ANNUAL REPORT 2025

ALFAPARF MILANO

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ALFAPARF MILANO

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The Italian House of Beauty

Alfaparf Milano is the brand company of Alfa Parf Group S.p.A., a multinational professional cosmetics company with wholly Italian capital, which develops, manufactures and distributes hair and body products and cosmetic machinery.
The Group has nine production facilities: four in Italy, the other five in Mexico, Brazil, Argentina and Venezuela. It distributes its products all over the world, directly (through branches in 31 countries) and indirectly (through third-party distributors).

WHO WE ARE

VISION

"Knowing people to understand the market"

We imagine a world in which, through the products and services of Alfaparf Milano, each person can experience beauty in their everyday life and thus achieve well-being and happiness.

MISSION

"Spreading beauty and making a difference in the lives of our customers, starting with small things"

Our mission guides our daily work and, to achieve it, we always keep four pillars in mind.

Product performance
We aim to create innovative products, services and technologies and to constantly improve their quality

Agility
We respond reactively to market developments, providing solutions quickly and effectively

Territory
We combine the uniqueness of Made in Italy expertise with needs and ideas from all over the world

Sustainability
We implement concrete actions to reduce our environmental impact and protect people's rights

VALUES

"Bringing beauty into the lives of our customers"

The management of the business and the work of our people in achieving company objectives are driven by a strong system of values.

• **Excellence:** as in the best tradition of Made in Italy, we aspire to quality excellence and perfection in every detail, integrating concreteness and imagination.
• **Agility and courage:** we are not afraid to take risks to find our way and we do so by eliminating unnecessary complications in favour of speed of execution.
• **Openness:** we move forward with our eyes, ears and hearts wide open, being especially attentive to understanding the different sensitivities of the people with whom we come in contact.
• **Integrity and responsibility:** as stated in our Code of Ethics, we embrace the values of integrity and responsibility towards Alfaparf people, stakeholders, the community and the environment.
• **Passion for beauty:** the sector in which we operate is unique and multifaceted, unleashes the imagination, creates positive experiences and helps people feel better in everyday life.

#ALFAPARFPEOPLE

From our roots as a family business, we have learned to keep people at the centre of our universe and to cultivate authentic relationships with those around us, our #alfaparfpeople: Employees, Customers, Hairstylists, Beauticians, Suppliers and Partners.

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OUR HISTORY

1980

Roberto Franchina establishes the company Alfaparf S.N.C., which produces and markets professional products for hairstylists. The ALFAPARF brand is born.

1989-1990

Following the consolidation of production in Italy, the SEMI DI LINO (flaxseed) line was launched, closely followed the next year by the launch of the permanent coloring line EVOLUTION OF THE COLOR.

Late '90

Between the end of the 1990s and the early 2000s, Alfaparf confirms its position as a reference point for the European market and expands its borders, inaugurating production sites in Brazil, Mexico and Venezuela, and opening several sales branches in Latin America, United States and Australia.

2002

Alfa Parf Group is established. This international group, with wholly Italian capital, becomes a leader in its reference market, with a turnover of around € 60 million, of which over 80% was generated abroad.

2008

The Private Label project begins, allowing the Group to exploit its know-how to acquire additional market shares, especially in coloring products, serving large third-party brands.

2009

Thanks to the acquisition of GTS Group S.p.A., Alfa Parf Group enters the market for the production and distribution of professional cosmetics and machinery used in beauty centers, becoming, in terms of size, the first wholly Italian-owned professional cosmetics company.

Since 2010

Alfa Parf Group has been pursuing a globalisation strategy, extending its export activities to Eastern Europe and Northern Europe (Russia, the Baltic, Scandinavian and Balkan countries), Africa (Tunisia, Morocco, Egypt, Senegal, South Africa) and Asian countries (India, Malaysia, Indonesia and the Middle East), making the Group increasingly international.

2015

The path of globalisation does not only concern geographical boundaries but also market boundaries and, in 2015, Alfa Parf Group entered the retail market in Brazil thanks to the "ALTAMODA È..." brand with a line of hair care products distributed in stores, retail chains, para-pharmacies and pharmacies.

2021

Thanks to the restage of the OLOS skincare brand, Alfa Parf Group launches its first line inspired by the Group's new sustainability philosophy. OLOS consciously and responsibly chooses every aspect of formulations, packaging, production and distribution.

2022

Alfa Parf Group, a brand that encompasses all the Group's brands, becomes Alfaparf Milano thanks to a rebranding activity and a new corporate identity. The Group's positioning is also strengthened by the acquisition of the majority stake in Tricobiotos S.p.A., specialised in the production and marketing of professional hair products, and of the company Iv San Bernard S.r.l., leader in the development and marketing of cosmetic products for animals.

2023

Alfaparf Milano launches the haircare brand BENVOLEO, a professional brand that brings to the haircare world a sense of transparent, responsible and participatory beauty, and that is proudly Made in Italy.

In September, the Group applied to take over Eugène Perma, a French group specialised in hair care products, under controlled receivership. The Commercial Court of Paris entrusted Alfa Parf Group with the professional hair branch of the company. Since 20 January 2024, following the integration and thanks to intensive efforts to restart the business, Eugène Perma has resumed deliveries to salons.

2024

The Group is expanding in the United States with the acquisition of APHOGEE, a brand with over 30 years of history and success. APHOGEE has become a cult brand in the field of DIY hair treatments.

2025

The Group acquired 100% of Bioclean (Brazil) and Xanitalia, companies specialised in hair removal products.

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BUSINESS MODEL

The Group's business model, aimed at creating value for all its stakeholders through a strong and widespread presence in the reference markets, is based on five business units: Haircare, Skincare, Tech, Private Label and Pet.

HAIRCARE

Hair colouring and care products and marketing through a network of direct agents and distributors operating in professional, retail and e-commerce channels.

SKINCARE

Skincare, make-up and nail products and marketing through a network of direct agents and distributors operating in professional, retail and e-commerce channels.

TECH

Made in Italy aesthetic/medical equipment for beauty: design, functionality and guaranteed safety. In-house research, development and production for cutting-edge technologies.

PRIVATE LABEL

Development of products for companies that market them worldwide using the Group's expertise and know-how.

PET

Professional products for pet care and well-being, mainly dedicated to dogs and cats and distributed through grooming professionals and specialised channels.

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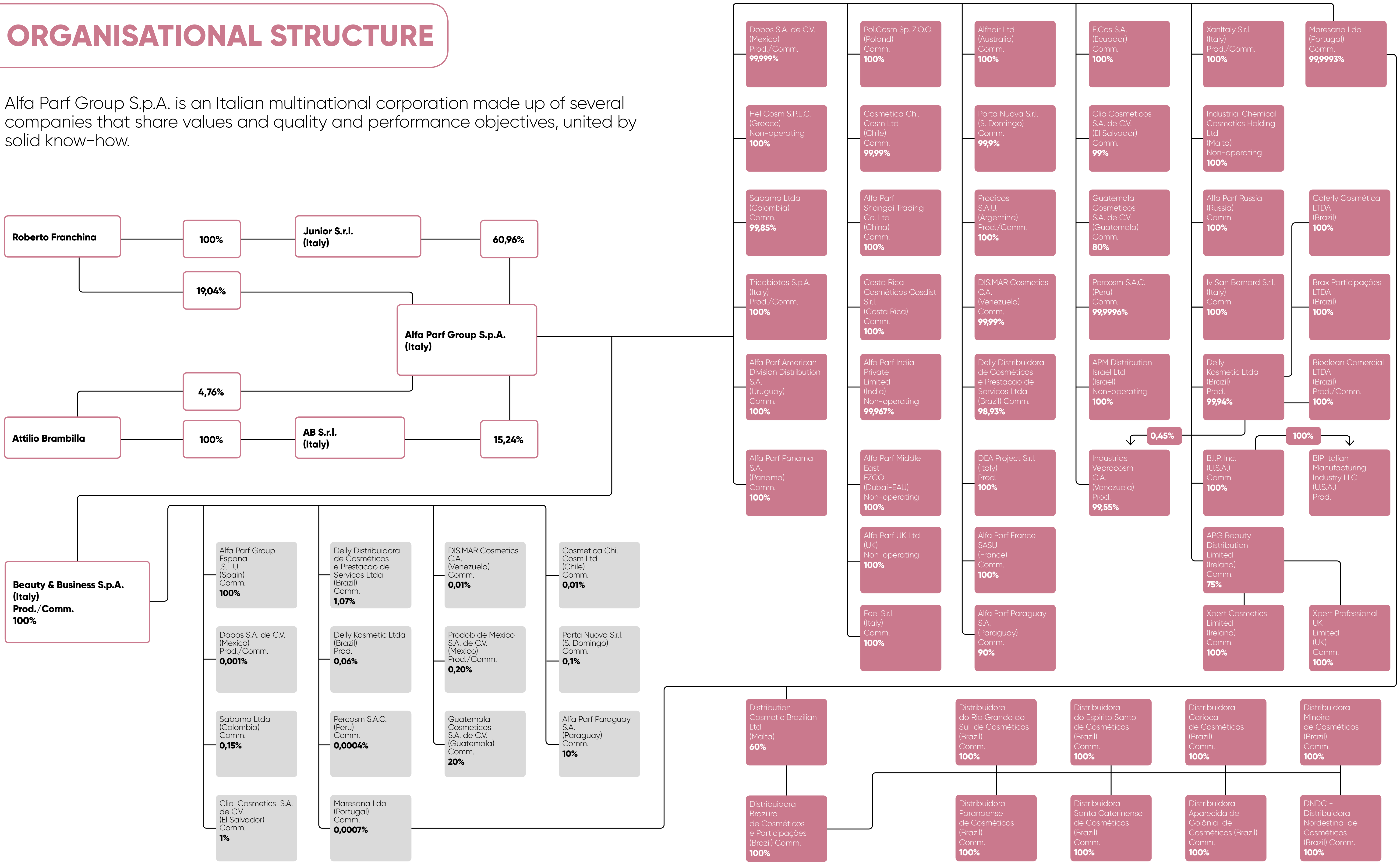
ORGANISATIONAL STRUCTURE

Alfa Parf Group S.p.A. is an Italian multinational corporation made up of several companies that share values and quality and performance objectives, united by solid know-how.



In conducting its business, the Group has adopted a Corporate Governance model that provides for the clear separation between administrative and control functions. The administration is entrusted to the Board of Directors, while the supervisory function is the responsibility of the Board of Statutory Auditors. Both governing bodies are elected by the Shareholders' Meeting.

Shareholders' Meeting

The Shareholders' Meeting of Alfa Parf Group S.p.A., the Group's holding company, is responsible for deciding on the most important matters, approving the financial statements, appointing the Directors, the Statutory Auditors and the Chairman of the Board of Statutory Auditors.

Board of Directors

The Board of Directors of Alfa Parf Group S.p.A. is appointed by the Shareholders' Meeting and has the task of strategically guiding the Group by making the most important decisions regarding the management of its member Companies, the direction of the business and the exercise of control and performance monitoring activities.
Roberto Franchina is Executive Director and Chairman, Attilio Brambilla is Executive Director and Deputy Chairman.

Board of Statutory Auditors

The Board of Statutory Auditors has the task of supervising the activities of the Directors and ensuring that the management and administration of the Company are carried out in compliance with the law and the Articles of Association.
Andrea Casarotti is the Chairman, Alessandro Ricci and Fabio Gallo are the Standing Auditors; Elisa Pavanello and Simone Furian are the Alternate Auditors.

Auditing company

The Auditing Company is responsible for carrying out the statutory audit of the accounts and certifying the Group's financial statements with absolute autonomy and independence from the management bodies. This activity is carried out to ensure transparency to the market and protect stakeholders on the trend of the company's economic performance.
Auditing Company: Ernst & Young S.p.A.

Sustainability Committee

The Sustainability Committee was established in 2021 with the aim of supporting the Board of Directors - through adequate preliminary and advisory activities - in promoting the gradual integration of environmental, social and governance factors into the Group's activities, with a view to creating value for shareholders and other stakeholders in the medium-long term.

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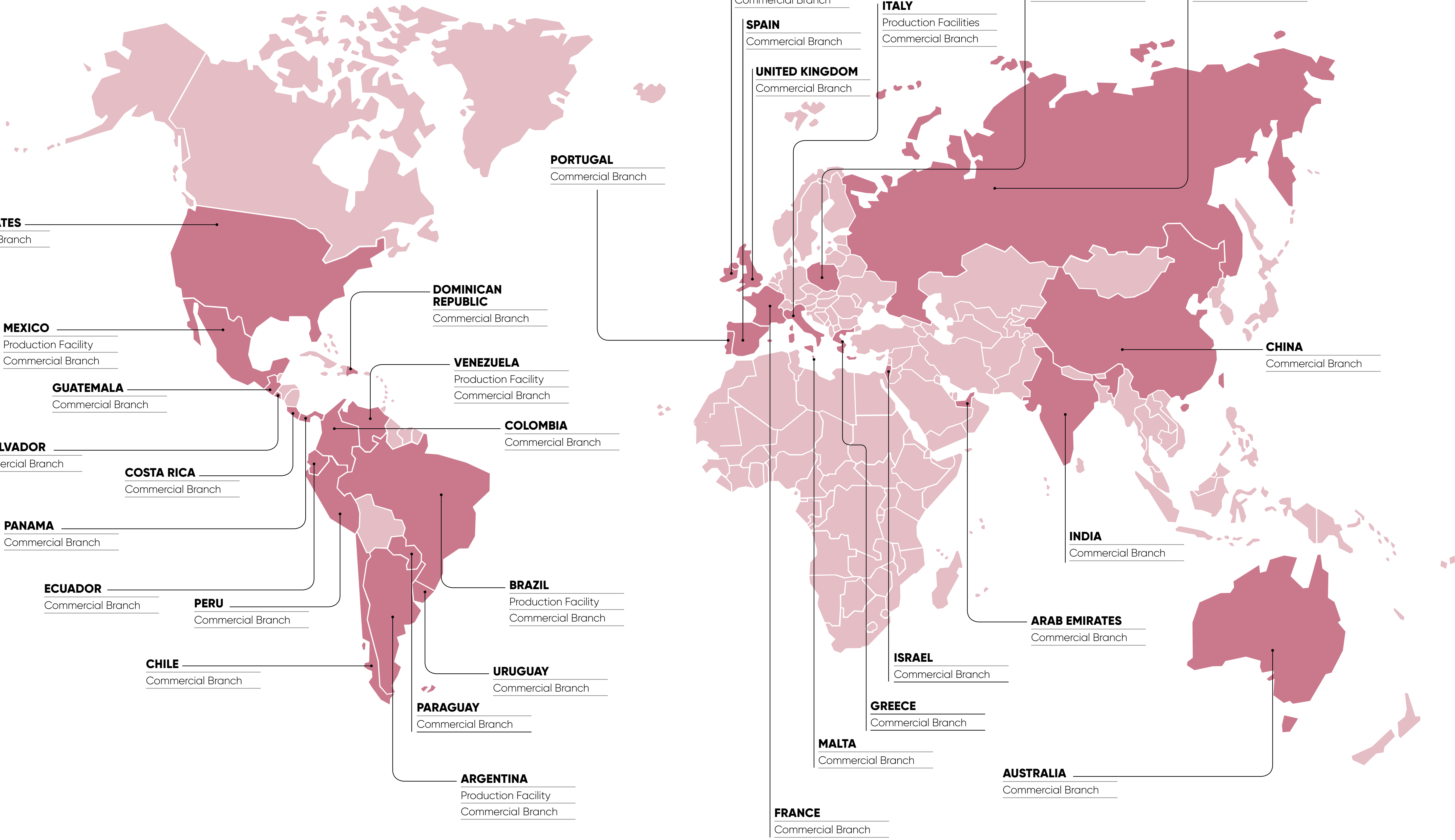
COUNTRIES OF PRESENCE



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BRANDS

The Group owns 23 brands (eleven in Haircare, nine in Skincare, two in Tech equipment, one in cosmetics for pets) that have a solid positioning both in Italy and abroad.

HAIRCARE

ALFAPARF MILANO PROFESSIONAL is the leading Italian brand in professional hair treatments. Founded in 1980, for over 40 years it has teamed up with professionals, creating effective and innovative products and services to meet any need. Inspired by Italian dynamism, innovation, openness to diversity, Alfaparf Milano Professional shares skills and results with a clear objective: to make the daily experience of beauty a source of pleasure and happiness for all. So that people, besides being beautiful, feel good.

SEMI DI LINO, the haircare treatment that reveals the beauty of your hair. Semi di Lino is the treatment line that keeps hair looking healthy, protected from root to tip and brighter than ever thanks to flaxseed extract and the most innovative technologies. It is a complete range that addresses all skin and hair needs through specialised lines and personalised services.

YELLOW PROFESSIONAL. EVERY MOOD. EVERY DAY. WE AMPLIFY. Salon solutions, ready to be recreated. With over 25 years of experience in professional salon solutions, Yellow Professional presents a global collection of hair treatments designed to enhance colour, shape, care and styling.
Formulations feature high-performance ingredients tailored to the specific needs of hair, highlighting every identity and expression — in the salon and beyond.
An essential range created to accompany each person on their individual beauty journey. An accessible and easy-to-understand professional system that amplifies identity, supports creativity and celebrates the freedom to express one's authenticity every day.

IL SALONE MILANO is a masstige-positioned brand offering a complete range of products (hair care, colouring, and straightening treatments) for at-home use with guaranteed professional results. It is distributed through hair salons and via selected beauty retail partners.

COLORAMORE was born in Mexico as a commercial opportunity designed exclusively for Beauty Supply stores that cater to hair stylists of all levels. It boasts formulas developed in Italy that guarantee renowned quality at a competitive and affordable price.

ALTA MODA, launched in Brazil and now distributed throughout Central America, South America and the Middle East, was created to be Alfaparf Milano's first brand for the retail market. Backed by professional Italian technology, Alta Moda offers products for hair care and colouring.

BENVOLEO is the professional haircare brand that promotes a transparent, responsible and inclusive vision of beauty, proudly Made in Italy. It features a range of customizable, high-performance professional treatment products.

SELECTIVE PROFESSIONAL, a brand of Tricobiotos S.p.A. (acquired by Alfa Parf Group S.p.A. in 2022), is distributed worldwide and offers a complete range of exclusive professional products developed to meet the needs of consumers across all countries. A brand that is 100% Made in Italy, with 30 years of experience in the professional haircare sector. From treatments to styling, Selective Professional aims to transform products into services, supporting hair stylists in their most important mission: making every woman feel beautiful. Selective Professional provides reliable, professional-grade products that can support stylists in their daily work — with the assurance of a complete range, ideal for building lasting relationships of trust and loyalty with their customers.

KEZY, a brand of Tricobiotos S.p.A., offers a wide range of products for professional use and resale that satisfy every need in a simple and effective way (thanks to the use of high-quality raw materials and practical packaging made in Italy), guaranteeing the highest quality and best performance.

EUGÈNE PERMA PROFESSIONNEL, which joined the portfolio after the acquisition of the professional hair division of the Eugène Perma Group, is 105 years old and a long-standing French competitor of the market leader L'Oréal Professionnel. Distributed, in France, in over 3,000 salons and 400 professional stores and in more than 30 countries, it is the umbrella brand of a complete professional range, positioned at the top end of the market. Eugène Perma Professionnel is the brand of product lines for colouring (Carmen, Carmen Rituel, Blush, etc.), bleaching (Solaris), haircare and treatment (Essentiel with keratin, Collection Nature with natural ingredients) and styling (L'artiste, developed in collaboration with well-known French hair stylists).

APHOGEE. A well-established American brand with over 30 years of growth and success in the United States, Aphogee offers scientifically advanced, reliable haircare solutions designed to regenerate, maintain and define all types of textured hair. The powerful pH-balanced formulas, enriched with proteins, are designed to rebuild strength, restore hydration and return hair to a visibly healthier and more resilient state.

SKINCARE

DIBI MILANO. Since 1976, it has been a benchmark for cosmetic excellence — the final frontier before aesthetic medicine. Its DNA is captured in the name: DIBI, Divisione Biotecnologica (Biotechnological Division), representing the synergy between Made in Italy research and technology, offering unparalleled results and a personalised method. The brand that is perfectly encapsulated in the DIBI CENTER, the place where the soul of DIBI Milano comes to life, with specialist beauticians acting as true beauty consultants.

BECOS. Since 1984, Becos has brought together beauty and cosmetics — a professional skincare brand close to women, celebrating and enhancing femininity. Love and passion for beauty, combined with high-quality products and effective treatments, are the ingredients of a successful, exclusively Made in Italy recipe. The brand is reflected in BECOS CLUBs — spaces where beauty reigns and women feel empowered by professional aestheticians.

In 2004, TEN SCIENCE was created from the fusion of Technology, Nature and Science. It draws on nature's most precious active ingredients and enhances them to their fullest potential with cutting-edge cosmetic technologies — a winning alchemy of naturalness and performance, Made in Italy.
The Ten Institute is where the spirit of TEN Science lives, allowing every woman to express her uniqueness.

OLOS is a benchmark for sustainable skincare, offering face and body beauty treatments. Its cosmetics are based on a *eubiotic* approach (what is good for life), designed to respect both the skin and the environment. Olos creates effective, transparent and safe formulas — for natural, authentic beauty and a more mindful approach to the future.

SOLARIUM is synonymous with a perfect tan, achieved in total safety. Specific products to meet all needs that contain a pool of innovative sun filters that ensure maximum protection and reduce the impact on the marine environment thanks to very water resistant and biodegradable (*) formulas in salt water, contained in a pack made with recycled and recyclable materials. Diving into the blue is a dream, protecting the seas must be a concrete reality.

(*) According to OECD 306 Test carried out on all products with SPF (excluding SPF30 fondotinta solare compatto-viso [SPF30 compact sun protection foundation - face]).

DEPIL BELLA is Brazil's leading brand in professional hair removal, recognised globally for its expertise and a comprehensive range that covers all phases of treatment, from pre- to post-hair removal, with solutions for both professionals and consumers. A distinctive approach that combines versatility, reliability and performance, offering a unique user experience and visible results.

RAAVI is a Brazilian dermocosmetics brand founded in 2016, specialised in body care and well-being. The products, which are dermatologically tested (not on animals), mainly use natural ingredients to provide effective yet gentle treatments. Inspired by the concepts of care, health and well-being, Raavi promotes a philosophy that combines beauty and self-care, enhancing attention to oneself and others.

Exclusive and unique, DECODERM was born from the perfect fusion of skincare and make-up, the result of cutting-edge cosmetic research. With state-of-the-art formulations, developed and produced in Italy, Decoderm guarantees maximum results and excellent application comfort. A make-up line that seduces with the timeless allure of colour and performance.

NAIL SYSTEM PRO is the new professional Made in Italy system for applying semi-permanent nail polish. The formulas are designed to be used with specially designed applicator brushes, featuring bristle cuts tailored to each product and ergonomic handles, ensuring easy and quick application. Perfect results in terms of wear and long-lasting shine, while respecting the nails.

TECH

The research, development and production of all aesthetic and medical devices are carried out by DEA Project, a Group company based in Mapello (BG).

APG TECH is the leading brand for the technologies developed and marketed by the Group to meet the full range of needs of a modern beauty centre. Design, development, production and assembly: all Made in Italy to ensure the best certification and guarantees of quality for our partners. Performance and safety are the pillars of DEA Project's research and development activities.

APG MEDICAL is the medical division for the distribution of next-generation, non-invasive, high-performance Made in Italy medical devices. The brand's mission is to support medical professionals by providing high-quality equipment that meets their needs and enhances patient well-being. Research, development and quality are the hallmarks of APG Medical by DEA Project.

PET

Iv San Bernard®

With the entry of Iv San Bernard S.r.l. into the Group, the brand portfolio was expanded with the eponymous IV SAN BERNARD brand, one of the best-known international brands in pet cosmetics. Since 1995, Iv San Bernard has been developing high-quality products for the care of dogs' and cats' coats. With over 200 items, it exports its excellence to over 40 countries and, through the collaboration of industry professionals, has also become a Grooming Institute that trains skilled groomers every year, instilling them with a passion for the care and well-being of our animal friends. Iv San Bernard also offers accessories for dogs and cats and grooming equipment.

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AWARDS AND ACKNOWLEDGEMENTS

CORPORATE

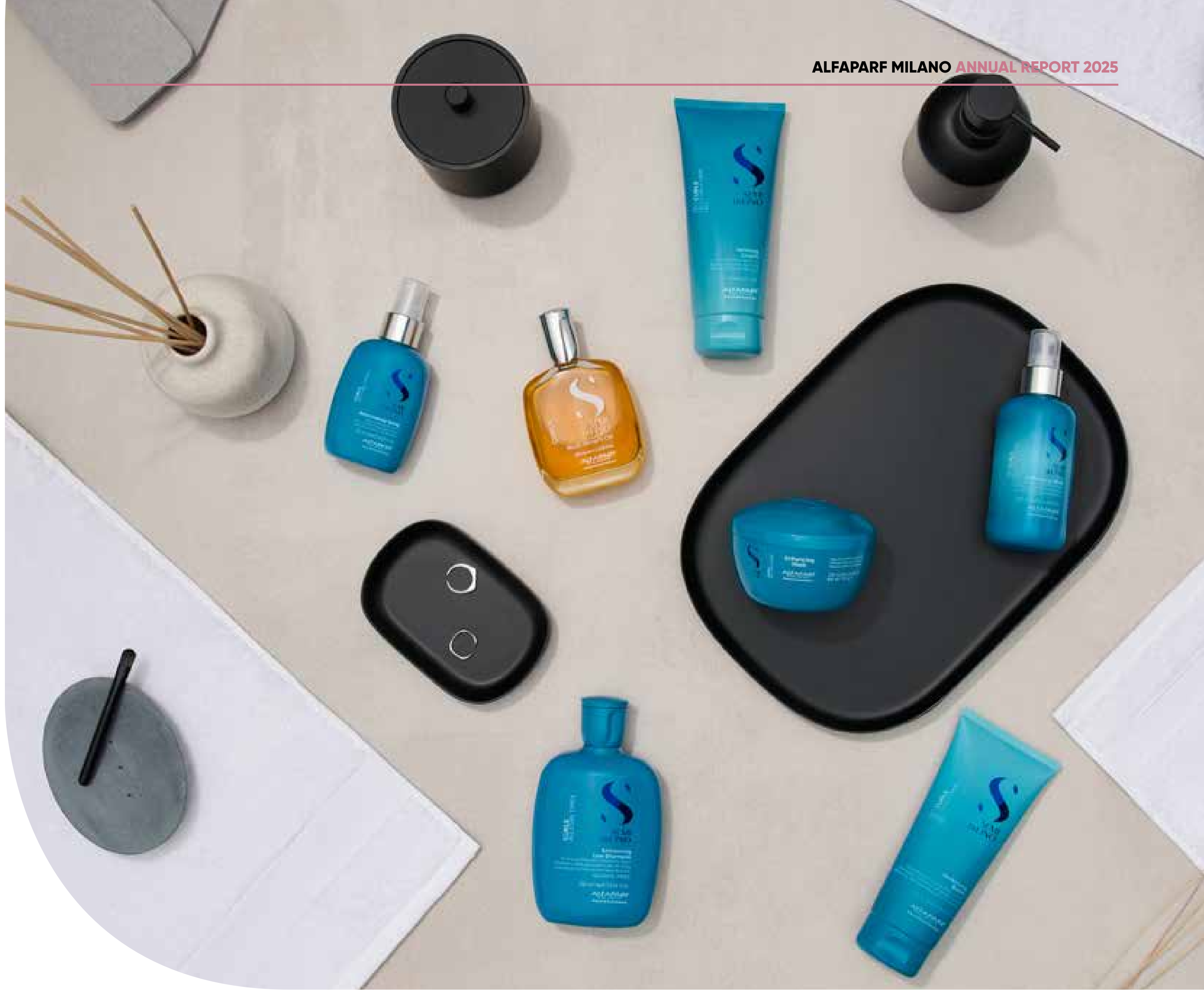
BEST MANAGED COMPANIES. Alfaparf Milano was once again awarded the Best Managed Company Award, a recognition given to Italian companies that stand out for their managerial and entrepreneurial excellence. The award, promoted by Deloitte Private in collaboration with ALTIS (Graduate School of Sustainable Management at Università Cattolica del Sacro Cuore), ELITE (Euronext Group), and Piccola Industria di Confindustria, honours companies that are able to generate long-term value while addressing market challenges with vision, expertise and responsibility.
In 2025, Alfaparf Milano received this award for the sixth time in seven years, following the 2018 (the award's debut year in Italy), 2019, 2022, 2023 and 2024 editions.
The panel's assessment considered various aspects: corporate strategy, innovation capacity, internal skills, culture and commitment to people, governance, performance measurement systems, corporate social responsibility, internationalisation and supply chain relationships.
The award reaffirms the validity and continuity of a management model focused on excellence — one that successfully combines growth, sustainability and managerial quality.

ITALIA BEST MANAGED COMPANIES

SUSTAINABILITY LEADER. In 2025, for the fifth consecutive year, Alfaparf Milano was included among the Sustainability Leaders, selected by Statista, a German company specialising in market research and analysis, in collaboration with *Il Sole 24 Ore*.
The initiative identifies Italian companies that have distinguished themselves through their commitment to the three key pillars of sustainability: environmental, social and governance (ESG). The selection is based on an analysis of 45 indicators taken from financial and sustainability reports. Out of a pool of 500 large companies, the top 240 with the highest overall scores were selected.
Alfaparf Milano's continued inclusion confirms the strength of its ESG strategies and its ongoing commitment to creating shared value — with careful attention to the environmental, social and economic impacts it generates over time.

LEADER DELLA SOSTENIBILITÀ 2025

WOMEN'S WEAR DAILY TOP 100. In the 2026 ranking of the world's top 100 cosmetics companies, compiled by the American magazine *Women's Wear Daily* (*www.wwd.com*) based on 2025 financial data, Alfaparf Milano ranks 84th.



HAIRCARE

SEMI DI LINO AND BENVOLEO

Hair Awards 2025. Nominated as:
- "Best shampoo and conditioner for dry hair" – Alfaparf Milano Professional Semi di Lino moisture shampoo and conditioner.
- "Best shampoo and conditioner for volumising" – Alfaparf Milano Professional Semi di Lino density shampoo and conditioner.
- "Best hair oil" – Alfaparf Milano Professional Semi di Lino cristalli liquidi.
- "Best hair oil" – Alfaparf Milano Benvoleo nutri care oil.

Universal Beauty Awards 2025. Award:
- "Best conditioner for mature hair" – Alfaparf Milano Professional Semi di Lino density thickening conditioner.

AHIA Business Awards Australia
The company nominated its products for the AHIA Business Awards, and was a finalist in the following categories:
- "Best in Style": Detangling Primer;
- "Best in Style": Texturizing Balm.

RESEARCH AND DEVELOPMENT
A commitment to continuous innovation

The focus on innovation is part of the Group's identity and is a driving force behind its history. Working alongside beauty professionals from all over the world has generated the ability to understand demand trends and channel them into research. This has resulted in many products and solutions that have become a benchmark for hairdressers and beauty professionals worldwide.

The research is mainly carried out in the laboratory of Osio Sotto (Bergamo) where raw materials are evaluated and selected, product formulas are studied and tests are carried out through a technical centre for Haircare and a pilot centre for Skincare. Research is also carried out on aesthetic equipment through DEA S.r.l., a Group company.
In 2025, the use of Microsoft Project became fully operational. A total of 117 projects were completed, corresponding to approximately 800 SKUs (Stock Keeping Units) and 47 projects at the Dobos site (350 SKUs). In Tricobiotos, the Project Online software has been adopted for the structured management of projects.
In Haircare, work was carried out on the launch of Lights Co, the new premium brand of Alfaparf Milano for professionals.
The Precious Nature line has been replaced with Evolution of the Color Shine Effect, a permanent ammonia- and MEA-free hair colour that uses a formula with carefully selected dyes to offer a natural-looking, luminous colour result with radiant tones.
The bleaching powders have been partially reformulated: for the first time, a bleaching powder was launched that gives tone to the hair by removing the orange-yellow reflections that the fibre typically takes on during bleaching.
The formulas of Aphogee, a recently acquired American brand, were insourced in the production activities of the Mexican facility. The project has consolidated our know-how in *protein repair* and fibre reinforcement treatments. The foundations have been laid for developing new solutions for the prevention of hair breakage and the preparation of hair for treatments such as bleaching, colouring and chemical treatments.
In Skincare, work has been carried out on several fronts, from the study of innovative formulations to the elimination of microplastics found in some raw materials.
In conjunction with the 50th anniversary of DIBI Milano, the formulations of some of the brand's iconic products have been revised (for example, The Cream). A stable and microbiologically controlled product without the use of preservatives was also developed for the DIBI Biostimulating System line. For the Solarium brand, products were developed in the Biphasic Water category, SPF 30 and SPF 50, which are technically very challenging.

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PRODUCTION

Nine top quality facilities

Nine facilities - four in Italy, two in Brazil, one in Mexico, one in Venezuela and one in Argentina, for a total of approximately 158,500 square meters of production area: 60,000 in Brazil, 35,000 in Mexico, 50,000 in Italy, 3,500 in Venezuela, 10,000 in Argentina.

Over the years, a production structure suited to the global distribution requirements has been built. The continuous expansion of the plants has been accompanied by the adoption of management systems that have made it possible to achieve high quality standards.
The Osio Sotto (Bergamo) facility, where the most complex production is concentrated and products for the markets of Europe, Asia, Africa and Australia are manufactured, has ISO 9001 and ISO 22716 certifications, which establish methods, equipment, means and rules for the management of production processes to ensure appropriate quality standards. In Italy, the Vaiano (Prato) facility also complies with Good Manufacturing Practices (GMP) guidelines and has obtained ISO 14001 environmental certification. The Toluca (Mexico) and Rio de Janeiro (Brazil) facilities have obtained ISO 9001 and ISO 22716 GMP certifications, placing them at a level of operational excellence.
The aesthetic equipment facility in Mapello (Bergamo) holds the UNI CEI EN ISO 13485 – Medical Devices certification, confirming its capability and reliability in supplying medical devices and services that comply with all relevant standards and regulations.
The Group holds the prestigious status of Authorised Economic Operator (AEO), certifying its reliability in the eyes of customs authorities.
In recent years, a significant effort has been made to increase production capacity, efficiency, quality control and process traceability. Among other developments, the Laboratory Information Management System (LIMS) was enhanced, enabling integrated management of data across the Research & Development and Quality Control departments for all facilities.
The innovations in the production area are developed to be applied to all facilities, with the aim of obtaining common process and quality standards. Compliance with quality standards is entrusted to the Total Quality Department, which is based in Italy. Each facility also has a quality laboratory for individual components, semi-finished products, raw materials, packaging and finished products.
Know-how, presence in strategic geographical areas and operational flexibility have made the Group an ideal business partner for multinational cosmetics and large-scale retailers who increasingly delegate their production activities.
In 2025, a three-year investment plan was launched which, by 2027, will boost the production capacities of the Italian facilities in Osio Sotto (Bergamo) and Vaiano (Prato) and the facilities on the American continent.
Two companies (Xanitalia in Italy and Depil Bella in Brazil), specialised in the production and marketing of hair removal waxes, have increased the Group's production capacity in complementary Skincare segments.

DISTRIBUTION

A network that reaches 300,000 hairstylists and beauticians and 5 million consumers worldwide

Global vocation is a hallmark of the Group. The first exports to Spain and Latin America were soon followed by the construction of commercial and production bases in the geographical areas that are considered strategic. Over the years, internationality has evolved into globalisation: today the products are distributed in over 130 countries.

The Group's commercial operations are structured through branches in 31 countries, supported by both in-house sales teams and regional distributors, along with over a hundred importers. The preference for one model or the other varies according to the market (demand characteristics, company positioning, growth objectives). Where opportunities arise, the Group opts for the branch model, which allows for a deeper understanding of customers, as well as greater control over the value chain and individual brand positioning.
The primary distribution channel is hair salons, which benefit from 1,200 dedicated brand agents worldwide (both employed and independent) and over a thousand multi-brand agents working with the Group's distributors. Each year, more than 75,000 salon visits are carried out, fuelling a wealth of knowledge and experience essential for identifying emerging needs and driving innovation. The activity of distributors is supported with marketing services, training and sales assistance. The investments made have enabled the operations and capabilities of the branches to be brought into line with those of the distributors.
The second, rapidly growing channel is specialist retail: beauty suppliers and points of sale designed for hair stylists but often also open to end consumers. (In Anglo-Saxon countries and much of Latin America, many hairstylists work from home or provide mobile services, and since they cannot connect directly with supplier sales networks, they make purchases in-store). The Group is harmonising its brand distribution strategies and increasing its presence, where market conditions allow, in retail channels such as perfumery chains, department stores and pop-up shops in high-traffic locations which, for this reason, have a significant impact on the brand's image. The commercial results demonstrate that new distribution methods, when aligned with the positioning and values of individual brands, can drive growth even in market segments that are already well established.
In 2025, the sales of the Group's professional brands grew by 9%, compared to market growth of less than 4% (source: Kline, in turn based on salon panels and interviews with suppliers). Sales through digital channels and perfumeries increased by 17% (over Euro 5 million), safeguarding the positioning (price and visibility) of the brands. The performance reflects a commercial policy that is attentive to the needs of each distribution channel.
The bulk of the growth (in absolute value) was generated by the professional channel (through agents and professional stores, especially in the Americas). Product innovation and an effective selection of salons to be served, accompanied by services for the hairstylist, contributed to this result.
In 2025, the Group continued to enrich its programmes for partner salons, which operate both in branches and in most of the countries served by importers-distributors. Commercial strengthening continues in geographic areas that are still relatively poorly penetrated, such as the Middle East, Africa and Asia, where we aim to grow strongly in the coming years.

In 2025, e-commerce continued to see double-digit growth, always in synergy with professional channels, thanks to the combination of partnerships with Italian and foreign online retailers, specialised in beauty and proprietary direct-to-consumer platforms. For the latter channel, a harmonisation project was launched at the end of the year with the aim of having owned stores with strategic positioning and a *look and feel* that make the Alfaparf Milano brand recognisable in every country. Efforts to strengthen digital and legal monitoring are continuing, enabling sales through unauthorised channels to be restricted. Strategic partnerships have continued to protect the ownership of Group brands on digital platforms.

OPERATOR TRAINING

Programmes for beauty professionals

Supporting professional operators is a foundational principle of the Group, which relies on a network of individuals dedicated to listening to the needs of hairstylists and beauty professionals, assisting them in optimising their business activities, and gathering valuable feedback to enhance product quality.

The ability to combine product distribution with a wide range of services has become strategically important in professional cosmetics: speed of response and quality of solutions are decisive factors in competing.
Starting from this vision, a broad technical-professional and managerial training offer was developed. Depending on the level of experience and skills, hairstylists and beauticians can find the solutions best suited to their growth needs in the courses organised in over 50 training centres.
In the Haircare sector, training includes technique (colour, cut, shape, treatment), product knowledge, service customisation and management. The training courses are delivered in person and digitally through webinars, video tutorials and content produced by the hairstylists of the global network of Alfaparf Milano ambassadors. Specific formats are provided for the sales force and consumers.
The Selective Professional brand, in particular, offers training and inspiration courses, divided into several levels, for the development of salon services (from product knowledge to learning cutting, colouring and styling techniques). Thanks to a network of academies (Milan, Rome, London, Dublin, Barcelona, Orlando and Mexico City), the Alfaparfpeople community (that brings together hairstylists, salon entrepreneurs, educators and brand partners) can enjoy the training experience even beyond national borders, combining work and leisure.
Training in professional aesthetics is provided by Accademia, School of Beauty & Wellness, founded in 1994: a training centre based in Bergamo, which welcomes over 2,300 professionals every year, including customers, distributors, branch staff and sales managers. A group of qualified trainers holds courses throughout the year for different areas of operation and levels of experience/skills, covering methodology and the correct use of the most advanced products and technologies, including laser hair removal. Those who are unable to attend the Training Centre can access online training, webinars and a mobile Beauty Specialist service that supports the institutes. There are also open days dedicated to consumers. Accademia's activities also include training aimed at foreign markets to bring Italian excellence in professional cosmetics to the world and spread its quality standards. International trainers are involved throughout the year in courses, trade fairs and events (Europe, the Middle East, China, Central and South America are the areas where activity is most intense).
The Alfaparfpeople community is also growing and consolidating through institutional events and trips. In 2025, events in Colombia, Mexico, Guatemala, Poland and Spain were highlighted, with the participation of over 1,000 customers from 22 countries. In Ibiza, Spain, the exclusive show Alfaparf Milano Professional was staged in the island's most exclusive club. Also of note was the trip organised to the Amalfi Coast and Naples for 60 top clients, owners of Beauty Supply, who were able to enjoy a week of pure relaxation in Italy.

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THE PEOPLE AND THE ORGANISATION

Growth with respect for the principles of the origins

At the end of 2025, the Group had 3,665 people, comprising employees (2,874) and regular collaborators, including independent salespeople and consultants (734).

Italy is the country with the highest number of people (29% of the total), followed by Brazil (19%) and Mexico (18%). At the regional level, around 37% of resources operate in Europe, while 62% are based in the Americas, and the remaining 1% in Australia.
Human resource management policies continue in line with previous years. The objective is to develop people as a key element for the growth of the Group and the creation of value over time. Activities and projects are aimed at:

- promoting individual growth in line with the characteristics and objectives of the company's business;
- attracting and retaining the best resources in Italy and abroad;
- increasing expertise by disseminating knowledge, technical skills and operational best practices;
- consolidating the value system and the wealth of skills through internal communication, training and development programmes;
- promoting a fair and inclusive working environment that respects diversity;
- ensuring the health and safety of all workers.

In 2025, the Group further strengthened its focus on social responsibility and people management. In particular, Beauty & Business, the Group's Italian branch, formalised its commitments in these areas through the adoption of a DE&I (Diversity, Equity and Inclusion) Policy and a Human Rights Policy, supporting a more structured approach to promoting diversity, equity, inclusion and respect for fundamental human rights.
The process to adopt UNI/PdR 125:2022, the reference practice in Italy for promoting and ensuring gender equality in public and private organisations, also continued. Objective: to measurably integrate the principles of gender equality into company processes and personnel management activities. In continuity with this process, in 2026 the values and principles are expected to be extended to all Group companies, encouraging the gradual harmonisation of commitments and practices at international level.
The approach to responsible health, safety and hygiene management continues to be based on the principles of the company Code of Ethics, the internal policies and procedures and the management systems adopted by the Group. In 2025, employee engagement and listening activities also continued, including through questionnaires and specific initiatives on equal opportunities, parenthood, work-life balance and work-related stress.
Beauty & Business has also started the process of obtaining ISO 14001 (international voluntary standard that defines the requirements of an Environmental Management System) and ISO 45001 (voluntary international standard for Occupational Health and Safety Management Systems) certifications. The two certifications were obtained in the first part of 2026.
In the human resources domain, the objectives are also pursued through intensive training and development activities: in 2025, 52,900 hours of training were provided on health, safety and environmental protection, development of technical, managerial and soft skills and professional updating.

ALFAPARF MILANO ANNUAL REPORT 2025

APPROACH TO SUSTAINABILITY
Commitments to create shared value

In autumn 2018, the Group embarked on its sustainability journey, firmly believing that the ultimate goal of business is not only to maximise profits but also to create shared value in the long term, for the benefit of all corporate stakeholders and in accordance with the needs of future generations.

Corporate sustainability is a key element of the corporate strategy as well as a fundamental value of the corporate culture. For this reason, the Group has gone beyond regulatory compliance by implementing a series of actions and projects to contribute concretely to the achievement of the 13 Sustainable Development Goals.

Sustainability reporting

Since 2019, with effect from the 2018 financial year, the Group has reported its sustainability performance to its stakeholders through the publication of its Sustainability Report. The document relating to the 2025 financial year represents a new stage in this journey and outlines the evolution of the Group's commitment, reporting not only on the economic situation, but also on the social and environmental impacts generated in the territories in which it operates.
With a view to gradually aligning itself with the requirements of the European Union and, in particular, the CSRD (Corporate Sustainability Reporting Directive – EU Directive 2022/2464), the Group has confirmed that it will voluntarily adopt a reporting approach based on the new ESRS (European Sustainability Reporting Standards) for the 2025 financial year.
The entry into force of *Stop the Clock* (EU Directive 2025/794) has postponed by two years the mandatory reporting requirement for companies in Wave 2 of CSRD implementation, of which Alfaparf Milano is a part. Accordingly, the requirement to prepare a sustainability report in accordance with the CSRD will take effect for the Group from the report for the 2027 financial year, which will be prepared and published in 2028.
The Group's decision to press ahead with its alignment with ESRS standards reflects its commitment to anticipating European requirements and ensuring ever-greater transparency and accountability towards its stakeholders, in the knowledge that these factors are crucial to building and strengthening trust in its relationships.

Activities in 2025

In 2025, the Group continued its sustainability process following the four drivers that guide its corporate strategy: Sustainable Governance, Economic Sustainability, Environmental Sustainability and Social Sustainability.
On the social front, Beauty & Business has strengthened its monitoring of diversity, equity, inclusion and human rights by adopting the DE&I (Diversity, Equity and Inclusion) Policy and the Human Rights Policy. In the same year, it also obtained the UNI/PdR 125:2022 certification for gender equality, confirming its commitment to promoting a fair and inclusive work environment that respects diversity.
From an environmental perspective, the Group continued to improve and monitor its manufacturing and infrastructure processes, with particular emphasis on the digitalisation of production facilities, monitoring resource consumption, modernising production lines, improving energy efficiency and promoting conscious water management. These initiatives represent a further step towards a more modern production model, which can be monitored and geared towards continuous improvement.
The Group's commitment to the circular economy and sustainable packaging also continued through the use of recycled and recyclable materials, the application of eco-design criteria and the progressive optimisation of formats and procurement processes.
In terms of social sustainability and ties with the local community, the Alfaparf Foundation has continued to represent one of the main vehicles used by the Group to turn its values into concrete actions, supporting initiatives that promote inclusion, culture, education, sport and collective well-being.
The activities carried out in 2025 also provide a strong foundation for the process launched in 2026 to define the new ESG Strategy. Objective: to strengthen the integration of ESG issues in company processes, in strategic priorities and in the methods for monitoring medium/long-term objectives.
Overall, 2025 confirmed the Group's commitment to progressively consolidating sustainability as a cross-cutting driver of value creation, strengthening dialogue with stakeholders and laying the foundations for an increasingly structured and measurable ESG strategy.

LETTER FROM THE CHAIRMAN

Roberto Franchina
Chairman
Alfa Parf Group S.p.A.

In 2025, Alfaparf Milano continued along the growth path pursued in recent years. Diversifying the product offering, strengthening the sales organisation and expanding sales channels were the key priorities for the business, whilst continuing to focus on innovation in both products and production processes.
The strategic objective of diversifying the offering, aimed at ensuring a presence across all key segments in hair care and body beauty, led to the acquisition of two companies specialising in hair removal products: Bioclean in Brazil and Xanitalia in Italy. These transactions add to the acquisitions completed over the past three years: in Italy, Tricobiotos (hair care) and Iv San Bernard (dog and cat grooming); in France, the professional division of the Eugène Perma Group (hair care); and in the United States, Aphogee (Afro hair care).
At the beginning of 2026, the Group also acquired Coferly Cosmetica, a Brazilian company specialising in hair care products, and BIP Italian Manufacturing Industry LLC, a cosmetics manufacturer based in Rhode Island, United States. These two acquisitions increased the number of production facilities to eleven.
We are continuing to expand our sales organisation, which now enables us to operate in 31 countries through our own direct production and sales branches and over a hundred third-party importers. One of our objectives is to secure control over distributors operating in geographical areas of strategic importance to our growth. Following the acquisition of a majority stake in the company distributing our products in Ireland and now covering the entire United Kingdom, the Group acquired a 90% stake in Saudi Arabian distributor Al Tawaya at the beginning of 2026.
In 2025, the expansion of our presence in professional beauty supply stores and e-commerce channels continued, driven by consumers' growing preference for professional products over those sold through mass retail channels. This expansion is supported by increasing investment in marketing and digital communication. Nevertheless, the professional channel (hairdressing and beauty salons) remains central to revenue generation and once again delivered positive results in 2025.
The outcome of this journey as at 31 December 2025 was a set of financial statements, prepared in accordance with IAS standards, reporting revenues of Euro 492.1 million, a new record supported by the impact of acquisitions. The combination of revenue growth and a continued focus on operational efficiency generated EBITDA of Euro 107.5 million. These results once again confirm our ability to grow while consistently generating profitability, providing clear evidence that, despite the scale we have achieved, the organisation has retained the flexibility required to respond effectively to market trends.

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Thanks to this performance, Alfaparf Milano has firmly established itself among the world's top 100 cosmetics companies in the ranking compiled by the American magazine *Women's Wear Daily* (which does not, however, take into account revenues from third-party manufacturing, a significant component of our income statement). Based on the 2025 financial statements, Alfaparf Milano ranks 84th.
In 2025, we made further progress on issues that are now crucial for businesses: the application of artificial intelligence to improve operational efficiency and effectiveness; compliance with environmental, social and economic sustainability principles; and the implementation of policies capable of attracting and retaining employees, particularly those from younger generations. With regard to artificial intelligence, management training programmes continued throughout the year. At the same time, the application of AI in certain operational areas, such as the legal function and forecasting activities for production planning, progressed beyond the testing phase.
Further important milestones were achieved on the path towards sustainability, guided by a Committee that supports the Board of Directors in integrating sustainability principles into every activity and at every level of the organisation. In 2025, for the fifth consecutive year, Alfaparf Milano was included among the 240 leading Italian companies in sustainability selected by Statista for *Il Sole 24 Ore* based on 45 indicators relating to environmental, social and economic macro areas.
Particular note should be made of the achievement by the Italian branch Beauty & Business S.p.A. of UNI/PdR 125:2022 certification, which sets out guidelines for ensuring gender equality within organisations. The standard enables organisations to measure, report and assess data in order to reduce the gender gap and promote inclusion.
Our human resources policy remains focused on supporting work-life balance and enhancing individual talent, facilitated by the opportunities offered by the Group's scale and global operations. This policy is also supported through the Alfaparf Foundation, which embodies the Group's values and commitment to sustainability by pursuing objectives of general interest, social benefit, and educational and cultural purposes.
The year 2026 began against a backdrop of global political and economic tensions, the duration and impact of which on key financial statement items, such as raw material costs, energy prices and interest rate trends, remain difficult to predict. Nevertheless, the Group possesses the qualities required to respond to any scenario: a diversified product offering, an international manufacturing and distribution organisation, commercial flexibility and financial strength, combined with the expertise and professionalism of our people. We therefore believe that we can continue on our growth path.

DIRECTORS' REPORT ON OPERATIONS

The 2025 financial statements of Alfa Parf Group S.p.A., prepared in accordance with IAS/IFRS international accounting standards, recorded total revenues of Euro 492.169 million; core business generated revenues of Euro 486.339 million, up 9% compared to Euro 445.974 million in 2024, distributed across the business areas as follows: Euro 304.438 million in Haircare; Euro 49.280 in Skincare; Euro 100.146 in Private Label; Euro 23.563 in Retail (Mass Market); Euro 8.912 in Pets. Geographically, revenues were generated in Europe and Asia (Euro 241.847 million, 49.7%), Latin America (Euro 180.646 million, 37.1%) and the United States (Euro 63.846 million, 13.1%). EBITDA came to Euro 107.5 million (22% of total revenues), almost in line with Euro 106.5 million in 2024.

Haircare

The Haircare business unit recorded revenues of Euro 304.4 million, up by 2% compared to Euro 297.2 million in 2024. The three main brands (Alfaparf Milano Professional, Semi di Lino and Yellow Professional) were subject to innovation.

Alfaparf Milano Professional. The colour offer has been expanded with Evolution of the Color Shine Effect, a permanent ammonia- and MEA-free hair colour that combines performance, cosmetics and respect for hair, thanks to proprietary technologies and skincare-inspired active ingredients.

The Keratin Therapy Lisse Design line has been enhanced with new high-performance services, inspired by the *glass hair* trend, including Lisse Design Biomimetic Plastia Method and Biomimetic Lamination Treatment, in addition to the instant Liquid Glass Lamellar Water treatment. The offer is completed with the Keratin In-Salon Maintenance service and with new maintenance products in professional formats.

In 2025, Alfaparf Milano Professional's care offer was expanded with a new selective distribution line, Lights Co by Semi di Lino. High-performance formulas and sensory luxury come together to create a new standard of performance and well-being.

Semi di Lino. The portfolio was expanded with the completion of the Style&Care range. The new products complement the range to facilitate and finalise the look, with control and protection of the hair fibre, for treatments at home and in the salon. In 2025, for the first time, the brand entered the retail market with the opening of a temporary shop at Naples Central Station, which made it possible to increase awareness.

Yellow Professional. In 2025, the relaunch and strengthening of the positioning continued through the structural overhaul of the range, the visual identity and the communication system. The colour category (core business) was enhanced and reorganised with advanced formulas with Bonding Effect.

The care segment underwent a comprehensive overhaul, which involved almost the entire range, which resulted in an improvement in its performance and consistency. This design includes the launch of Hydra Care, a line for hydration and radiance for all hair types, enriched with Beautifying Mist, an on-the-go treatment with an immediate light effect, which adds silkiness, frizz control and a rich fragrance for bright and wonderfully scented hair throughout the day.

Skincare

The Skincare business unit recorded revenues of Euro 47.6 million, up 49% compared to Euro 31.8 million in 2024 thanks to the acquisition of the Brazilian brands Depil Bella and Raavi. In 2025, the Skincare business unit focussed intently on innovation, driven by trends and performance, with the aim of strengthening trust in the market and boosting brand visibility and awareness, while supporting the acquisition of new customers in Italy and abroad.

A significant strategic step was taken in the form of the acquisition of Depil Bella and Raavi, key in the path of internationalisation and scalability. The objective is to enhance first-rate local operators, transforming them into competitive players at global level and maintaining their identity, expertise and distinctiveness.

Private Label

Production on behalf of third parties (Private Label) recorded revenues of Euro 100.1 million in 2025, marking an increase of 23% compared to Euro 81.2 million in 2024, confirming the structural strengthening of the business unit and the increasing attractiveness of the Group as an industrial partner.

The performance was boosted by investments in previous years, aimed at harmonising production standards and enhancing production capacity, operating efficiency and quality control systems. This made it possible to support the increase in volumes, guaranteeing high levels of reliability, flexibility and time-to-market.

The industrial know-how, combined with a presence in different geographical areas and a flexible operating model, positions the Group as a privileged strategic partner for both multinational cosmetics companies and the main large retailers.

The North American market continues to be the main reference area, but the European market is showing signs of progressive growth and holds significant development potential, also with a view to greater geographical diversification of the customer portfolio.

Colouring products remain the segment's main source of revenue. The year 2025 also saw structural growth in the demand for haircare products, which represents a strategic medium-term line of development thanks to favourable market trends and greater opportunities to extend the offer.

Retail (Mass Market)

The Hair Retail business unit recorded revenues of Euro 29 million in 2025, up 9% compared to Euro 23.5 million in 2024 thanks to the acquisition, in the United States, of the Aphogee brand and the performance of the Il Salone Milano brand (+26%), supported by access to new European markets and growth in countries in Europe, Asia and MEA where the Group has historically been present.

Il Salone Milano. In 2025, the Curl line was launched, with the innovative Biomimetic Technology. Formulated with squalane and biomimetic lipids, the products create a protective film that retains water in the hair fibre, leaving curls up to three times more hydrated (instrumental test after application of the complete treatment). A compact yet versatile range, designed to adapt to the needs of all types of curls (pre-shampoo, shampoo, dual-use conditioner, defining cream and curl refresher). The brand has strengthened its positioning through an effective trade marketing plan (trial activities and sell-out support) and continuous investment in communication.

Alta Moda. Continuing the innovation and renewal of the brand, the main permanent colour line was relaunched in 2025. With advanced technology based on Metal Block, hyaluronic acid and a blend of six oils, the line guarantees high colour performance while preserving hair health. The range includes 36 colours. In 2025, the brand strengthened its presence in the MEA market, recording substantial growth.

Aphogee. In 2025, the plan to globalise the distribution of the brand commenced.

Alfaparf Foundation

Alfaparf Foundation is the Group's ETS foundation that supports the younger generations with cultural, social and training initiatives. The initiatives implemented in 2025 are shown below.

Casa di Leo - EOS APS [Pediatric Social Housing]. Support for the social housing project for long-stay children and their families in collaboration with the Bergamo Hospital.

Department of Pediatric Surgery of the Bergamo Hospital. The Foundation contributed to the purchase of machinery and equipment.

Special Team Volley CUS of Bergamo. In addition to sponsoring the team and financing participation in regional (Brescia) and interregional (Parma, Genoa) tournaments, the Foundation has contributed to the dissemination of photographic content, videos and interviews to promote sport as a vehicle for social inclusion.

Accademia Carrara. The Foundation was a partner of the second edition of the Forever Young Festival, co-created with girls and boys from the University of Bergamo and the Ca' Foscari University of Venice. The festival is divided into six evenings of guided tours, talks, debates and shows in the museum spaces, with free access for those under 30. Themes of the evenings: war and peace, environmental sustainability, the relationship between generations, mental health, women's rights. About 1,500 boys and girls took part in the six evenings.

BergamoScienza. The Foundation was one of the festival's sponsors (with almost 90,000 visitors, over 400,000 online attendees, 4,000 students from 79 schools, around 200 events and 34 conferences), participating, in particular, in the organisation of conferences on the conscious use of artificial intelligence, loneliness and the reconstruction of connections, and photography in the age of AI.

Bergamo Photography Festival. The Foundation was one of the partners of the event, divided into eleven exhibitions of Italian and foreign photographers. Over 10,000 visitors and 2,000 students.

The Alfaparf Foundation also created the first International Photographic Open Call Next: 800 photographic projects and 708 participants from 85 countries.

KEY EVENTS IN THE FIRST QUARTER OF 2026

As at 31 March, Alfa Parf Group S.p.A. reported revenues of Euro 124.3 million, up 12% compared to Euro 110 million in the first quarter of 2025: Euro 72.7 million generated by Haircare; Euro 11.9 million by Skincare; Euro 29.7 million by production on behalf of third parties (Private Label); Euro 8.0 million by Retail; Euro 2.0 million by Pet products. EBITDA amounted to Euro 20.33 million, a slight decrease compared to Euro 23.3 million in the first quarter of 2025.

Corporate

The beginning of 2026 was characterised by three acquisitions: 90% of the Group's distributor in Saudi Arabia (Al Tawaya); Coferly Cosmetica, a Brazilian company specialising in hair care products; BIP Italian Manufacturing Industry LLC, a cosmetics manufacturer in Rhode Island, United States. As a result of the last two transactions, the Group now has eleven production facilities.

Haircare

The main activities in the quarter concerned the Semi di Lino brand: expansion of the offer, relaunch of the Curls and Smooth lines, launch of a new solar product in the Sunshine line, promotional initiatives, for example the kit and a Limited Edition of the hero product Cristalli Liquidi The Original. Opportunities were also seized to develop retail distribution, such as the insertion of shelves in Rinascente stores (Italy) and a temporary shop in Roma Termini station.

Skincare

In the first quarter, the internationalisation of the Depil Bella brand, just acquired in Brazil, was launched, a strategic step for the brand's development. The Italian market is the pilot country. A key role is played by Xanitalia, the other recent acquisition in the hair removal products segment, which, thanks to formulation and production support, guarantees high quality standards and competitiveness. During the quarter, the celebration of the fiftieth anniversary of DIBI Milano also kicked off. The initiatives included the relaunch of the iconic The Cream Nuova Pelle, supported by a plan of events to engage customers and enhance history and identity.

Retail (Mass Market)

In the first quarter of 2026, the distribution of the Aphogee brand began in new countries (Mexico, Panama, Ecuador and the United Kingdom) and projects were launched to distribute in other geographical areas (Arab countries and Africa). Il Salone Milano continued its distribution development in European countries, through the partnership agreements with large local chains of perfumeries and drugstores. The results of the Portuguese branch were very positive, which last year concluded a partnership with Pluricosmetics, one of the most important chains in the country for the distribution of the brand. The Education Masstige project, designed to support partners in the sale of the brand's most technical lines/products, continues successfully. After the launch, in 2025, of the permanent colour line, the Alta Moda brand focused on relaunching innovative lines such as SOS, the Men Line for tone-on-tone colouring dedicated to men with renewed formulas and graphic lines with a significant impact.

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CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

CONSOLIDATED INCOME STATEMENT
(€/000)

	Note	31.12.2025	31.12.2024
Revenues from contracts with customers	1	486,339	445,974
Other income	2	5,831	17,907
Changes in inventories of finished and semi-finished products	3	5,362	(62)
Raw materials and consumables	4	(151,033)	(133,602)
Costs for services	5	(117,608)	(107,621)
Costs for employee benefits	6	(114,133)	(108,797)
Amort., depreciation and write-downs	7	(16,737)	(15,701)
Other operating costs	8	(12,033)	(13,496)
Operating profit		**85,987**	**84,602**
Financial charges	9	(35,341)	(40,241)
Financial income	10	30,082	32,117
Share pertaining to the result of associates and joint ventures		-	-
Profit before tax from continuing operations		**80,728**	**76,478**
Income taxes	11	(27,056)	(21,875)
Net result from continuing operations		**53,672**	**54,604**
Profit/(loss) from assets held for sale net of taxes		-	-
Group profit for the year		**53,672**	**54,604**
Attributable to:		-	-
Ordinary shareholders of the parent company		51,259	52,094
Minority shareholders		2,413	2,510

CONSOLIDATED COMPREHENSIVE INCOME STATEMENT
(€/000)

	01.01.2025 31.12.2025	01.01.2024 31.12.2024
Profit (loss) for the year (A)	**53,672**	**54,604**
Statement of Other comprehensive income		
Components of comprehensive income that will be subsequently reclassified in profit/(loss) for the year (net of taxes):		
Translation differences of foreign financial statements	(11,733)	(5,372)
Net profit/(loss) on cash flow hedges	(312)	(679)
Net loss of debt instruments measured at fair value through OCI		
Share pertaining to the Statement of Other comprehensive income of an associate		
Total other comprehensive income that will be subsequently reclassified in profit/(loss) for the year net of taxes	**(12,045)**	**- 6,050**
Components of comprehensive income that will not be subsequently reclassified in profit/(loss) for the year (net of taxes):		
Net profit/(loss) on equity instruments measured at fair value and recognised in the comprehensive income statement		
Profit/(loss) from revaluation of defined benefit plans	159	(159)
Revaluation of land and buildings		
Share pertaining to the Statement of Other comprehensive income of an associated company		
Total other comprehensive income that will not be subsequently reclassified in profit/(loss) for the year net of taxes	**159**	**(159)**
Total other comprehensive income for the year, net of taxes	**(11,886)**	**(6,209)**
Comprehensive net profit/(loss) for the year after tax	**41,787**	**48,394**
Total comprehensive net profit/(loss) attributable to:		
Ordinary shareholders of the parent company	39,374	45,884
Minority shareholders	2,413	2,510

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (*)
(€/000)

	Note	31.12.2025	31.12.2024
Assets			
Non-current assets			
Property, plant and machinery	12	47,298	37,135
Goodwill	13	90,003	34,756
Intangible assets	13	61,025	30,346
Rights of use assets	14	20,165	16,019
Equity investments in associates and JVs	15	133	134
Non-current investments	16	-	11
Other non-current assets	17	525	285
Deferred tax assets	11	12,922	15,382
Total Non-current assets		**232,070**	**134,068**
Current assets			
Inventories	18	82,091	70,936
Trade receivables	19	103,433	94,084
Current investments	20	99,645	51,902
Other current assets	21	36,333	29,679
Cash and cash equivalents and short-term deposits	22	184,659	206,386
Total Current assets		**506,160**	**452,989**
Assets held for sale		**-**	**-**
Total assets		**738,231**	**587,057**
Shareholders' equity and liabilities	**23**		
Share Capital		31,500	31,500
Legal reserve		3,826	3,741
Other reserves		(4,136)	11,342
FTA Reserve		(918)	(918)
Profit (loss) carried forward		**233,874**	**182,245**
Group profit/(loss)		51,259	52,094
Retained earnings		182,614	130,152
Total Group Shareholders' equity		**264,145**	**227,910**
Minority interest share of shareholders' equity		**3,533**	**2,201**
Total Consolidated shareholders' equity		**267,678**	**230,111**
Non-current liabilities			
Non-current loans and financing	24.25	207,086	144,320
Non-current lease liabilities	24.26	15,092	11,348
Other non-current financial liabilities	27	14	474
Provisions for non-current risks and charges	28	35,195	24,999
Other non-current liabilities	29	7,340	5,451
Net liabilities for employee defined benefits	30	6,337	6,004
Deferred tax liabilities	11.31	11,804	4,037
Total Non-current liabilities		**282,869**	**196,634**
Current liabilities			
Trade payables	32	55,553	50,960
Current loans and financing	24.25	77,255	51,409
Current lease liabilities	24.26	5,394	4,974
Other current liabilities	33	22,173	22,376
Other current financial liabilities	24	6,060	12,813
Current contractual liabilities	34	-	-
Tax payables	35	21,249	17,779
Total Current liabilities		**187,684**	**160,312**
Liabilities related to assets held for sale		**-**	**-**
Total shareholders' equity and liabilities		**738,231**	**587,057**

(*) Comparative figures as at 31 December 2024 differ from those published due to the final allocation of considerations for business combinations. The effects of the changes are fully described in paragraph 13 Business combinations, to which reference should be made.

EY
Shape the future with confidence

Alfa Parf Group S.p.A.

Consolidated financial statements as at 31 December 2025

Independent auditor's report pursuant to article 14 of Legislative Decree n. 39, dated 27 January 2010

Shape the future
with confidence

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Independent auditor's report pursuant to article 14 of Legislative Decree n. 39, dated 27 January 2010

To the Shareholders of
Alfa Parf Group S.p.A.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Alfa Parf Group (the Group), which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of income, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2025, and of its financial performance and its cash flows for the year then ended in accordance with IFRS accounting standards issued by International Accounting Standards Board as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.
We are independent of the Group in accordance with the regulations and standards on ethics and independence applicable to audits of financial statements under Italian Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Directors and Those Charged with Governance for the Consolidated Financial Statements

The Directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS accounting standards issued by International Accounting Standards Board as adopted by the European Union, and, within the terms provided by the law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Directors are responsible for assessing the Group's ability to continue as a going concern and, when preparing the consolidated financial statements, for the appropriateness of the going concern assumption, and for appropriate disclosure thereof. The Directors prepare the consolidated financial statements on a going concern basis unless they either intend to liquidate the parent company Alfa Parf Group S.p.A. or to cease operations or have no realistic alternative but to do so.

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The statutory audit committee ("Collegio Sindacale") is responsible, within the terms provided by the law, for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we have exercised professional judgment and maintained professional skepticism throughout the audit. In addition:

- we have identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- we have obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- we have evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- we have concluded on the appropriateness of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to consider this matter in forming our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- we have evaluated the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- we have obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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Report on compliance with other legal and regulatory requirements

Opinion and statement pursuant to article 14, paragraph 2, subparagraph e), e-bis) and e-ter) of Legislative Decree n. 39 dated 27 January 2010

The Directors of Alfa Parf Group S.p.A. are responsible for the preparation of the Report on Operations of Alfa Parf Group as at 31 December 2025, including its consistency with the related consolidated financial statements and its compliance with the applicable laws and regulations.

We have performed the procedures required under audit standard SA Italia n. 720B, in order to:

- express an opinion on the consistency of the Report on Operations, with the consolidated financial statements;
- express an opinion on the compliance of the Report on Operations with the applicable laws and regulations;
- issue a statement on any material misstatements in the Report on Operations.

In our opinion, the Report on Operations is consistent with the consolidated financial statements of Alfa Parf Group as at 31 December 2025.

Furthermore, in our opinion, the Report on Operations complies with the applicable laws and regulations.

With reference to the statement required by art. 14, paragraph 2, subparagraph e-ter), of Legislative Decree n. 39, dated 27 January 2010, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have no matters to report.

Bergamo, 29 June 2026

EY S.p.A.
Marco Malaguti
(Auditor)

This report has been translated into the English language solely for the convenience of international readers.

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