring in the second quarter. This compares to an exceptional strong result in 2Q24 (+39%), which had benefited from several new product launches for EMEA-based clients.

	€m	1H25	1H24	% vs 1H24
1H	Revenues	524.9	499.9	5%
	Make Up	333.1	283.4	18%
	Skincare	78.1	83.0	(6%)
	Hair & Body	113.7	133.5	(15%)

	€m	2Q25	2Q24	% vs 2Q24
2Q	Revenues	274.1	278.8	(2%)
	Make Up	175.6	155.5	13%
	Skincare	42.7	43.6	(2%)
	Hair & Body	55.8	79.8	(30%)

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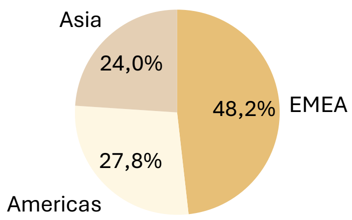
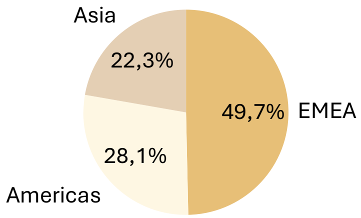
1H25 Financials - Sales Performance – Revenues by Region

Regions

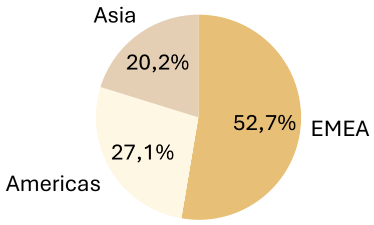
2Q25



1H25



1H24



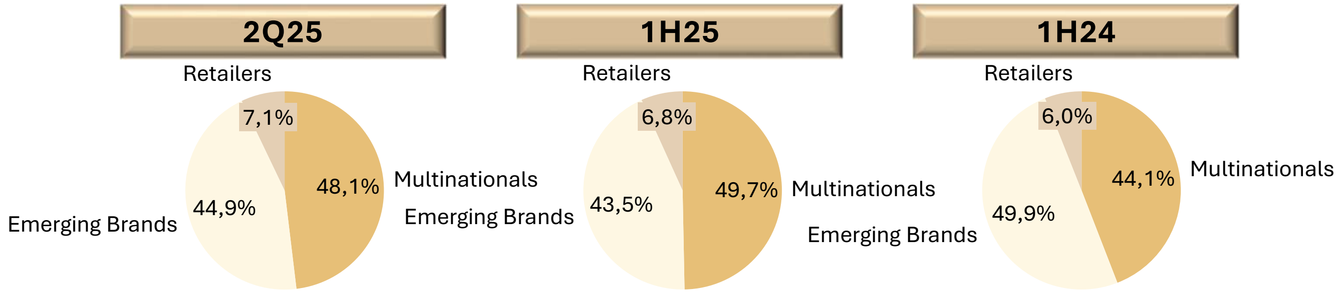
- **EMEA** recorded revenues of **€260.6m** in 1H25, broadly in line with the previous year (**-1%**), supported by solid performances in both Make-up and Skincare, offset by the Hair&Body. Both Multinational clients and Retailers showed growth, particularly in the second quarter.
- **Americas** reported Net Sales of **€147.3m** in the first six months of the year, up **+8.8%**, with both quarters displaying increases versus last year. Despite a tense market environment, the prestige segment performed well, driven by both Emerging Brands and Multinationals. Make-up posted strong growth across the region, also in the second quarter.
- **Asia** continued to deliver strong results, reporting revenues of **€116.9m**, up **+15.6%**, despite last year tough comps. Growth was once again led by solid performances in both China and Korea, particularly in Make-up. Both Emerging Brands and Multinationals contributed significantly in both quarters.

	€m	1H25	1H24	% vs 1H24
1H	Revenues	524.9	499.9	5%
	EMEA	260.6	263.3	(1%)
	Americas	147.3	135.5	9%
	Asia	116.9	101.1	16%

	€m	2Q25	2Q24	% vs 2Q24
2Q	Revenues	274.1	278.8	(2%)
	EMEA	132.2	146.3	(10%)
	Americas	76.2	74.9	2%
	Asia	65.7	57.7	14%

1H25 Financials - Sales Performance – Revenues by Customer Type

Customer Type



- **Multinationals** closed 1H25 with revenues of **€260.9m**, up **+18.3%** compared to LY and with double digit increases in both quarters. This strong performance was primarily driven by the Make-up business unit, followed by Skincare. All geographic areas posted solid growth, with Asia and the United States leading the way. Both the prestige and mass segments grew, with the former showing significantly higher growth rates.
- **Emerging Brands** reported a revenue decline of **-8.3%**, entirely attributable to the second quarter, closing the period at **€228.6m**. The challenging comparison base and the performance of the Hair&Body category weighed on results. By Region, performance was positive in Asia, while the US showed weaker dynamics.
- **Retailers** closed 1H25 with revenues of **€35.5m**, up **+18.2%**, rebounding from the decline recorded in 2024. Make-up and Hair & Body performed well, particularly in Europe.

1H

€m	1H25	1H24	% vs 1H24
Revenues	524.9	499.9	5%
Multinationals	260.9	220.5	18%
Emerging Brands	228.6	249.4	(8%)
Retailers	35.5	30.0	18%

2Q

€m	2Q25	2Q24	% vs 2Q24
Revenues	274.1	278.8	(2%)
Multinationals	131.8	119.8	10%
Emerging Brands	123.0	142.9	(14%)
Retailers	19.4	16.1	20%

1H25 Financials – P&L highlights

- **1H25** was marked by **record revenues**, reaching **€524.9m**, despite the impact of unfavourable exchange rates (**+6.1%** at constant FX and **+5%** at reported FX) and soft market trends, also influenced by geopolitical tensions and trade wars. In particular, FX impacted 2Q, which reported sales of **€274.1m**, up by **+0.5%** at constant FX and down **-1.7%** at reported rates.

- The significant increase of **1H25 Adj. EBITDA**, up **+16.5%** y-o-y, significantly outpaced the growth in sales. The Group closed 1H25 at **€74.5m** (or **+€10.5m** vs.1H24), with a substantial profitability expansion of **+140Bps.** After the very positive 1Q, also 2Q strongly contributed to the marginality expansion, posting a **+103Bps** increase. These profitability gains led to 2Q25 Adj. EBITDA of **€45.3m**, the **highest quarterly result ever recorded by the Group**. This performance reflects:
  (i) an improved sales mix by business unit, with Make-up once again exceeding 60% of total Group sales;
  (ii) the strong performance of prestige clients,
  (iii) the benefits of operational initiatives that drove continuous productivity improvements,
  (iv) a stable packaging component as a percentage of net sales compared to last year (i.e., no further dilution over the same period).

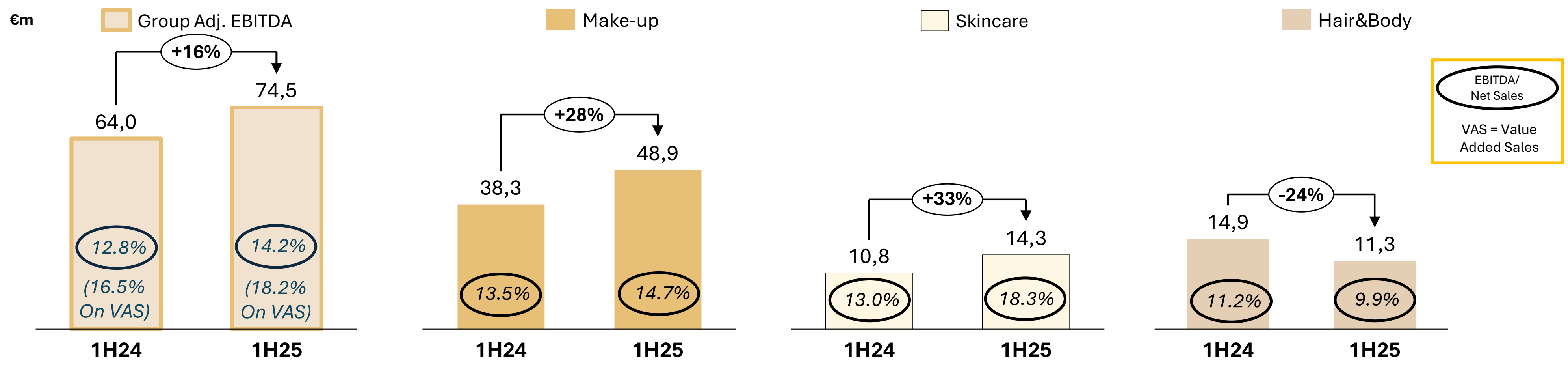
- The improvement in productivity was also evidenced by the increase in **Adj.EBITDA on value-added sales** (net of packaging costs), which reached **18.2%**, up **+176Bps** vs. 1H24.

- **Adj. Net Income** amounted to **€20.7m** in 1H25, showing a slight decrease of **-€2.1m**. The performance primarily reflects the increase in financial expenses, driven by both realized and unrealized foreign exchange impacts, especially related to the appreciation of the Euro against the US Dollar, China Renminbi, and Korean Won. Tax rate was temporarely influenced by intercompany dividend distributions made in 2Q25, and it is therefore expected to decline in 2H25.

€m	1H25	1H24	Var. vs 1H24	% vs 1H24
Net Sales	524.9	499.9	*25.0*	*5.0%*
Gross Margin	111.8	99.9	11.9	*11.9%*
Gross Margin %	*21.3%*	*20.0%*	+131Bps	
Adj. EBITDA	74.5	64.0	*10.5*	*16.5%*
Adj. EBITDA/Net Sales	*14.2%*	*12.8%*	+140Bps	
Adj. EBITDA/Value Added Sales	*18.2%*	*16.5%*	*+176Bps*	
EBITDA (*)	70.1	58.5	*11.6*	*19.9%*
EBIT (*)	43.9	35.1	*8.8*	*25.1%*
PBT (*)	30.5	30.7	*(0.2)*	*(0.6%)*
Net Income (*)	16.6	17.9	*(1.2)*	*(7.0%)*
Adj. Net Income	20.7	22.9	*(2.1)*	*(9.4%)*
Adj. Net Income %	*4.0%*	*4.6%*	*(63Bps)*	

(*) Includes non recurring items

1H25 Financials – Adjusted EBITDA by BU



- **1H25 Group Adj. EBITDA** was equal to **€74.5m**. The strong performance of **2Q25**, which reported a record EBITDA of **€45.3m**, sustained by very strong profitability (**16.5%** on Net sales) was added to the strong 1Q25 results reported**. 1H25 profitability expansion thus reached 14.2% on Net Sales, and 18.2% on Value Added Sales, growing by +140Bps and +176Bps respectively.**

- **Make-Up Adj. EBITDA** stood at **€48.9m**, up **+28%** (or **+€10.7m**). The growth was strong both in absolute terms and in terms of profitability, with the Adj, EBITDA margin on net sales improving by +119Bps year-over-year.

- **Skincare Adj. EBITDA** amounted to **€14.3m** in 1H25, increasing by **+33%** (or **+€3.5m**) vs. 1H24. Despite the slow performance, the favourable customer mix and operational improvements drove the material increase in profitability.

- In the same period, **Hair&Body** posted **Adj. EBITDA** of **€11.3m**, down **-24%** compared to 1H24. As previously explained, the exceptional growth in 2024 was driven by a series of new product launches of which volumes normalized in 2025. Consequently, the decline in volumes impacted the unit's profitability in the second quarter of the year.

1H25 Financials – Cash Flow & Net Debt

Operating cash flow for the first six months amounted to **€7.7m,** down -€15.5m year-over-year, mainly due to two factors:

(i) an increase in capital expenditures, aligned with the Group's capacity expansion plan, primarily in China and South Korea (+€9.6m), and
(ii) a higher increase in working capital (+€13m). Specifically, while cash absorption from payables and inventory combined remained broadly unchanged vs. 1H24, trade receivables registered a slight increase in DSO, due to higher sales with multinational clients, which typically have slightly longer payment terms.

Net cash flow showed an outflow of **€36.8m**, reflecting the dividend distribution carried out in 2Q25 and higher net financial charges linked to unfavourable currency movements.

30Jun25 Net Debt was therefore equal to **€134.5m**, with financial leverage remaining essentially unchanged at **0.87x** vs. 30Jun24, despite dividends paid and the increase in capex reported. 30Jun25 Net Debt excluding the accounting impact deriving from the application of IFRS16, was equal to **€95.2m**.

€m	1H25	1H24	Var. vs 1H24
Adjusted EBITDA	74.5	64.0	*10.5*
Adjustments (*)	(5.5)	(3.1)	*(2.4)*
Change in TWC	(35.9)	(22.9)	*(13.0)*
Other Chg. in NWC	7.9	9.0	*(1.0)*
Capex	(33.4)	(23.8)	*(9.6)*
Operating Cash Flow	7.7	23.2	*(15.5)*
Changes L/T Assets & Liab.	2.3	(1.1)	*3.5*
Fin. Expenses	(13.4)	(4.4)	*(9.0)*
Taxes	(13.9)	(12.8)	*(1.0)*
Chg in Equity & Others	(1.9)	(1.0)	*(0.8)*
Cash Flow before Div. Dist.	(19.1)	3.7	*(22.9)*
Dividends Distribution	(17.7)	(17.7)	*0.0*
Cash Flow post Div. Dist.	(36.8)	(14.0)	*(22.8)*
Net Debt Opening	97.7	100.2	
Net Debt Closing	134.5	114.1	

€m	1H25	1H24	Var. vs 1H24
Net Debt	134.5	114.1	20.4
Leverage Ratio (**)	*0.87x*	*0.85x*	*0.02x*
Net Debt excl. IFRS16	95.2	70.2	25.0

(*) Only includes the portion of EBITDA adjustments with a cash impact, which amounted to €5.5m in the first half, out of total net adjustments of €4.4 million (which includes also positive items, like the insurance reimbursement for €2.5m).
(**) Calculated as Net Debt/LTM Adj. EBITDA

Outlook & Guidance

Topic	Update
Market Overview	Regarding overall **market trends**, we confirm our previously communicated view which points to a soft YTD pace. The US market continues to see difficulties with the only exception of lip category. Tariff impact is still unknown, inevitably causing instability in private consumption—and therefore sales volatility for our clients. We believe that the current scenario will strengthen Intercos' **competitive positioning** in the medium term, thanks to its **unique global footprint** within the industry. Moreover, the U.S. market—undisputedly one of the most important for the global beauty industry—has been under pressure for over a year now. Due to ongoing uncertainty surrounding tariff regulations, beauty brands are currently operating with **relatively low inventory levels**. This implies that any potential market rebound in the region would clearly work in our favor, **even in the short term**. Turning to the **Asian market**, particularly **China**, we have seen **some signs of recovery** of the Beauty market this year, confirmed by a positive performance in the first half of 2025 of approximately +3%. While it is too early to determine whether the rebound will be sustained, the current trend is more reassuring than what we observed in 2024. Finally, the **EMEA market** continues to deliver **growth rates**, although below last year pace.
Where we Stand	The good results achieved in the first half confirm the expectations previously communicated: a year characterized by a **progressive improvement in profitability**, alongside **more moderate sales growth**, reflecting both the significant business expansion the Group has experienced in recent years and the high level of **market volatility in the beauty sector in 2025**. In this context, we believe that the Group will continue to follow the growth trajectory projected for the year and already communicated to the market. **Order intake remains solid**, although ongoing uncertainty around final tariff regulations may, in some cases, result in **varying product delivery timelines**.
FY25 Guidance	In a complex short-term environment also for the Beauty market, the Group has decided to focus on its core business and on **the improvement of its profitability.** This will enable us to continue growing -albeit at a more moderate pace - in terms of sales, while significantly improving the Group's margins and confirming an Adjusted EBITDA for the year in line with current consensus expectations.

Appendix

P&L and Related Adjustments

€m	1H25	1H24	Var. vs 1H24	% vs 1H24
Net Sales	**524.9**	**499.9**	**25.0**	***5.0%***
COGS	(413.1)	(400.0)	(13.1)	*3.3%*
Industrial gross profit	**111.8**	**99.9**	**11.9**	***11.9%***
% on net sales	*21.3%*	*20.0%*		
Research & Development and innovation costs	(21.5)	(21.3)	(0.1)	*0.7%*
Selling expenses	(15.1)	(15.1)	(0.0)	*0.2%*
General and administrative expenses	(28.9)	(26.2)	(2.7)	*10.4%*
Other operating income (expenses)	(2.4)	(2.2)	(0.2)	*7.6%*
Operating Profit (EBIT)	**43.9**	**35.1**	**8.8**	***25.1%***
% on net sales	*8.4%*	*7.0%*		
D&A (***)	(26.2)	(23.4)	(2.8)	*12.0%*
EBITDA	**70.1**	**58.5**	**11.6**	***19.9%***
Adjustements (*)	4.4	5.5	(1.1)	
Adjusted EBITDA	**74.5**	**64.0**	**10.5**	***16.5%***
% on net sales	*14.2%*	*12.8%*		
Financial income (expenses)	(13.4)	(4.4)	(9.0)	*204.0%*
Profit before taxes (EBT)	**30.5**	**30.7**	**(0.2)**	***(0.6%)***
Income taxes	(13.9)	(12.8)	(1.0)	*8.2%*
Net income	**16.6**	**17.9**	**(1.2)**	***(7.0%)***
Adjustments (**)	(4.1)	(5.0)	0.9	
Adjusted Net income	**20.7**	**22.9**	**(2.1)**	***(9.4%)***

(***) All functional areas include amortization which are deducted for the construction of the EBITDA

€m	1H25	1H24
Management Long Term Incentive Plan	(1.3)	(1.0)
One-off costs related to personnel (mainly layoff)	(2.8)	(0.5)
Cyber Cost/insurance reimbursement	2.5	(2.1)
Consultancy & legal costs	(3.4)	(3.8)
Accrual/Release Bad Debt Provision related to "The Body Shop" customer	0.6	(1.4)
Others	(0.1)	
Sale of asset		3.3
Adjustments (*) at EBITDA level	**(4.4)**	**(5.5)**
Write-off capitalization previous years	(1.3)	
Tax impact arising from above adjustments	1.6	1.5
Taxes related to prior year		(1.0)
Adjustments (**) at Net Income level	**(4.1)**	**(5.0)**

Balance Sheet and Cash Flow

	30Jun25	31Dec24	Var. vs 31Dec24
Tangible Assets	246.3	248.5	(2.2)
Intangible Assets	65.6	63.2	2.4
Goodwill	133.7	133.7	(0.0)
Investments	1.5	1.5	0.0
Deferred tax assets	25.7	29.3	(3.6)
Other non-current Assets/Liab.	(10.6)	(11.8)	1.2
Non-current Assets	**462.3**	**464.5**	**(2.2)**
Inventory	202.2	193.3	8.9
Trade Receivables	174.8	160.6	14.2
Trade Payables	(189.5)	(202.2)	12.8
Other current Assets/Liab.	(47.5)	(39.5)	(7.9)
Net Working Capital	**140.0**	**112.1**	**28.0**
Capital Employed	**602.3**	**576.6**	**25.8**
Net Debt	134.5	97.7	36.8
Equity	**467.8**	**478.9**	**(11.1)**

	1H25	1H24	Var. vs 1H24
Cash flows provided by (used in) operating activities	22.5	32.4	(9.9)
Cash flows provided by (used in) investing activities	(29.6)	(20.3)	(9.2)
Cash flows provided by (used in) financing activities	(33.1)	(15.5)	(17.6)
Net increase (decrease) in cash and cash equivalents	**(40.1)**	**(3.4)**	**(36.7)**
Dividends distribution	**(17.7)**	**(17.7)**	**(0.0)**
Cash and cash equivalents, at beginning of the year	**190.0**	**152.8**	**37.2**
Of which, change in exchange differences	5.9	(0.2)	6.1
Cash and cash equivalents, at end of the period	126.2	131.9	(5.7)
Net increase (decrease) in cash and cash equivalents	**(57.9)**	**(21.2)**	**(36.7)**

Definitions

For the purpose of providing information in line with the performance analysis and control parameters of the Group, non-IFRS alternative performance measures are used by management to provide information for a better assessment of the results of operations and the financial position of the Group as described below. Such performance measures should not be interpreted as a substitute for the conventional performance measures established by IFRS.

The details of the content of the alternative performance measures not arrived at directly from the financial statements are defined as follows:

- **c.FX:** Constant exchange rates
- **EBITDA**: is defined as the sum of profit for the year plus income taxes, financial income and expenses and the effects of the valuation of investments using the equity method net of equity investments held for financial investment purposes and amortization, depreciation and write-downs.
- **Adjusted EBITDA**: is given by EBITDA less items of a non-recurring nature, that is, by particularly significant events that are not in the ordinary course of business or that have no effect on cash flows and/or changes in equity.
- **Adjusted Net income:** is given by Net income less items of a non-recurring nature, that is, by particularly significant events that are not in the ordinary course of business or that have no effect on cash flows and/or changes in equity net of the related tax impacts.
- **Net indebtedness (cash) or net financial position/net debt:** is given by the sum of current and non-current financial payables net of current and non-current financial receivables, including cash and cash equivalents.
- **VAS**: Value Added Sales (Net Sales – cost of packaging)