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Annual Report
2024



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ivsgroup[®]

Disclaimer: this document is a PDF copy of the Annual Report of IVS Group S.A. at December 31st, 2024 and is not presented in the ESEF-format as specified in the Regulatory Technical Standards on ESEF (Delegated Regulation (EU) 2019/815 and subsequent versions). The official Annual Report of IVS Group S.A. in ESEF single reporting package, as filed with the CSSF, is available at: <https://www.ivsgroup.it/section/bilanci-e-relazioni>.

Corporate identity



OUR PURPOSE

Passionate about creating a unique, **excellent**, innovative break. Any time of day, anywhere in the world.



OUR VISION

We **aim** to bring to consumers in Europe, the **Italian excellence** in coffee and vending, enriching every moment of their day.



OUR VALUES

Excellence

Collaboration & listening

Spirit of initiative & speed

Responsibility



Chairman's letter



Dear Shareholders and Stakeholders,

In 2024, just after a little more than one year of intense work following the business combination and subsequent merger with the Liomatic S.p.A. and G.E.S.A., another strategic step in IVS Group's life took place.

On April, it was announced a totalitarian OPA (public tender offer) on IVS Group shares, jointly launched by IVS Partecipazioni S.p.A. (IVS Group majority shareholder) and by Lavazza Group (the Italian leader in the coffee sector). The OPA and the consequent delisting of IVS Group shares, were successfully completed in October 2024. The agreements and options existing between the two shareholders, both focused on long-term industrial strategies, are aimed at establishing a larger and solid base for a further phase of growth, at European level.

This strategic move is complementary to the continuous integration and improvement activity within existing IVS Group business areas, to extract all the possible synergies and efficiencies, and, at the same time, developing new-entry European markets, as Germany and Poland, and new high-potential growth businesses, as in the Ho.re.ca. sector.

Despite generally unfavorable market conditions, also in 2024 IVS Group was able to show an increase in its

consolidated sales, exceeding Euro 730 million.

The extraordinary changes do not make less important day-to-day commitment of all the persons working in our group. We are proud and thankful for their commitment. The vending business requires skilled people, supported by efficient procedures, but also able to be flexible and enterprising. Our employees are a key asset for the group, and we will continue to invest in their training and well-being.

Everyone's strong commitment is today even more important than in the past, as we live in a very complex market scenario, in Italy and all-around Europe. The effects of economic and political difficulties of the last years, since the Covid period and the Ukraine war, have clear and direct consequences on our business.

Smart working in large companies and public offices, the reduced presence of visitors in hospital locations, had a structural impact in consumption models and volumes in the vending sector. The inflation and the strong increase in the cost of some inputs, as it happened for coffee, our most important product, had a remarkable impact on our activity.

In order to face these changes, IVS Group

is also transforming, towards a faster and more flexible organization, innovating its offer and entering new markets.

We can look at the future with confidence, thanks to our solid starting base and excellent internal skills. At the same time, it is also clear that an even larger base for competing with success in Europe is the reasons why IVS and Lavazza groups decided to strengthen their already good and long-lasting links. This relationship will become more and more effective.

Considering the market share already reached in Italy, at least in the vending core business, in 2024 IVS Group devoted significant resources to other European markets, where we already won new very important contracts, both in the corporate sector and in public locations. We expect to continue this strategy, by exploiting our best-in-class skills in the vending business, and our widespread logistic presence.

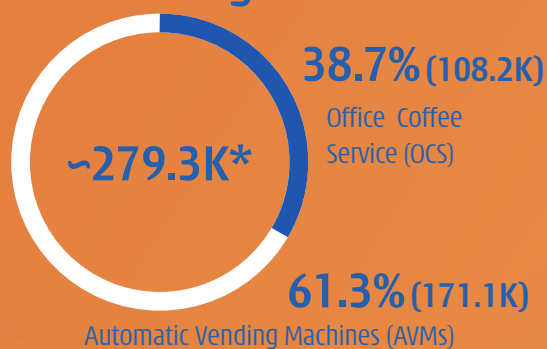
IVS Group will continue to invest on people and technologies, to keep our competitive advantage, and, above all, our values, that are fundamental to be able to combine for many years, in a story of sustainable growth, people, environment and financial performances, as we have done for more than 50 years.

Paolo Covre - Presidente

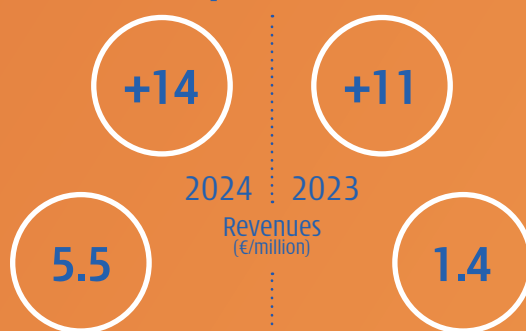
A handwritten signature in black ink, appearing to read 'Paolo Covre', with a large, stylized flourish at the end.

Highlights

Vending Machines

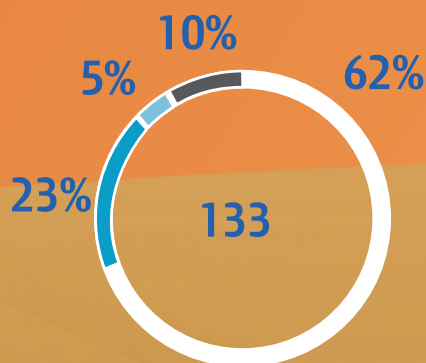


Acquisitions



Employees

+9.7%



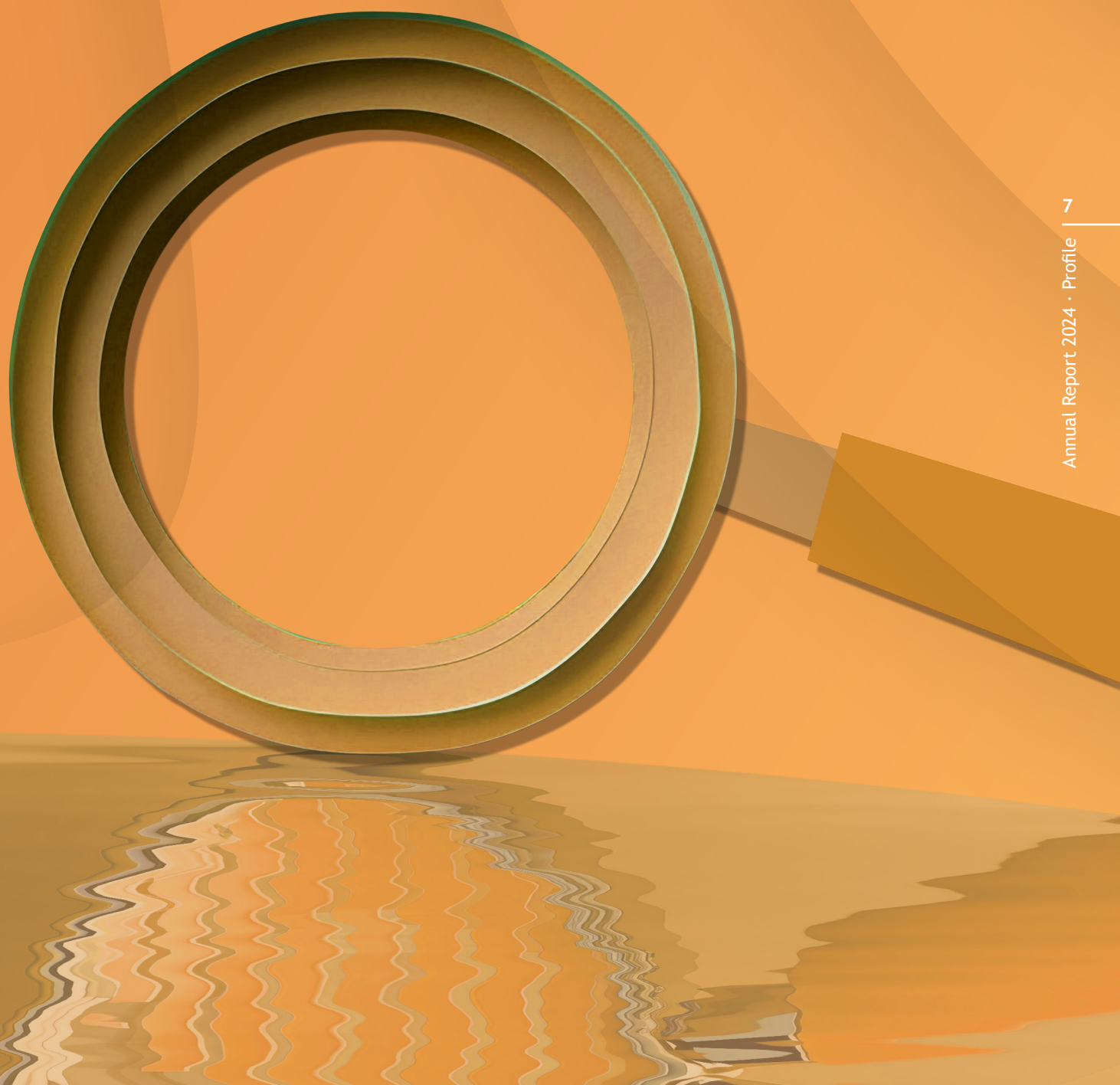
Branches

- Italia
- Spagna
- Francia
- Altri

*The decrease in the number of OCS installed is due to a targeted policy of reducing low-volumes locations.

€/thousand	
2024	2023
Total Revenues + 0.9%	
732,777	726,214
Ebitda Adjusted -5.3%	
110,040	116,225
Ebitda Reported -8.7%	
103,645	113,528

€/thousand	
2024	2023
Vending Sales +3.4%	
538,196	520,577
Vends -0.9%	
982.6	991.5
Average Sale Price +4.3%	
54.77	52.50
	(€/cents)



International focus

Number of branches



Wide geographical footprint with significant opportunities to enhance local density

- IVS is the market leader in the Italian vending machine operator's sector, with a nationwide operations
- A significant presence in foreign European markets (second player in Europe)
- Profitable operations in each market
- The Group's strategy will be focused on strengthening local density in a number of regional markets, enabling IVS to better leverage its fixed cost base by building local concentration in strategic towns and areas

Leading consolidator in the domestic market

- Significant competitive advantage in identifying, executing and integrating acquisitions relative to its peers, demonstrated by a proven track record
- More than 235 companies or business units have been acquired by IVS since 2007

History and Key Events

IVS Group is a pioneer of the vending industry in Italy with over 50 years of experience. The history of IVS can be traced back to Bergamo Distributori which was founded by Cesare Cerea and Pietro Gualdi in 1972.

IVS Italia S.p.A. was incorporated at the end of 2006 through the merger of the companies previously operating under the IVS brand on a stand alone basis.

Following the 2006 merger, IVS completed a large number of acquisitions of players operating mainly in Italy and in other European countries, implementing a buy-build strategy with the aim of making the Company a main consolidator, in a fragmented sector where economies of scale are a key factor to boost performance. Mr. Cerea drove the innovation of the sector from "old-style coin-only drop" machines to innovative point-of-sales with a multiple selection of clearly visible products.



'24

- Lavazza Group and IVS Partecipazioni S.p.A. announce the launch - by Grey S.à.r.l - of a voluntary public tender offer aimed at the delisting of IVS Group S.A.
- Delisting of IVS Group S.A. and reverse merger of Grey S.a.r.l. into IVS Group S.A.
- Sales and Lease-back of real estate properties
- Acquisition of minority interests of Eurovending S.r.l., Autobar S.r.l., Coin Service S.p.a., Liomatic S.p.A., Ediwen GmbH and IVS H24 S.r.l.
- Acquisition of no.14 business units and subsidiaries in Italy, Spain, France and Poland

'21
'23 '22

- Reorganization of the reselling subsidiaries and acquisition of a part of minority interests
- Capital increase of around EUR 186 million for the acquisition of Liomatic and Gesa Groups

'19
'20

- IVS start the installation and management of the vending machines located in the Paris Metro and in the connected public transport system
- Pandemic emergency and related world economic crisis due to Covid-19
- Admission to trading on MTA market segment STAR
- New issue of 300 Million Retail Bond 3.0% due 2026

'17
'18

- Mr. Cesare Cerea, Chairman and founder of the Group IVS passed away on August 2017
- The Italian Tax Authority adopted the technical regulation of automated transmission of revenues data

'15
'16

- New issue of 240 Million Retail Bond 4.5% due 2022
- Reorganization of management and handling of vending machines within the Group
- Full redemption of the 7.125% Senior Secured Notes due 2020 of EUR 250 million

'12
'14

- Listing by the combination with Italy1 Investment S.A.
- Admission to trading on MTA Segment
- Issue of 250 Million of new Senior Secured Notes
- Vending machines Innovation: touch screen monitor, bell of the coffee vacuum, payment system with smartphone application

'72

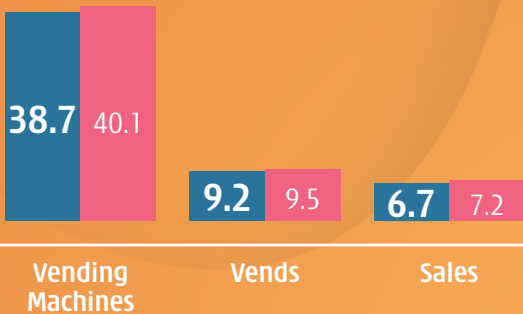
IVS was founded by Cesare Cerea and Pietro Gualdi in 1972

Vending Business Model

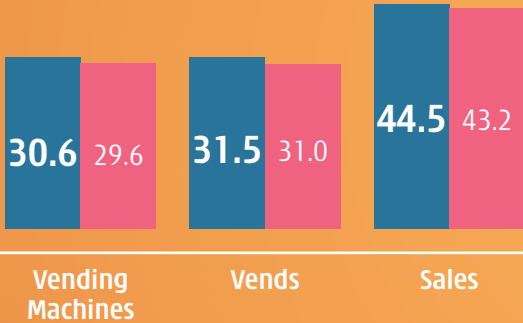
■ Data Year 2024
■ Data Year 2023

Key figures by product (%) - (2024)

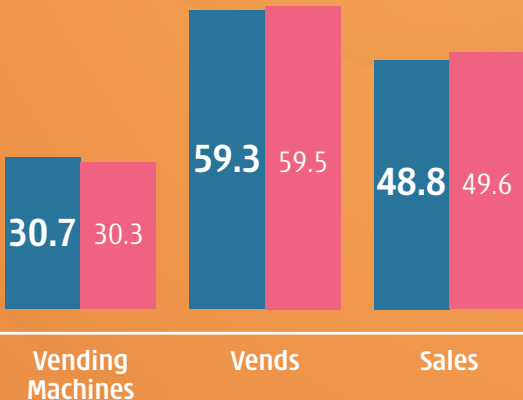
OCS



AUTO VMS - MIX



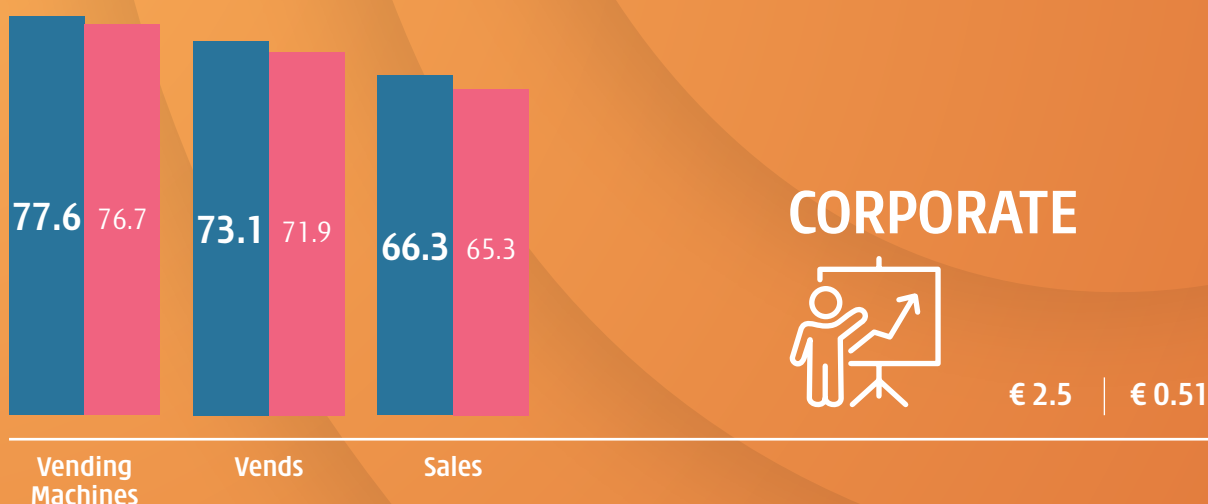
AUTO VMS - HOT



- IVS, although not being a manufacturer, has a very strong technical expertise in vending machines production. This skill is used in the internal departments where the revamping of the VMs is carried out, and allows IVS to co-work with the VMs manufacturers, investing in the possible innovations and developing the state of the art applications for the industry
- Simple, lean and highly cash generating business model
- IVS Group purchases the machines from manufacturers, installs and maintains them at the clients' sites

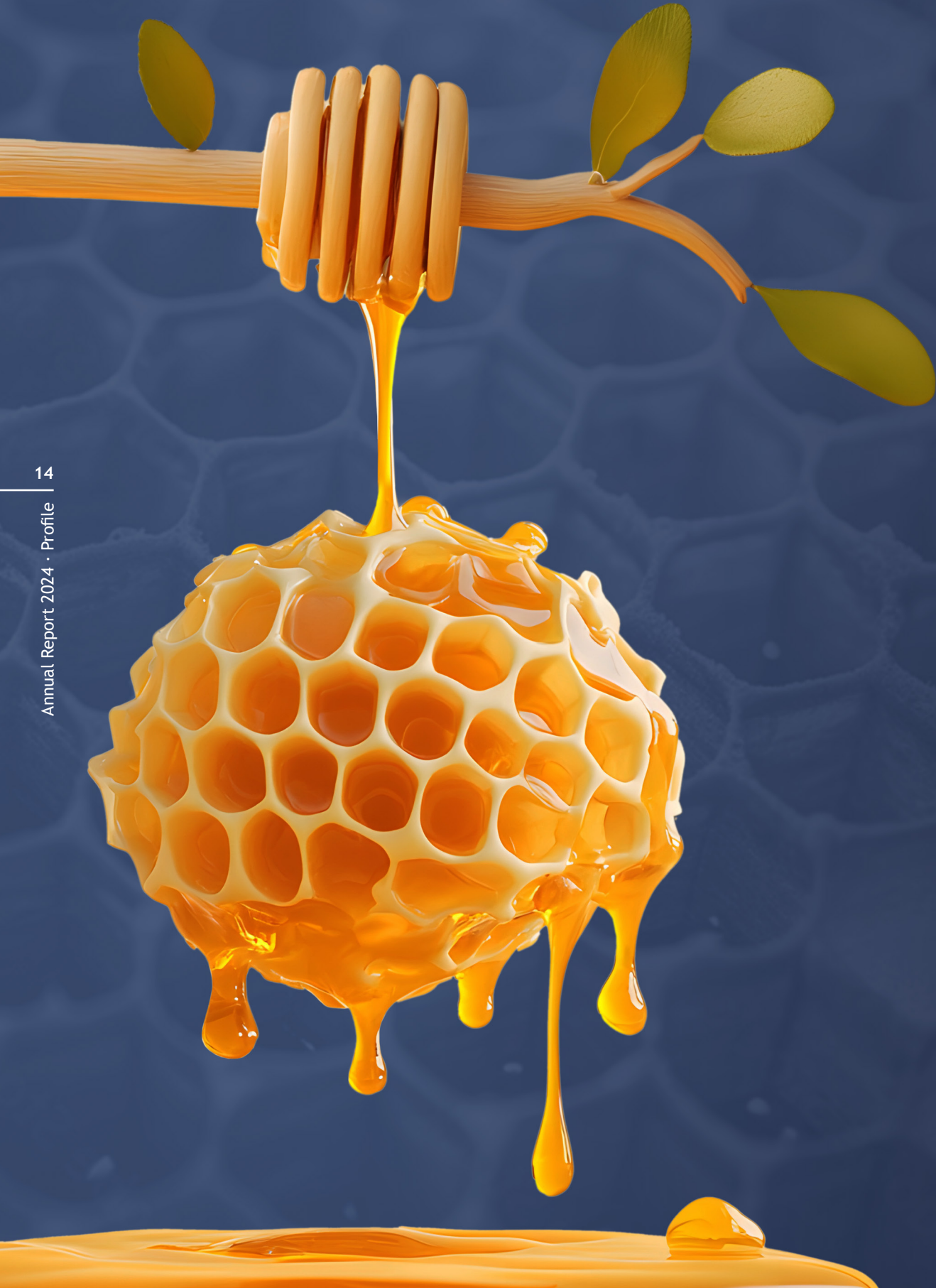
	By product		Auto VMs	
	2024	2023	2024	2023
Vending machines	279,314	281,378	171,092	168,682
Vending sales	538,196	520,577	502,170	483,118
Vends	982,609	991,503	892,503	897,110

Key figures by location (%) - (Auto VMs, 2024)



- Revenues are generated from purchases made by the consumers in the location where the machines are installed
- Such a capacity represents a real competitive advantage, giving in some cases the right to use first and / or on exclusive basis, for certain periods, new models of vending machines, new IT and other digital applications, as in the telemetry or payments systems

Company Officers



Boards of Directors*



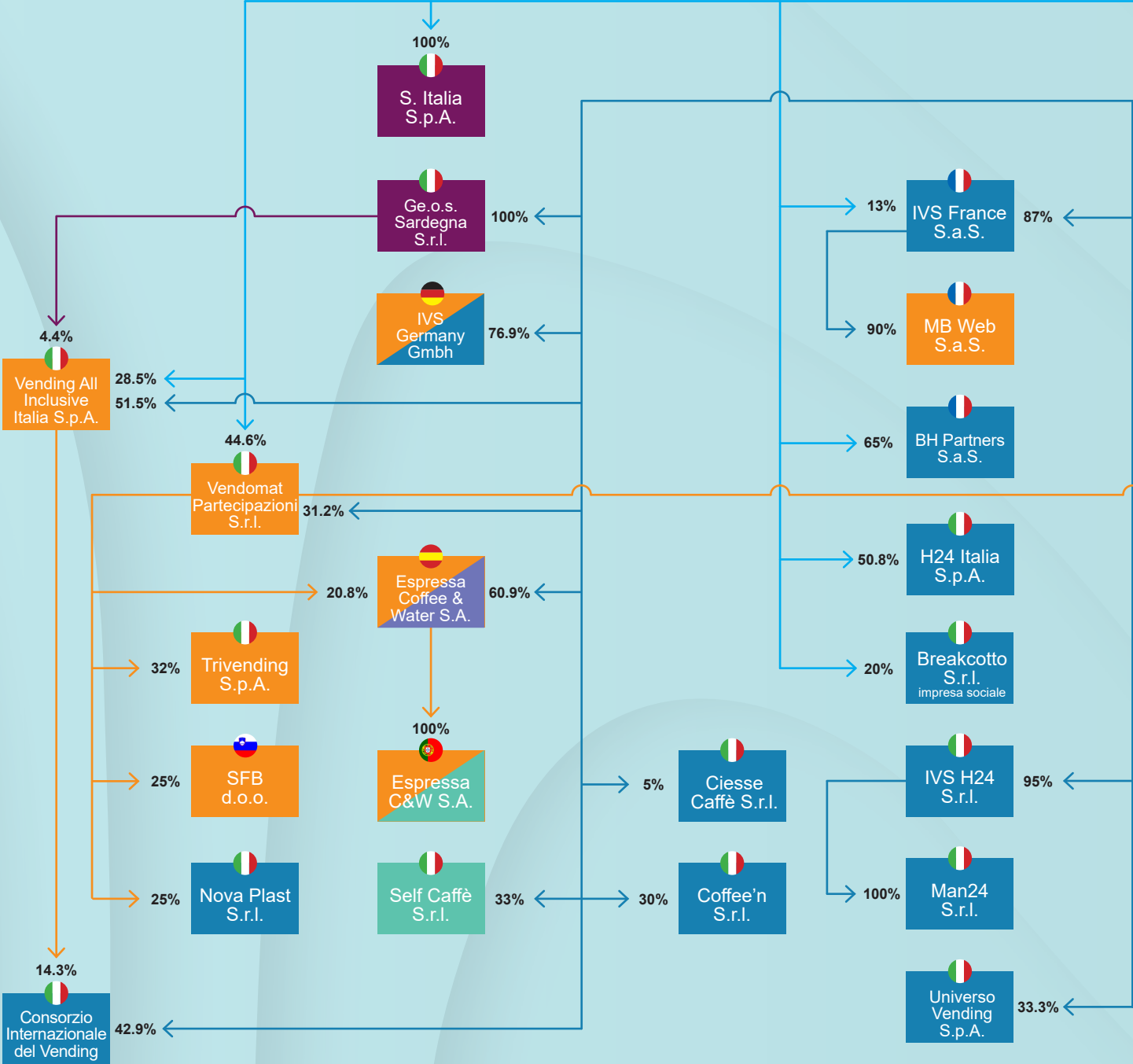
Independent Auditors

Ernst & Young S.A.
Luxembourg

* On December 17th, 2024 the majority of the members of the Board of Directors presented their resignation and the next day the new Board of Directors was appointed by the ordinary shareholders meeting of the Company.

Group Structure

The IVS Group presents the following structure as of December 31st, 2024

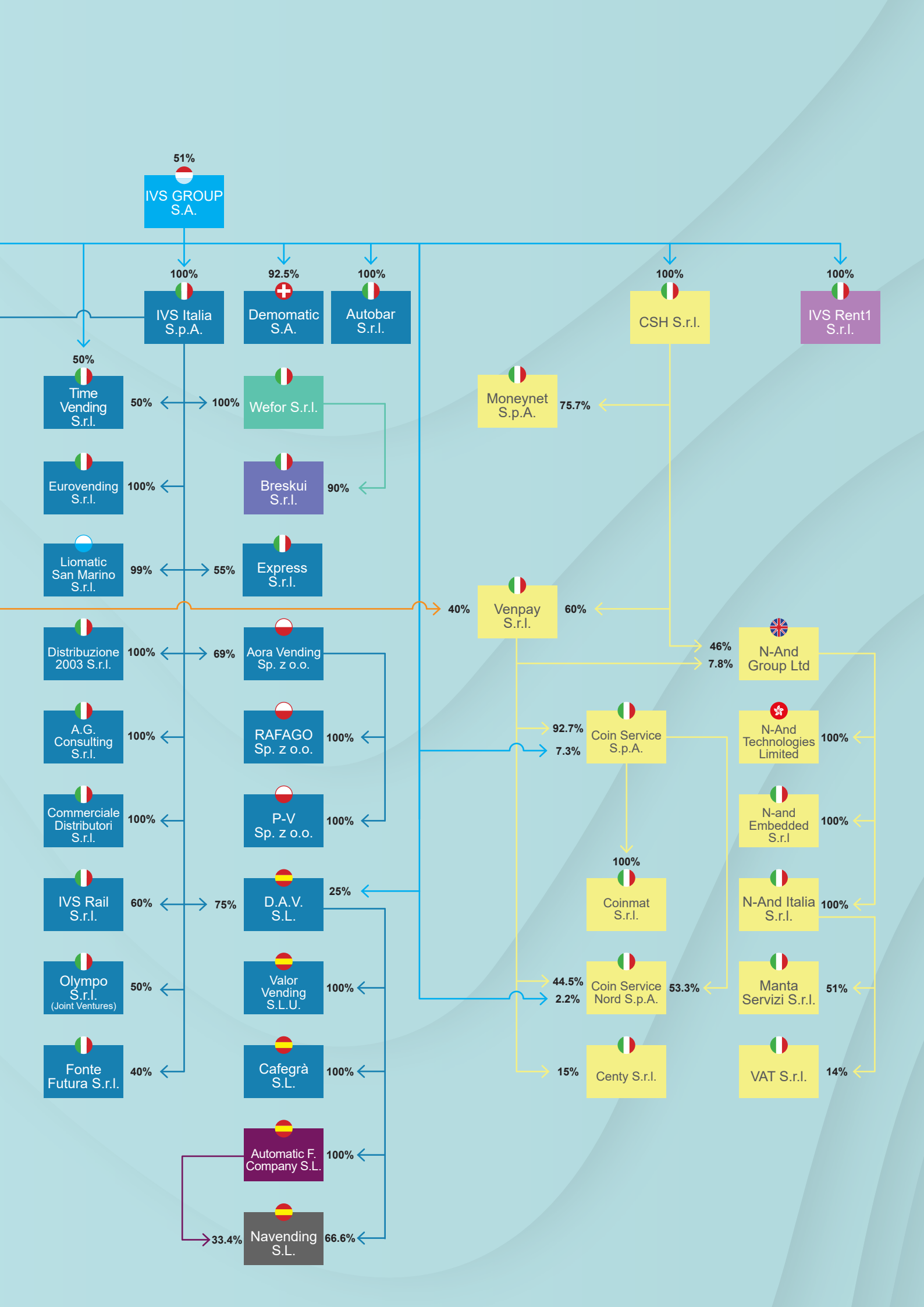


Companies:

FINANCIAL COMPANIES	OCS COMPANIES	VENDING COMPANIES
RESALE COMPANIES	VENDING MACHINES PRODUCER COMPANIES	HORECA COMPANIES
REAL ESTATE COMPANIES	RENTING COMPANIES	COIN DIVISION COMPANIES

Flags:

LUXEMBOURG	SWITZERLAND	ITALY	FRANCE
SPAIN	POLAND	UK	HONG-KONG
GERMANY	SAN MARINO	PORTUGAL	SLOVENIA



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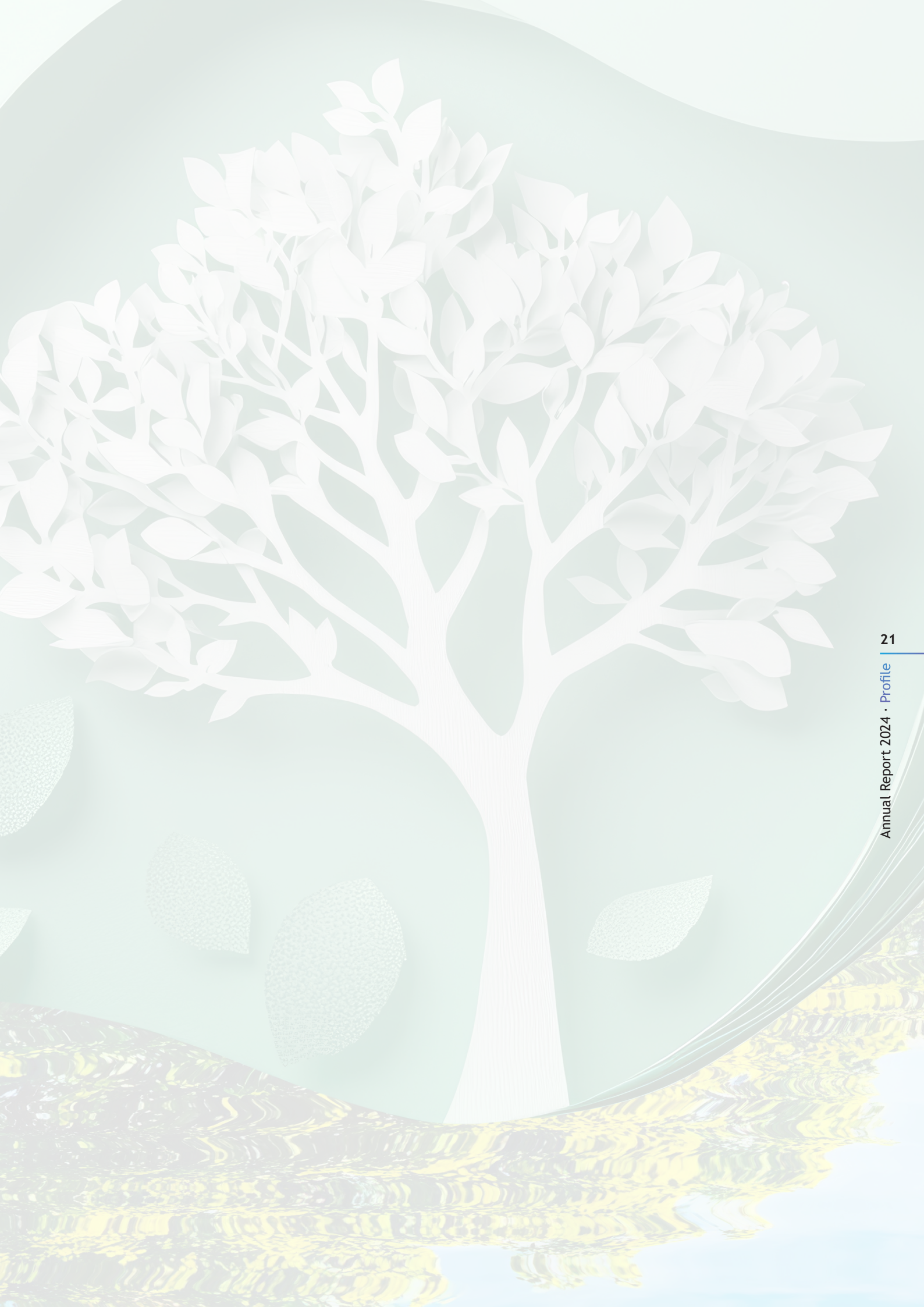
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MANAGEMENT REPORT

Management Report

Dear Shareholders,

Dear Shareholders,

the IVS Group's Consolidated Financial Statements as of December 31st, 2024 (the "**Consolidated Financial Statement**"), drawn up under the International Financial Reporting Standards approved by European Union (IFRS), show a profit for the year of EUR 5,696 thousand, after a tax benefit of EUR 4,551 thousand, amortization and depreciation of EUR 81,087 thousand and financial expenses net of EUR 21,379 thousand.

The annual accounts (the "**Annual Accounts**") of IVS Group S.A. (the "**Company**" or the "**Parent**"), which are prepared under the Luxembourg national accounting standards, show a profit of EUR 5,502 thousand after a tax benefit of EUR 2,257 thousand, amortization and depreciation of EUR 26,683 thousand and financial expenses net of EUR 15,569 thousand.

We have our registered office at 18 Rue de l'Eau, L-1449 Grand Ducky of Luxembourg, the Company is registered with the Luxembourg Register of commerce and companies (the "**RCSL**") under number B 155.294 and our operational headquarter is in Seriate (Italy). Despite our shares (as defined in section "Shares issued") no longer being listed following their delisting from the Euronext Milan market (LU0556041001) effective October 30th, 2024, the Company retains its status as a PIE (Public Interest Entity) due to its retail bond being listed on an EU regulated market.

The Parent has prepared a single directors' report, following enactment of EC directive no. 2013/34/EU, as amended, on the accounting harmonization between Member States.

In this document, we present certain measures, including EBITDA, EBITDA Adjusted, EBIT, EBIT Adjusted, Net Financial Indebtedness, Net Financial Position, Net fixed assets, Net working capital, Total Net Revenues, Free Cash Flows, Net profit/(loss) for the year Adjusted and Gross Margin that are or may be considered Alternative Performance Measures ("**APMs**") as defined by ESMA Guidelines on APMs. These financial measures are better described and reconciliated with line items of the Consolidated Financial Statements, which are prepared in accordance with IFRS accounting standards as adopted by EU (IFRS), in section "Alternative Performance Measures".



COMPANY OVERVIEW¹

The IVS Group is the second largest vending machine operator in Europe (a highly fragmented market) with a 7% of market share as reflected in the last available figures published by the EVA (European Vending Association year 2023 market studies).

According to the latest report of CONFIDA, the Italian association of vending sector companies (based on 2023 figures), IVS has a 17% of market share in volume and 21% in valor and it is the most important operator in Italy. Italy represents IVS Group principal market (approximately 79.5% of Group's total revenues, 82.0% in the year ended December 31st, 2023); nevertheless, IVS Group operates also in the France, Spain and other European countries (including Switzerland, Germany, Portugal, Poland and the Republic of San Marino, hereinafter also "Other Countries" or "Other").

With over 50 years of experience in the vending industry, IVS Group is the only Italian player with a nationwide presence.

BUSINESS OVERVIEW

The year 2024 marked another period of integration and the continuous pursuit of synergies. Pre-Covid levels have not only been recovered but surpassed, largely due to significant external growth over the past three years. However, the core business remains exposed to profound changes in market dynamics and consumer habits, resulting in inevitable impacts on volumes. In Italy, our most significant market, we observed an overall reduction in volumes by 2.1%, which reaches 4.2% when adjusted for like-for-like comparison and considering working day differences (2024 recorded two additional working days compared to the previous year). This trend, coupled with the ongoing increase in product costs (particularly coffee, which has been affected by a significant speculative bubble globally) necessitates that the company and its management continuously strive to enhance efficiency, consistently adjust sales prices upward, and maintain a heightened focus on vending services.

The vending division, which represents the core business of IVS Group, is vertically integrated to operate, both in the preparation and testing of new vending machines and in the revamping of the vending machines. On December 31st, 2024, IVS manages a network of approximately n. 279,314 vending machines (n. 281,378 on December 31st, 2023), of which n. 171,092 fully automatic vending machines and n. 108,222 semi-automatic vending machines (Office Coffee Service machines - "OCS"), both types located at corporate offices, institutions, and public places, through which IVS sells a broad range of products, including hot and cold beverages, in-between meals, snacks and confectionary (the "Vending Business").

In the Vending division, although there was a reduction in volumes, we observed a 4.4% increase in the cost of goods sold, amounting to EUR 6.9 million. This increase is primarily attributed to price effects, accounting for 97%, with only minor contributions from the different mix of products and lower volumes. In response to this significant cost increase, accompanied by rising personnel costs due to adjustments mandated by the Italian national collective labour agreement (CCNL), we raised our sales prices in the vending business by 3.4% in Italy and by 4.3% overall. Despite these measures, the Adjusted EBITDA decreased by 2.5% in Italy and by 3.0% overall in the vending sector, resulting in almost a one percentage point decline in margin on total revenues.

¹ Cautionary Statement Concerning Forward-looking statements

This annual report and any other oral or written statements made by us to the public may contain "forward-looking statements". Forward looking statements are based on management's current views and assumptions and involve known and unknown risks that could cause actual results, performance or events to differ materially from those expressed or implied by those statements.

We use words such as "aim", "will likely result", "will continue", "contemplate", "seek to", "future", "objective", "goal", "should", "will pursue", "anticipate", "estimate", "expect", "project", "intend", "plan", "believe" and words and terms of similar substance to identify forward-looking statements, but they are not the only way we identify such statements. All forward-looking statements are management's present expectations of future events and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. These factors include the risks related to our business discussed under "Principal Risks and Uncertainties", among them, the following:

- *our ability to implement our business strategy or to grow through acquisitions, joint ventures and other investments;*
- *the competitive environment in our business and our industry;*
- *our ability to price our products and services in accordance with our strategy;*
- *general macroeconomic and political conditions and developments in the countries in which we operate;*
- *fluctuations in costs related to fuel and transportation inputs, food, coffee and other commodity prices;*
- *impact of seasonal variation and abnormal weather;*
- *loss of major customers and/or inability to establish new customer relationships;*

By their nature, certain disclosures relating to these and other risks are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses that may affect our financial condition and results of operations could differ materially from those that have been estimated. You should not place undue reliance on the forward-looking statements, which speak only as of the date of this annual report.

Except as required by law, we are not under any obligation, and expressly disclaim any obligation, to update or alter any forward-looking statements, whether as a result of new information, future events or else.

Additionally, the vending channel is gaining importance for global brand owners in the food, beverage, and coffee sectors. These large groups recognize that our channel provides direct access to millions of consumers, who can be engaged individually either at vending machines or through digital and mobile technologies. IVS Group has been investing in these technologies for many years. By December 2024, the number of registered users of CoffeecApp® was approximately 1,753 thousand (up from 1,235 thousand in 2023), with active users numbering 1,102 thousand (up from 825 thousand in 2023). The volume of payments made using CoffeecApp® reached around EUR 82 million (compared to EUR 57.8 million in 2023). This area presents new opportunities and challenges for future exploration.

The **Coin** Division manages metallic money (coins) in Italy, handling collection, packaging, and delivery for over EUR 2 billion annually. Its customers include the Vending Business, banks, retailers, vending operators, parking services, train stations, and toll stations. Since 2018, the division has also developed digital applications, telemetry, and payment systems for the vending industry. In July 2019, with the acquisition of MoneyNet S.p.A., a payment institution authorized by Italy's Central Bank, it expanded to include payment services and POS network for credit card retail payments. In February 2025, the Group signed an agreement to sell the MoneyNet majority participation to GUM Group, maintaining for networking scope, a minority stake. In 2022, the Group acquired the N-And Group, which specializes in IoT technologies for payment and touch-screen systems, enhancing capabilities in the vending market and other sectors.

The **Reselling** business consists in the sales of vending machines, payment tools, food, and beverage products to small companies, operating in the same sector. The division serves various markets and mainly operates in Italy.

The **Ho.Re.Ca.** business involves the sales of coffee, vending machines, and foods to companies providing food and beverages for immediate consumption. Initially, this division was primarily active in Spain. However, in 2022, the Group introduced a project in the Ho.Re.Ca. market through its Italian subsidiary Bresküi®, which offers a product line for international markets. This line is geared towards hotels and bars, focusing on powdered, fresh frozen, and soluble beverages. The development of the Bresküi® product line has shown positive results. The new products, inspired by Liomatic's successful Spanish experience in the Ho.Re.Ca. channel, were well received by the market; growth rates increased due to the expansion of the customer portfolio and are expected to continue.



SIGNIFICANT EVENTS OF 2024

Acquisition of business units and shares

During the year 2024, IVS Group finalized the acquisition of the following business and subsidiaries:

Acquiree	Acquisition Date	Business Unit/ Subsidiary	Operative Segment	Assessment of fair-value	Consideration transferred	Price paid within December 31 st , 2024	Enterprise value
(in thousands of Euro)							
Time Out Vending S.r.l.	Effect from January 1 st , 2024	Subsidiary	Vending (Italy)	Final	4,123	4,123	3,239
Rafago sp z.o.o.	January 16 th , 2024	Subsidiary	Vending (Poland)	Final	929	929	821
Coffee Service	February 16 th , 2024	Business Unit	Vending (Italy)	Provisional	491	466	491
H24 Italia S.p.A. (stake 70%)	February 29 th , 2024	Subsidiary	H24 (Italy)	Final	175	175	175
Open 366	April 19 th , 2024	Business Unit	H24 (Italy)	Final	60	60	60
D'Aspin	April 22 nd , 2024	Business Unit	Vending (Italy)	Final	150	150	150
Wending Market	May 2 nd , 2024	Business Unit	Vending (Italy)	Provisional	641	641	641
Punto Snack	May 16 th , 2024	Business Unit	H24 (Italy)	Final	75	75	75
Cores Vending	June 3 rd , 2024	Business Unit	Vending (Spain)	Provisional	202	141	202
Pol Vending sp z.o.o.	August 30 th , 2024	Subsidiary	Vending (Poland)	Provisional	2,904	2,904	2,853
Cafegrà S.L.	September 27 th , 2024	Subsidiary	Vending (Spain)	Provisional	3,278	1,967	3,970
Coinmat S.r.l.	October 21 st , 2024	Subsidiary	Coin	Final	12	7	12
Sentil	October 23 rd , 2024	Business Unit	Vending (Spain)	Provisional	6,829	5,804	6,829
Coofee&Snack	October 24 th , 2024	Business Unit	Vending (Switzerland)	Final	84	63	84
BH Partners S.a.S. (stake 65%)	December 29 th , 2024	Subsidiary	Vending (France)	Provisional	10,258	10,258	11,723
Total					30,211	27,763	31,325

On January 31st, 2024, IVS Group sold the OCS business unit of Cialdamia S.r.l. for a final consideration of EUR 60 thousand.

On February 28th, 2024, through its Italian subsidiary Vendomat Partecipazioni S.r.l., the Group disposed its subsidiary MIDA S.r.l. for a final consideration of EUR 7 thousand.

On December 4th, 2024 the company Toscana H24 S.r.l. changed its name to H24 Italia S.p.A.

With effect from January 1st, 2024 the Italian subsidiaries Ge.S.A. S.p.A., Cialdamia S.r.l., Time Out Vending S.r.l. and Liomatic S.p.A. have been merged into the subsidiary IVS Italia S.p.A.



Other changes in the non-controlling interests

From the beginning of 2024, IVS Group on its own and through its subsidiaries finalized the following acquisition of non-controlling interest in subsidiary companies:

Acquirer	Acquiree	Acquisition Date	Operative Segment	%	Price	Price paid within December 31 st , 2024
(in thousands of Euro)						
IVS Group S.A.	Auto-Bar S.r.l.	February and October	Vending (Italy)	25	1,117	1,117
IVS France S.a.S.	MB Web S.a.S.	March	Vending (France)	10	10	10
IVS Group S.A.	Liomatic S.p.A.	July	Vending (Italy)	5	4,278	3,672
IVS Italia S.p.A.	Eurovending S.r.l.	July and October	Vending (Italy)	30	3,421	3,284
IVS Italia S.p.A.	IVS H24 S.r.l.	September	H24 (Italy)	30	2,397	2,397
IVS Group S.A.	Coin Service S.p.A.	October	Coin	5	1,995	1,532
IVS Italia S.p.A.	IVS Germany GmbH	December	Vending (Germany)	24	863	-
Total					14,081	12,012

Voluntary Totalitarian Tender Offer

On April 22nd, 2024 Grey S.à.r.l. ("Grey"), a newly incorporated company fully owned by E-Coffee S.r.l. ("ECS"), in the context of a wider transaction between ECS, Torino 1895 Investimenti S.p.A. ("Toro") - both companies referred to the Lavazza Group - and IVS Partecipazioni S.p.A., launched a voluntary totalitarian tender offer (the "Offer") over the ordinary shares of the Company listed in Italy on Euronext Milan (STAR segment) for a consideration of EUR 7.15 per share (the "Offer Price") aimed at obtaining delisting of the Company ("Transaction").

On October 30th, 2024, upon conclusion of the Offer and exercise of the Take-Over Squeeze-out IVS Group's shares were delisted from Euronext Milano, STAR segment, and on December 18th, 2024 the Company merged by absorption with Grey as absorbed company.

In particular, the conclusion of the Transaction is passed through a series of formalities that may occur following:

- (i) The execution of an option agreement (the "Option Agreement"), governed by Luxembourg law and concerning the granting, respectively, by IVS Partecipazioni S.p.A. in favour of ECS of a call option, and by ECS in favour of IVS Partecipazioni S.p.A., of a put option, concerning any and all of the Company's shares held by IVS Partecipazioni S.p.A. after the completion of the Offer, to be reciprocally exercised following the approval of Company's consolidated financial statements as of December 2026 (also in several tranches).
- (ii) The execution of a shareholders' agreement (the "Shareholders' Agreement"), governed by Luxembourg law and aimed, among other things, at defining (a) the rules of transfer of the Company's shares, and (b) ECS's rights of governance aimed to protect its investment in the Company, including in particular: (i) the right to appoint two non-executive director, and (ii) certain veto rights, both in the shareholders' meeting as well as in the board of directors meeting, for the adoption of certain resolutions.
- (iii) IVS Partecipazioni S.p.A. tendered to the Offer a number of the Company's shares equal to the difference between the percentage of voting rights held by IVS Partecipazioni S.p.A. on the payment date of the Offer and 51%.
- (iv) On June 7th, 2024, following the beneficiaries of the Company's Stock Option Plan 2022-2024 having exercised the option granted to them, the Company's EGM resolved to reduce the amount of the share capital of the Company to EUR 872,511.99 by the annulment of the residual n. 447,296 shares held in treasury: the beneficiaries of the Company's Stock Option Plan 2022-2024 tendered to the Offer their 224.000 IVS'S shares acquired by the Company (it being the Offer an acceleration event of the Stock Option Plan 2022-2024).

- (v) On September 4th, 2024, the independent directors of the Company issued their positive opinion pursuant to Article 39-bis of the Issuers Regulation based on the fairness opinion issued by Lazard S.r.l., as financial advisor of the independent directors for the purpose of their assessment.
- (vi) On December 18th, 2024, the Company entered a merger by absorption with Grey, with the Company as absorbing company and Grey as absorbed company.
- (vii) On December 30th, 2024, the Company and IVS Partecipazioni S.p.A. completed the Real-Estate Spin-off by executing an agreement for the sale and transfer of a real estate portfolio to IVS Partecipazioni S.p.A. Specifically the sale included the total shareholding in Immobiliare Santo Spirito S.r.l. and SCI+39, encompassing the initial n.53 properties (part of the 60 properties promised for sale) utilized by various IVS Group controlled companies. The total consideration transferred, determined according to the real estate appraisal conducted by an independent advisor net of the existing debt - mainly related to financial debt and property financial lease contracts - amounted to EUR 60.6 million. This figure includes the amount paid by the buyer to settle the financial debts that the sold real estate companies had towards IVS Group S.A. and its subsidiaries, primarily associated with shareholders loan and debts for the purchase of the French real estate company, SCI+39. Regarding five Spanish properties including the Barcellona property financial lease contract, the Real-Estate Spin-off proceeded on February 6th, 2025 with the sale to the newly formed Navending S.L. at a price of EUR 5,295 thousand. The remaining two properties in Repubblica di San Marino and in Italy with an appraisal value of EUR 1,830 thousand will be sold during 2025 according to the buyer agreement signed. As of December 31st, 2024, the new IFRS 16 financial debt connected to the Real-Estate Spin-off (excluding the properties sold and those to be sold in 2025) was equal to EUR 40,510 thousand.

Distribution of dividend

The annual shareholders' meeting of IVS Group S.A., held on June 7th, 2024, in addition to the approval of the annual financial statements resolved to carry forward the fiscal year 2023 results with no distribution of dividends.

VAT credit and refund

The Group's VAT credit, primarily resulting from the delayed settlement of outstanding amounts by the Italian tax authority, increased from EUR 10,381 thousand as of December 31st, 2023, to EUR 11,038 thousand as December 31st, 2024



GROUP PERFORMANCE

The Consolidated Financial Statements of the IVS Group, for the year ended as of December 31st, 2024, show a profit attributable to owners of the Parent of EUR 6,662 thousand, after a loss attributable to non-controlling interests of EUR -966 thousand.

Management believes that the Adjusted Income Statements, presented below, provide relevant and useful information, which is widely used by analysts, investors and competitors in our industry as well as by our management in assessing both consolidated and business unit performance.

These Adjusted Income Statements provide us with an understanding of the results from the primary operations of our business by excluding the effects of certain special items, that do not reflect the ordinary earnings of our operations: we use these adjusted figures to evaluate our period-over-period operating performance, because our management believes these provide a better comparable measure of our recurring business.

(in thousands of Euro)	Notes	2024			2023		
		Reported	Adjustments	Adjusted	Reported	Adjustments	Adjusted
Revenue from sales and services		693,561	-	693,561	689,384	-	689,384
Other revenues and income	(a)	39,216	24	39,192	36,830	-	36,830
Total revenues		732,777	24	732,753	726,214	-	726,214
Cost of raw materials, supplies and consumables		(257,706)	-	(257,706)	(262,095)	-	(262,095)
Cost of services	(b)	(75,496)	(1,593)	(73,903)	(72,473)	(566)	(71,907)
Personnel costs	(c)	(193,939)	(1,863)	(192,076)	(183,540)	(1,632)	(181,908)
Other operating income/(expenses), net	(d)	(99,352)	(358)	(98,994)	(94,294)	(499)	(93,795)
Gains/(losses) from disposal of fixed assets, net		(2,639)	(2,605)	(34)	(284)	-	(284)
EBITDA		103,645	(6,395)	110,040	113,528	(2,697)	116,225
Depreciation and amortization		(81,087)	-	(81,087)	(80,281)	-	(80,281)
EBIT		22,558	(6,395)	28,953	33,247	(2,697)	35,944
Financial income/(expenses), net	(f)	(21,379)	(596)	(20,783)	(14,234)	5,923	(20,157)
Foreign exchange differences and variations in derivatives fair value, net		(5)	-	(5)	(78)	-	(78)
Result of companies valued at net equity		(29)	-	(29)	98	-	98
Profit/(loss) before tax		1,145	(6,991)	8,136	19,033	3,226	15,807
Income taxes	(g)	4,551	769	3,782	(1,427)	540	(1,967)
Net profit/(loss) for the period		5,696	(6,222)	11,918	17,606	3,766	13,840

In accordance with the provisions of IFRS 8 IVS Group manages its activity by four business divisions:

- the **Vending division**, with operations in Italy, Spain, France, and Other Countries (Switzerland, San Marino, Poland, Germany, and Portugal);
- the **Coin division**, specialized in coin management, e-money and payment services businesses with operations based in Italy, UK, and Hong Kong;
- the **Reselling division**, related to resale of products, vending machines and other equipment mainly to other vending operators, and
- the **Hotel Restaurant Café ("Ho.Re.Ca") division**, comprises sales - through the specific distribution channel of hotel, restaurant, and catering/café - of coffee, foods and machines to company selling food and beverages for immediate consumption.

The following table summarizes the Group's financial performance in the Vending Business (by geography), as well in the Reselling, Ho.Re.Ca. and Coin Division:

December 31 st , 2024 (in thousands of Euro)	Vending Italy	Vending France	Vending Spain	Vending Other	Infra-sector Elimination	Total Vending	Reselling	Ho.Re.Ca.	Coin	Inter-sector Elimination	Total
Total Revenues	469,097	57,933	42,420	15,170	(8,174)	576,446	103,481	28,860	41,413	(17,447)	732,753
Relevances ⁽¹⁾	(46,014)	(12,331)	(4,901)	(736)	-	(63,982)	-	(147)	-	-	(64,129)
Total Net Revenues	423,083	45,602	37,519	14,434	(8,174)	512,464	103,481	28,713	41,413	(17,447)	668,624
Cost of raw materials, supplies and consumables	(128,892)	(17,432)	(16,451)	(5,701)	5,974	(162,502)	(82,992)	(13,541)	(5,400)	6,729	(257,706)
Other operating costs	(212,007)	(22,177)	(16,701)	(9,036)	2,200	(257,721)	(14,302)	(10,653)	(28,976)	10,774	(300,878)
EBITDA Adjusted⁽²⁾	82,184	5,993	4,367	(303)	-	92,241	6,187	4,519	7,037	56	110,040
Income/(expenses) non-recurr. and except. in nature	(4,869)	(780)	(448)	(138)	-	(6,235)	11	(84)	(19)	-	(6,327)
Non-cash charges	(57)	-	(11)	-	-	(68)	-	-	-	-	(68)
EBITDA	77,258	5,213	3,908	(441)	-	85,938	6,198	4,435	7,018	56	103,645
% EBITDA Adj (EBITDA Adj /Total Revenues)	17.5%	10.3%	10.3%	(2.0%)	-	16.0%	6.0%	15.7%	17.0%	(0.3%)	15.0%
% EBITDA Adj (EBITDA Adj /Total Net Revenues)	19.4%	13.1%	11.6%	(2.1%)	-	18.0%	6.0%	15.7%	17.0%	(0.3%)	16.5%
% EBITDA Adj ex Group Management & Royalties Fees/Total Net Revenues	18.8%	14.8%	13.6%	1.8%	-	17.8%	6.8%	15.8%	17.2%	(0.3%)	16.5%
Depreciation, amortization and impairment	(59,678)	(5,806)	(4,709)	(1,486)	-	(71,679)	(3,138)	(2,928)	(3,342)	-	(81,087)
EBIT	17,580	(593)	(801)	(1,927)	-	14,259	3,060	1,507	3,676	56	22,558
%EBIT/ Total Revenues	3.7%	(1.0%)	(1.9%)	(12.7%)	-	2.5%	3.0%	5.2%	8.9%	(0.3%)	3.1%

December 31 st , 2023 (in thousands of Euro)	Vending Italy	Vending France	Vending Spain	Vending Other	Infra-sector eliminations	Vending	Reselling	Ho.Re.Ca.	Coin	Inter-sector eliminations	Total
Total Revenues	463,382	49,908	37,316	11,755	(6,233)	556,128	131,634	21,671	40,326	(23,545)	726,214
Relevances ⁽¹⁾	(46,411)	(10,407)	(3,805)	(675)	-	(61,298)	-	(166)	-	-	(61,464)
Total Net Revenues	416,971	39,501	33,511	11,080	(6,233)	494,830	131,634	21,505	40,326	(23,545)	664,750
Cost of raw materials, supplies and consumables	(127,860)	(13,938)	(14,112)	(3,762)	4,110	(155,562)	(103,154)	(8,753)	(6,207)	11,581	(262,095)
Operating costs	(205,092)	(19,059)	(15,388)	(6,743)	2,123	(244,159)	(18,387)	(8,911)	(26,204)	11,231	(286,430)
EBITDA Adjusted⁽²⁾	84,019	6,504	4,011	575	-	95,109	10,093	3,841	7,915	(733)	116,225
Income/(expenses) non-recurr. and except. in nature	(2,264)	(61)	(139)	-	-	(2,464)	(56)	(39)	(70)	-	(2,629)
Non-cash charges	(46)	-	(11)	-	-	(57)	-	-	(11)	-	(68)
EBITDA	81,709	6,443	3,861	575	-	92,588	10,037	3,802	7,834	(733)	113,528
% EBITDA Adj (EBITDA Adj /Total Revenues)	18.1%	13.0%	10.7%	4.9%	-	17.1%	7.7%	17.7%	19.6%	3.1%	16.0%
% EBITDA Adj (EBITDA Adj /Total Net Revenues)	20.1%	16.5%	12.0%	5.2%	-	19.2%	7.7%	17.9%	19.6%	3.1%	17.5%
% EBITDA Adj ex Group Management & Royalties Fees/Total Net Revenues	19.8%	18.0%	14.0%	6.1%	-	19.2%	7.7%	17.9%	19.9%	3.1%	17.5%
Depreciation, amortization and impairment	(60,907)	(5,239)	(4,116)	(1,381)	-	(71,643)	(3,131)	(2,810)	(2,698)	-	(80,282)
EBIT	20,802	1,204	(255)	(806)	-	20,945	6,906	992	5,136	(733)	33,246
%EBIT/ Total Revenues	4.5%	2.4%	(0.7%)	(6.9%)	-	3.8%	5.2%	4.6%	12.7%	3.1%	4.6%

⁽¹⁾ Relevances means any amount paid in connection to positioning vending machines inside clients' premises.

⁽²⁾ Adjusted to remove income and expenses non-recurring and exceptional in nature (see next paragraph for more details).

The year 2024 and the year 2023's adjustments, to calculate the Adjusted Income Statement, include the following items considered by the IVS management exceptional in nature:

- a. **Other Revenue and Income:** EUR 24 thousand negative adjustment related to contractual penalties.
- b. **Service Cost:** EUR 1,593 thousand detailed as follow: a positive adjustment of EUR 1,137 thousand related to advisory, notarial and legal fees (mainly related to the extraordinary operations happened during 2024, the acquisition activity of subsidiaries and business units); a positive adjustment of EUR 48 thousand related to management incentive plan reserved to group directors and a positive adjustment of EUR 407 thousand related interests paid in relation to an extraordinary litigation not reimbursed by the shareholders of Liomatic S.p.A. in relation to the Business Combination.
- c. **Personnel Cost:** EUR 1,863 thousand detailed as follow: positive adjustment of EUR 1,104 thousand related to the termination benefit and other related cost paid during the reported period, large part of them connected to the acquisitions finalized in previous years, EUR 730 thousand connected to bonus employees as a result of the tax gain recognised in IVS France S.a.S. following the sale of the controlled company SCI+39 and EUR 29 thousand for employees' incentive plan.
- d. **Other Operating income/expenses, net:** EUR 358 thousand detailed as follow: a positive adjustment of EUR 238 thousand related to a change of valuation of spare parts inventory in a subsidiary company, a negative adjustment of EUR 236 thousand related interests paid in relation to an extraordinary litigation not reimbursed by the shareholders of Liomatic S.p.A. in relation to the Business Combination and a positive adjustment EUR 356 thousand related to damages for readvances, cost of legal related to other personnel cost the other exceptional costs by nature residual.
- e. **Gains/(losses) from disposal of fixed assets, net:** EUR 2,605 thousand related to the loss of the assets sold in connection of the spin-off of land and buildings and the deconsolidation of Immobiliare Santo Spirito S.r.l. and S.C.I. +39
- f. **Financial income/(expenses), net:** EUR 596 related to the deconsolidation of MIDA S.r.l.
- g. **Income taxes:** EUR 769 thousand reflect the negative tax effect of the above-mentioned adjustments (EUR 540 thousand for the year ended December 31st, 2023).

The increased of revenues compared to the previous year in mainly due to the combined effect of the increase of volume in the Ho.Re.Ca. Business, average price in Vending Business and the contribution of acquisition finalized in 2024.

The consolidated "cost for the purchase of good sales" is equal to EUR 257,706 thousand (35.2% the incidence on total revenues) and it decreased respect to EUR 262,095 thousand of the previous year, 36.1%). The decrease is largely due to the Reselling performance, which decreased from EUR 103,154 thousand to EUR 82,992 thousand, while in all the other CGU the cost for the purchase of good sales increased.

The consolidated "cost of services" amounted to EUR 73,903 thousand (net of adjustments indicated above) and their incidence on revenues is equal to 10.1% with a slight increase of 0.2 p.p. on revenues with respect to 2023. Cost of transport registered an increase by EUR 208 thousand, and maintenance of vehicles and vending machines and IT costs respectively by EUR 952 thousand and EUR 533 thousand.

The consolidated "personnel costs" including the external personnel costs for refilling vending machines, amount to EUR 192,076 thousand (net of adjustments indicated above). The personnel cost increased by EUR 10,168 thousand (+5.6%) compared with the same period of 2023 and the percentage on revenues increased of 1.2%.

The consolidated "Other operating income and expenses net" amount to EUR 98,994 thousand (net of adjustments indicated above) and is mainly composed by (i) the vending machines positioning fees ("redevances") paid to certain counterparties where the vending machines are installed, taking advantage of available power, water supply and spaces (EUR 64,129 thousand) and (ii) the fuel cost of vehicles (EUR 9,578 thousand). The increase of EUR 16,687 thousand is due to the increase on redevances equal to EUR 2,665 thousand (with a slight increase of 0.1 p.p. in percentage on vending revenues compared with 2023 and a decrease of 2.0 p.p. compared with the same period of 2019).

Depreciation, amortization and impairment amount to EUR 81,087 thousand (EUR 80,281 thousand in the previous year), of which EUR 15,448 thousand related to amortization of intangible fixed assets and EUR 65,639 thousand related to depreciation of tangible fixed assets.

VENDING BUSINESS

With regard to Vending Business, the table below shows the analysis for years 2024 and 2023 ended December 31st:

	Italy		France		Spain		Other		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Sales (Euro thousand)	434,709	429,809	50,916	45,380	38,199	33,844	14,372	11,544	538,196	520,577
ASP (Euro cent)	52.42	50.72	79.78	75.74	55.70	52.20	68.90	59.75	54.77	52.50
Vends (Thousand)	829,354	847,431	63,823	59,915	68,574	64,837	20,858	19,321	982,609	991,504
Vends for working days (Thousand)	3,437	3,553	270	254	293	282	89	84	4,089	4,173
Δ% Sales		Italy		France		Spain		Other		Total
Total		1.1%		12.2%		12.9%		24.5%		3.4%
LFL Basis		0.3%		10.8%		4.1%		13.1%		1.7%
LFL Basis per W.Days		(0.9%)		10.8%		2.3%		10.9%		0.6%
Δ% Vends		Italy		France		Spain		Other		Total
Total		(2.1%)		6.5%		5.8%		8.0%		(0.9%)
LFL Basis		(3.1%)		5.4%		(2.7%)		(3.3%)		(2.6%)
LFL Basis per W.Days		(4.2%)		5.4%		(4.4%)		(5.1%)		(3.7%)
Working Days		Italy		France		Spain		Other		Total
Dic. 31 st , 2024		241.3		236.3		234.0		235.3		240.3
Dic. 31 st , 2023		238.5		236.3		230.0		230.8		237.6
Variation		2.8		-		4.0		4.5		2.7

Volumes decreased by 0.9%, while average sales price increased by 4.3% as compared with corresponding values for the year ended December 31st, 2023; on like-for-like client basis (client served at the beginning of the year 2023 and also at the end of the year 2024) vends per working days decreased by 4.2% in Italy, 4.4% in Spain, while in France increased by 5.4%. Commercial acquisition rate in volume in the year 2024 reached +7.7%, as well churn rate was -6.1%, so the net contribution from commercial activity to annual volumes amounts in the year 2024 to +1.6% of total annual vends. In the year 2024 volumes of vends reached 982.6 thousand and the average sale price increased by 4.3%, up to eurocent 54.8.

With respect to corresponding period of previous year, on like for like basis² ("LFL basis") and offsetting the change on working days, we register in Italy a negative variation in sales -0.9%.

There's no hiding the fact that 2024 was a particularly difficult year for vending, not only for IVS but for the entire European automatic catering industry. A combination of multiple negative factors made it challenging to manage and respond adequately to these numerous pressures. The decline in industrial production volume, caused by the simultaneous crisis in various sectors, notably mechanical industries and especially automotive-related sectors in Italy, along with the significant increase in coffee market prices (+38.8% on average), and the renewal of Italy's national trade agreement (which led to a 1.11% increase in Italian vending labor costs, equal to EUR 1.5 million) significantly compressed the margins of vending operations.

These factors are also accompanied by the persistence of the smart-working phenomenon which only in micro-enterprises records a slight decline but which is unable to compensate in vending sector the increase recorded in large companies.

The natural reaction of transferring increased costs downstream also had repercussions in terms of consumer response on volumes. In Italy alone, an average increase of 1.7 euro cents (approximately 7.4 million euros) was barely sufficient to offset rising costs and reduced volumes. It is important to remember that the process of price adjustments across hundreds of thousands of machines spread across seven countries takes time.

2 Excluding the effects of disposal and acquisition of new businesses finalized during the last twelve months and including for the same number of months the disposal and acquisition finalized during the correspondent period of previous year

Only technological evolution, associated with the renewal of machine fleets equipped with modern telemetry systems, can reduce this timeframe, thereby enabling the group to respond promptly to the new reality.

In addition it should be also considered that the most relevant client contracts provide for negotiated fix prices that cannot be changed unilaterally.

Currently, about half of the machine fleet is equipped with these telemetry systems, a process expected to be completed by the end of 2027, contingent upon financial availability and workshop production capacities.

On LFL basis, a decrease in volume has been observed across nearly all served vending markets, albeit with varying intensity due to differences in geographical coverage and the types of services provided by the group in markets outside Italy.

IVS Group S.A. usually charge management fees to the other companies: in particular, service cost of operation of French, Spanish, Coin, Others, Reselling and Ho.Re.Ca. divisions include, respectively, EUR 760 thousand, EUR 728 thousand, EUR 97 thousand, EUR 45 thousand, EUR 844 thousand and EUR 21 thousand for these corporate services (as of December 31st, 2023 respectively, EUR 623 thousand, EUR 674 thousand, EUR 94 thousand and EUR 34 thousand; last year Reselling and Ho.Re.Ca division had no management fees).

The performance registered by French operations on LFL basis and offsetting the change on working days (+10.8% in vending sales and +5.4% in volumes) is mainly due to some new public clients; we also reported an increase in average sales price by 5.3%.

The performance registered by Spain operations on LFL basis and offsetting the change on working days registered an increase of 2.3% in vending sales but a decrease of -4.4% in volumes.

The performance registered by other vending operations on LFL basis and offsetting the change on working days registered an increase of 10.9% in vending sales, but a decrease of 5.1% in volumes.

Vending Business - Quarters Performances (in thousands of Euro)	First Quarter						Second Quarter					
	2024		2023		Variation		2024		2023		Variation	
	Thousands	%	Thousands	%	Thousands	%	Thousands	%	Thousands	%	Thousands	%
Vends	254,071		261,290		(7,219)	(2.8%)	251,665		254,244		(2,579)	(1.0%)
Total revenues	144,134	100.0%	140,544	100.0%	3,590	2.6%	145,754	100.0%	141,091	100.0%	4,663	3.3%
Operating costs	(118,941)	(82.5%)	(117,361)	(83.5%)	(1,580)	1.3%	(122,726)	(84.2%)	(116,644)	(82.7%)	(6,082)	5.2%
Ebitda Adjusted	25,193	17.5%	23,183	16.5%	2,010	8.7%	23,028	15.8%	24,447	17.3%	(1,419)	(5.8%)
Other non-recurring income/ (expenses)	(206)	(0.1%)	(1,026)	(0.7%)	820	(79.9%)	(673)	(0.5%)	(1,234)	(0.9%)	561	(45.5%)
Ebitda	24,987	17.3%	22,157	15.8%	2,830	12.8%	22,355	15.3%	23,213	16.5%	(858)	(3.7%)
Depreciation and amortization	(17,432)	(12.1%)	(17,621)	(12.5%)	189	(1.1%)	(18,044)	(12.4%)	(18,212)	(12.9%)	168	(0.9%)
Ebit	7,555	5.2%	4,536	3.2%	3,019	66.6%	4,311	3.0%	5,001	3.5%	(690)	13.8%

(in thousands of Euro)	Third Quarter						Fourth Quarter					
	2024		2023		Variation		2024		2023		Variation	
	Thousands	%	Thousands	%	Thousands	%	Thousands	%	Thousands	%	Thousands	%
Vends	223,540		224,789		(1,249)	(0.6%)	253,333		251,181		2,152	0.9%
Total revenues	135,455	100.0%	130,499	100.0%	4,956	3.8%	151,103	100.0%	143,994	100.0%	7,109	4.9%
Operating costs	(114,155)	(84.3%)	(110,970)	(85.0%)	(3,185)	2.9%	(128,383)	(85.0%)	(116,044)	(80.6%)	(12,339)	10.6%
EBITDA Adjusted	21,300	15.7%	19,529	15.0%	1,771	9.1%	22,720	15.0%	27,950	19.4%	(5,230)	(18.7%)
Other non-recurring income/ (expenses)	(374)	(0.3%)	(384)	(0.3%)	10	(2.6%)	(5,050)	(3.3%)	122	0.1%	(5,172)	(4239.3%)
EBITDA	20,926	15.4%	19,145	14.7%	1,781	9.3%	17,670	11.7%	28,072	19.5%	(10,402)	(37.1%)
Depreciation, amortization and impairment	(17,865)	(13.2%)	(17,716)	(13.6%)	(149)	0.8%	(18,338)	(12.1%)	(18,094)	(12.6%)	(244)	1.3%
Ebit	3,061	2.3%	1,429	1.1%	1,632	114.2%	(668)	(0.4%)	9,978	6.9%	(10,646)	(106.7%)

COIN DIVISION

Coin Division total sales in the year 2024 increased by around 2.7% compared to 2023, from EUR 40,326 thousand to EUR 41,413 thousand. Total EBITDA Adjusted decreased by 11.1%, from EUR 7,915 thousand to EUR 7,037 thousand. The total performance of the division is also influenced by Moneynet S.p.A. (acquired in July 2019), that even if has increased its sales, is still generating negative margins.

Coin Division (thousands of Euro)	December 31 st 2024	December 31 st 2023
Total revenues	41,413	40,326
Operating costs	(34,376)	(32,411)
Ebitda Adjusted⁽¹⁾	7,037	7,915
Income/(expenses) non-recurr. and except. in nature	(19)	(70)
No cash charges due to incentive plan	-	(11)
EBITDA	7,018	7,834
% Ebitda Adj /Total Revenues	17.0%	19.6%
Depreciation and amortization	(3,342)	(2,698)
Ebit	3,676	5,136
%Ebit/ Total Revenues	8.9%	12.7%

⁽¹⁾ Adjusted to remove income and expenses non-recurring and exceptional in nature.

The performance of Coin Division can be better analyzed looking at its three main parts: Metal Coin, Digital Money, Digital Payments and N-And.

Coin Division (thousands of Euro)	Metal Coin Business		Digital Money Business		Digital Payment Business		N-And Group Business		Intercompany Elimination	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Total revenues	21,286	19,344	238	810	6,723	5,602	13,156	14,565	10	5
Operating costs	(15,592)	(14,757)	(308)	(883)	(7,829)	(6,226)	(10,644)	(10,537)	(3)	(8)
Ebitda Adjusted⁽¹⁾	5,694	4,587	(70)	(73)	(1,106)	(624)	2,512	4,028	7	(3)
% Ebitda Adj /Total Revenues	26.7%	23.7%	(29.4%)	(9.0%)	(16.5%)	(11.1%)	19.1%	27.7%	-	-
Income/(expenses) non-recurr. and except. in nature	17	(26)	-	(1)	-	(26)	(36)	(17)	-	-
No cash charges due to incentive plan	-	-	-	(11)	-	-	-	-	-	-
EBITDA	5,711	4,561	(70)	(85)	(1,106)	(650)	2,476	4,011	7	(3)
Depreciation and amortization	(1,679)	(1,533)	-	-	(99)	(120)	(1,533)	(1,044)	(11)	(1)
Ebit	4,032	3,028	(70)	(85)	(1,205)	(770)	923	2,967	(4)	(4)
%Ebit/ Total Revenues	18.9%	15.7%	(29.4%)	(10.5%)	(17.9%)	(13.7%)	7.0%	20.4%	-	-

In more detail:

- In Metal Coin business (Coinservice and Coinservice Nord), sales increased by 10.0% and Adj EBITDA by 24.1%, thanks to volumes related to new clients and, mostly, to tariffs increase, compensating the strong growth of operating costs of the past years.
- In Digital Money (Venpay), sales were almost close to zero, reflecting the transfer of the operating business to other group's companies. Administration costs generate a small negative EBITDA.
- Payment Services (Moneyjet) sales increased by 20.0%. The negative EBITDA is primarily attributed to certain one-off costs and financial asset impairments. On January 31st, 2025, a Shares Purchase Agreement was signed, which stipulates the sale of the majority stake in Moneyjet, pending approval from the relevant authorities. Approval is expected by the end of the second quarter of 2025. The agreed selling price exceeds the net asset value of the entity.
- Digital and IoT business (N-And), sales decreased by 9.7% and EBITDA by 37.6%. The decrease is due to the delay in the start of new revenue lines in some businesses, and new orders weakness in the last part of 2024, especially from certain clients, compared to the strong trend of fourth quarter of 2023, a delay that is expected to recover during 2025.

The performance of the Coin Division by quarters is detailed as follow:

(thousands of Euro)	Total		First Quarter		Second Quarter		Third Quarter		Fourth Quarter	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Total revenues	41,413	40,326	9,960	8,340	9,980	9,890	10,378	9,791	11,095	12,305
Operating costs	(34,376)	(32,411)	(8,215)	(6,977)	(8,133)	(8,539)	(8,126)	(7,713)	(9,902)	(9,182)
Ebitda Adjusted ⁽¹⁾	7,037	7,915	1,745	1,363	1,847	1,351	2,252	2,078	1,193	3,123
Income/(expenses) non-recurr. and except. in nature	(19)	(81)	3	4	(45)	(45)	(8)	3	31	(43)
EBITDA	7,018	7,834	1,748	1,367	1,802	1,306	2,244	2,081	1,224	3,080
% Ebitda Adj./Total Revenues	17.0%	19.6%	17.5%	16.3%	18.5%	13.7%	21.7%	21.2%	10.8%	25.4%
Depreciation and amortization	(3,342)	(2,698)	(713)	(550)	(734)	(596)	(933)	(682)	(962)	(870)
Ebit	3,676	5,136	1,035	817	1,068	710	1,311	1,399	262	2,210
%Ebit/Total Revenues	8.9%	12.7%	10.4%	9.8%	10.7%	7.2%	12.6%	14.3%	2.4%	18.0%

⁽¹⁾ Adjusted to remove income and expenses non-recurring and exceptional in nature.

RESELLING BUSINESS

The Reselling Division comprises the sales of vending machines, equipment and food to companies operating in the vending and Ho.Re.Ca. business.

The year 2024 performance of Reselling Division by quarters is detailed as follows:

(in thousands of Euro)	First Quarter		Second Quarter		Third Quarter		Fourth Quarter	
	2024	2023	2024	2023	2024	2023	2024	2023
Total revenues	27,543	35,526	27,015	36,605	23,087	27,374	25,836	32,129
Operating costs	(26,174)	(32,692)	(25,645)	(34,456)	(21,714)	(25,426)	(23,761)	(28,967)
Ebitda Adjusted ¹	1,369	2,834	1,370	2,149	1,373	1,948	2,075	3,162
Income/(expenses) non-recurr. and except. in nature	58	-	(7)	(51)	4	(13)	(44)	8
EBITDA	1,427	2,834	1,363	2,098	1,377	1,935	2,031	3,170
% Ebitda Adj./Total Revenues	5.0%	8.0%	5.1%	5.9%	5.9%	7.1%	8.0%	9.8%
Depreciation and amortization	(868)	(689)	(715)	(704)	(789)	(726)	(766)	(1,012)
Ebit	559	2,145	648	1,394	588	1,209	1,265	2,158
%Ebit/Total Revenues	2.0%	6.0%	2.4%	3.8%	2.5%	4.4%	4.9%	6.7%

⁽¹⁾ Adjusted to remove income and expenses non-recurring and exceptional in nature.

Just like the vending business, Just like the vending business, the reselling division was also significantly impacted by the negative market developments. Two factors severely affected the profitability of this Cash Generating Unit (CGU) in Italy, nearly halving it compared to 2023: firstly, the difficulty in passing sudden product cost increases (primarily coffee, chocolate, and confectionery in general) downstream; secondly, the near elimination of hardware sales (automatic vending machines and payment systems). The downturn in the vending market led operators to significantly reduce or completely stop purchasing new machines, resulting in this revenue stream nearly disappearing in 2024.

In the fourth quarter, the reselling business recorded a positive revenue variation of 11.9% compared to the previous quarter, due to a recovery in sales after the summer season and an increase in sales prices to cover the increased cost of goods from suppliers in previous months. However, compared to the same quarter in 2023, there was a revenue decline of approximately 19.6%. This trend had been evident in previous quarters and is attributed to lower sales in the foreign market, linked to the lack of specific types of coffee requested by foreign markets.

At the EBITDA Adj. level, the fourth quarter saw a positive variation of 51.1% compared to the previous quarter, due to increased sales prices and reduced operating costs. Specifically, cost reduction actions for services were undertaken in the fourth quarter. The percentage ratio between EBITDA Adj. and revenue stands at 8.0% in the fourth quarter compared to 5.3% for the January - September period.

The fiscal year 2024 closed with a revenue decline of 21.4% compared to 2023 and a negative EBITDA Adj. variation of 38.7%.

HO.RE.CA. DIVISION

Ho.Re.Ca. division which comprise sales - through the specific distribution channel of HOTEL, RESTAURANT, and CAFÉ (and CATERING)- of coffee, foods and specialized machines to company selling food and beverages for immediate consumption.

The 2024 performance of the Ho.Re.Ca. Division by quarters is detailed as follows:

(in thousands of Euro)	First Quarter		Second Quarter		Third Quarter		Fourth Quarter	
	2024	2023	2024	2023	2024	2023	2024	2023
Total revenues	6,026	4,757	9,552	6,819	6,799	4,855	6,483	5,240
Operating costs	(5,245)	(3,994)	(7,419)	(5,410)	(5,868)	(4,025)	(5,809)	(4,401)
Ebitda Adjusted⁽¹⁾	781	763	2,133	1,409	931	830	674	839
Income/(expenses) non-recurr. and except. in nature	(27)	-	1	-	26	-	(84)	(39)
EBITDA	754	763	2,134	1,409	957	830	590	800
% Ebitda Adj /Total Revenues	13.0%	16.0%	22.3%	20.7%	13.7%	17.1%	10.4%	16.0%
Depreciation and amortization	(587)	(559)	(806)	(744)	(734)	(696)	(801)	(811)
Ebit	167	204	1,328	665	223	134	(211)	(11)
%Ebit/ Total Revenues	2.8%	4.3%	13.9%	9.8%	3.3%	2.8%	(3.3%)	(0.2%)

⁽¹⁾ Adjusted to remove income and expenses non-recurring and exceptional in nature.

The performance of the Ho.Re.Ca. Division is subject to seasonal fluctuations. The increases in volumes, turnover, and margins observed in the second quarter can be attributed to the normal spring expansion, while the decrease in turnover during the third quarter results from typical summer contraction and a change in product mix. In the last quarter, the Ho.Re.Ca. business experienced a revenue decline of 4.6% compared to the previous quarter, consistent with the seasonality of the sector, which is affected by closures during the Christmas holidays. However, when compared to the same quarter in 2023, there was a notable growth of 23.72%, driven by commercial development efforts undertaken throughout the year.

At the EBITDA Adjusted level, there was a negative variation of 27.6% compared to the previous quarter, primarily due to the revenue decline and a significant increase in operating costs. Specifically, investments were made in the sales force and marketing during the fourth quarter, the benefits of which will materialize in 2025.

The fiscal year 2024 concludes with a revenue increase of 33.2% compared to 2023 and a positive EBITDA adj. variation of 17.7%.



FINANCIALS COST, NET

The financial income and expenses for the year ended December 31st, 2024 are equal to EUR 21,384 thousand and increased of EUR 7,072 thousand from the corresponding period of previous year (EUR 14,312 thousand as of December 31st, 2023, of which EUR 5,923 thousand of non-recurring and exceptional in nature). The decrease is mainly due to the positive effect in 2023 of EUR 5,923 thousand due to the business combination of Time Vending S.r.l. and higher interest rates in 2024 compared to the previous period.

These costs of interests are mainly composed of the interests on the EUR 300 million senior unsecured notes due 2026 (having a fixed interest rate of 3.0% per annum), the interests on the EUR 120 million of Credit Bank facilities signed by IVS Group during last years and the impact of IFRS 16 Lease (EUR 3,031 thousand).

INVESTMENTS

During the period, the principal investments carried out by Group companies regarded the purchase of assets to be used in the exercise of its commercial activities: vending machines, token dispensers and payment systems, motor vehicles and trucks; these investments were largely made to upgrade and renew the existing machinery and equipment in order to meet customers' changing requirements, improve customer service and, accordingly, strengthen and develop the Group's position in its relevant market.

(in thousands of Euro)	1Q2024	2Q2024	3Q2024	4Q2024	Tot.2024	1Q2023	2Q2023	3Q2023	4Q2023	Tot.2023
Operative Capex										
Vending machines and payment systems	11,453	11,821	9,733	13,425	46,432	7,348	9,307	7,841	12,486	36,982
of which refurbished	4,432	5,359	4,099	5,952	19,841	3,567	3,549	3,279	4,735	15,130
Vehicles	3,005	4,199	476	1,612	9,292	1,365	1,722	2,819	2,389	8,295
Other Assets	1,949	2,243	2,609	2,321	9,122	3,386	3,335	3,212	3,094	13,027
Total Operative Capex	16,407	18,263	12,818	17,358	64,846	12,099	14,364	13,872	17,969	58,304
% on Total Revenue	9.0%	9.7%	7.5%	9.1%	8.9%	6.6%	7.7%	8.3%	9.6%	8.0%
Extraordinary Capex										
Acquisitions (Assets, Gw, PPA)	5,043	1,338	6,764	17,005	30,150	658	2,706	67	15,375	18,806
Total Extraordinary Capex	5,043	1,338	6,764	17,005	30,150	658	2,706	67	15,375	18,806
Total Capex	21,450	19,601	19,582	34,363	94,996	12,757	17,070	13,939	33,344	77,110
Capex DA	11,453	11,821	9,733	13,425	46,432	7,348	9,307	7,841	12,486	36,982
Vends	254,071	251,665	223,540	253,333	982,609	261,290	254,244	224,790	251,181	991,505
Capex DA/Vends	4.51 €	4.70 €	4.35 €	5.30 €	4.73 €	2.81 €	3.66 €	3.49 €	4.97 €	3.73 €

The Group is focused on capex optimization to adequate the purchase to the normal vending machine and vehicle life cycle. Refurbishment plants are giving a big opportunity to achieve this target, especially in acquired branch consolidation and exploitation process.

Capex supported the increase of the average sales price in vending business and also the expansion of Ho.Re.Ca. division.

The Italian subsidiaries enjoyed in the year 2024 a tax benefit of EUR 4,821 thousand (EUR 4,499 thousand in 2023), due to capex eligible for Italian Industry 4.0 tax benefit (progressive total eligible investments amount about to EUR 77.1 million).

The consolidated average benefit for the next 3 year due to these investments will be more than EUR 3.5 million per year.

The impact on assets of IFRS 16, adopted by the Group since January 2019 as of December 31st, 2024 is equal to EUR 88,611 thousand, and EUR 56,154 thousand related to increases of the current period.

PRINCIPAL EQUITY, FINANCIAL AND EARNINGS RATIOS

The IVS Group reported in the year ended December 31st, 2024 with a net profit attributable to owners of the Parent company of EUR 6,662 thousand and with a consolidated shareholders' equity attributable to the owner of the Parent of EUR 485,951 thousand, (-0.78% compared to December 31st, 2023). In addition, as of December 31st, 2024, the Group shows a net financial position of EUR 441,459 thousand (-4.83% compared to December 31st, 2023).

(in thousands of Euro)	December 31 st , 2024	December 31 st , 2023
Fixed Assets, Net	923,367	924,474
Net Working Capital	21,044	11,106
Net Invested Capital	944,420	935,580
Net financial position	(441,459)	(421,135)
Total Shareholders' equity	502,961	514,615

ALTERNATIVE PERFORMANCE MEASURES (APMs)

The following reconciliations and definitions include measures which IVS Group uses to supplement its Consolidated Financial Statements which are prepared in accordance with IFRS. Certain of these financial measures are, or may be, considered APMs as defined by ESMA Guidelines on APMs. While IVS Group's management believes that the APMs herein are useful in evaluating IVS Group's operating results, this information should be considered as supplemental in nature and not as a substitute for the related financial information prepared in accordance with IFRS. Therefore, these measures should not be viewed alone but together with the Consolidated Financial Statements prepared in accordance with IFRS as of and for the year ended December 31st, 2024.

For a correct understanding of these APMs, note the following:

- (i) the APMs are based exclusively on the IVS Group historical data and are not indicative of the future performance;
- (ii) the APMs are not derived from the IFRS and, as they are derived from the Consolidated Financial Statements prepared in conformity with these principles, they are not subject to audit;
- (iii) the APMs are not derived from IFRS and therefore the definitions used in connections with might not be standardized and comparable with those adopted by other companies/groups;
- (iv) the APMs and definitions used herein are consistent and standardized for all the periods for which financial information is included

The APMs reported below have been identified and used in this Consolidated Financial Statements because the Group believes that:

- **EBITDA and EBIT**, respectively, are a useful indicator of our ability to incur and service our indebtedness and can assist certain shareholders, certain investors, security analysts and other interested parties in evaluating the company;
- **EBITDA Adjusted and EBIT Adjusted** are a relevant measure for assessing our performance because they are adjusted for certain items which, we believe, are not indicative of our underlying operating performance and thus aid in an understanding of EBITDA or EBIT;
- **Net profit/(loss) for the year Adjusted**: is a relevant measure for assessing our performance because it is adjusted for certain items which, we believe, are not indicative of our underlying operating performance and thus aid in an understanding of Net profit/(loss) for the year;
- **Gross Margin**: is a relevant measure for assessing the first margin of our Vending Business, gross of redevances costs;
- **Total financial indebtedness**: is calculated in accordance with the communication ESMA32-382-1138 on "Guidelines On disclosure requirements under the Prospectus Regulation" dated March 4th, 2021, and it's a relevant measure for assessing for the level of our debit;
- **Net financial position**: is calculated as sum of Total financial indebtedness and Non-current financial assets, and it's a relevant measure for assessing for the overall level of our debit;

- **Net Fixed Assets:** is calculated as the net of Intangible assets, Goodwill, Property, plant and equipment, Equity Investments, Deferred tax assets, Other non-current assets, Employee benefits, Provisions for risks and charges and Deferred tax liabilities, and it's a relevant measure for assessing for the overall level of our capital solidity;
- **Net Working Capital:** is calculated as the net of Inventories, Trade receivables, Tax assets, Other current assets, Trade payable, Tax liabilities, Other current liabilities and Other non-current liabilities, and it's a relevant measure for assessing for the overall level of our capital solidity;
- **Net Invested Capital:** is calculated as the sum of Fixed Assets, Net and Net Working Capital, it's a relevant measure for assessing for the overall level of our capital solidity;
- **Total Net Revenues:** is a useful indicator typically used in the vending sector to show the revenues net of relevance costs;
- **Free Cash Flow:** is calculated as sum of Cash flows from operating activities and Cash flows from investing activities. It represents the cash that a company generates after accounting for cash outflows to support operations and maintain its capital assets.

The APMs as of and for the years ended December 31st, 2024 and 2023 and their reconciliation with the Consolidated Financial Statements are detailed below:

APMs (thousands of Euro)	Notes	December 31 st , 2024	December 31 st , 2023
EBITDA	A	103,645	113,528
EBIT	A	22,558	33,247
EBITDA Adjusted	B	110,040	116,225
EBIT Adjusted	B	28,953	35,944
Net profit/(loss) for the year Adjusted	B	11,918	13,840
Gross Margin	C	475,071	464,119
Total financial indebtedness	D	(445,137)	(423,768)
Net financial position	D	(441,459)	(421,135)
Fixed Asset, Net	E	923,367	924,474
Net Working Capital	E	21,044	11,106
Total Net Revenues	F	668,648	664,750
Free Cash Flows	G	44,146	20,962

A) EBITDA and EBIT

These APMs are defined as follow:

- **EBIT:** net operating income, calculated as the sum of the values pertaining to net profit, income taxes and net financial expenses, net of net income from equity investments;
- **EBITDA:** to the gross operating margin, calculated as the sum of the values pertaining to EBIT and amortization, depreciation and impairment

Their reconciliation with the Consolidated Financial Statements is provided within the Adjusted Income Statements.

B) EBITDA Adjusted, EBIT Adjusted and Net Profit/(Loss) for the year Adjusted

EBITDA, EBIT and Net profit /(Loss) for the year in the adjusted configuration were determined by excluding certain items considered by our management to be non-recurring and exceptional in nature.

Their reconciliation with the Consolidated Financial Statements is provided within the Adjusted Income Statements.

C) Gross Margin

This APM is defined as follow:

APMs (in thousands of Euro)	December 31 st , 2024	December 31 st , 2023
Revenue from sales and services	693,561	689,384
Other revenues and income	39,216	36,830
Cost of raw materials, supplies and consumables	(257,706)	(262,095)
Gross Margin	475,071	464,119

D) Net Financial Indebtedness and Net Financial Position

These APMs are calculated as follow:

(in thousands of Euro)	December 31 st , 2024	December 31 st , 2023
Cash	76,699	88,254
Cash equivalents	46,010	48,888
Other current financial assets	11,938	7,506
Liquidity	134,647	144,648
Current financial debt	(73,673)	(69,676)
Current portion of financial debt	(91,783)	(36,409)
Current financial indebtedness	(165,456)	(106,085)
Net current financial indebtedness	(30,809)	38,563
Non-current financial debt	(99,547)	(153,128)
Debt instruments	(299,509)	(298,940)
Non-current trade and other payables	(15,273)	(10,263)
Non-current financial indebtedness	(414,329)	(462,331)
Total financial indebtedness (*)	(445,138)	(423,768)
Non-current Financial Assets (Investments - fixed income)	544	544
Non-current Financial Assets (Other)	1,995	1,143
Other non-current assets (financing)	1,140	946
Net financial position	(441,459)	(421,135)

(*) Pursuant to ESMA32-382-1138 on "Guidelines On disclosure requirements under the Prospectus Regulation" dated March 4th, 2021

As of December 31st, 2024 some bank agreements signed in the previous years and still outstanding (including EUR 300 million senior unsecured notes due 2026), require to comply with some financial covenants and the obligation for the Group to meet certain financial ratio levels. On December 31st, 2024 all these financial covenants were met.

E) Fixed Asset, net and Net Working Capital and Net Invested Capital

These APMs are calculated as follow:

(thousands of Euro)	December 31 st , 2024	December 31 st , 2023
Fixed Assets , Net (1)	923,367	924,474
Intangible assets	96,940	103,948
Goodwill	565,244	548,218
Property, plant and equipment	272,583	292,591
Equity Investments	3,019	3,393
Deferred tax assets	1,746	2,092
Employee benefits	(15,406)	(15,991)
Provisions for risks and charges - non current	(726)	(767)
Provisions for risks and charges - current	(24)	(15)
Deferred tax liabilities	-	(8,995)
Net Working Capital (2)	21,044	11,106
Inventories	89,879	83,893
Trade receivables	66,111	66,300
Tax assets	7,529	12,181
Other current assets	30,298	30,759
Trade payables	(123,737)	(134,138)
Tax liabilities	(5)	(150)
Other current liabilities	(49,031)	(47,739)
Net invested Capital (1+2)	944,420	935,580

F) Total Net Revenues

This APM is calculated as follow:

(thousands of Euro)	December 31 st , 2024	December 31 st , 2023
Total Revenues	732,777	726,214
Income/(expenses) non-recurr. And except. In nature	-	-
Relevances	(64,129)	(61,464)
Total Net Revenues	668,648	664,750

G) Free Cash Flows

This APM is calculated as follows:

(thousands of Euro)	December 31 st , 2024	December 31 st , 2023
Cash flow from operating activities	71,394	78,311
Cash flow from investing activities	(27,248)	(57,349)
Free Cash Flows	44,146	20,962

In addition to these APMs, growth rates for revenues of our Vending Business may be presented and discussed on a "LFL basis" or a "LFL and comparable Working Days basis". The LFL growth rate measures growth excluding the effects of disposal and acquisition of new businesses finalized during the last twelve months and including for the same number of months the disposal and acquisition finalized during the correspondent period of previous year. The LFL and comparable Working Days rate measures growth excluding from the LFL basis the effect of the change in working days.

The following tables provide reconciliations of reported growth rates of certain key figures to their respective "LFL basis" and "LFL and comparable Working Days basis" growth rate:

Vending Revenues growth rate (year ended 2024 compared to year ended 2023)

	As reported	Effect of Acquisitions / Disposal	LFL Basis	Effect of change in working days	LFL and comparable Working Days basis
Italy	1.10%	0.90%	0.30%	1.20%	(0.90%)
France	12.20%	1.40%	10.80%	0.00%	10.80%
Spain	12.90%	8.80%	4.10%	1.80%	2.30%
Others	24.50%	11.40%	13.10%	2.20%	10.90%
Total	3.40%	1.70%	1.70%	1.10%	0.60%

EMPLOYEES

As of December 31st, 2024, our Group employed 4,605 workers (of which approximately 2,400 dedicated to restocking, providing technical assistance and customer care). Restocking and related logistics represent the function with the highest number of employees, followed by technicians, hardware revamping factories, hardware logistics and management, sales and finance.

The following table shows a breakdown of our Group companies' employees by category as of the periods indicated:

(numbers of employees)	December 31 st , 2024	December 31 st , 2023
Executives	15	12
Managers	122	123
Employees	1,090	1,073
Workers	3,357	2,974
Trainees	21	17
Total	4,605	4,199

The increase compared to 2023 is mainly due to the direct hiring of third party personnel who were used in the previous year to fill the vending machine.

There are no particular conflicts related to employee management, and relationships with the trade unions are marked by fairness and constructive dialogue.

NON-FINANCIAL AND DIVERSITY INFORMATION AND CORPORATE SUSTAINABILITY REPORTING DIRECTIVE

The Law of July 23rd, 2016 on the disclosure of non-financial and diversity information was published on August 4th, 2016: it implements Directive 2014/95/EU of the European Parliament and of the Council of October 22nd, 2014 amending Directive 2013/34/EU (the "Accounting Directive") as regards the disclosure of non-financial and diversity information. The purpose of this law is to increase EU companies' transparency and performance in respect of environmental and social matters. This law introduces mandatory disclosures in the management report or in a separate report on the policies, the outcomes of those policies and the related risks with respect to social and environmental issues, human resources, respect for human rights, anti-corruption and bribery matters as well as the diversity applied in relation to our management and supervisory bodies.

IVS Group disclosed the information related to the year ended December 31st, 2023 with a separate report called Sustainability Report 2023.

On November 10th, 2022, the European Parliament approved the Corporate Sustainability Reporting Directive (CSRD) and on November 28th 2022, the European Commission (EC) gave final approval to the CSRD. IVS Group discloses this information related to the requirement of the CSRD for year ended December 31st, 2024 at the paragraph "Sustainability Reporting" of the management report.

RESEARCH AND DEVELOPMENT

The Group has significantly invested in the development of an innovative digital facilitation platform aimed at expanding the breadth of CoffeecApp® and its backend. With incremental investments in N-Pay™, FlexUI, VendAware™ BI platform, CoffeecApp®, and the new digital facilitation platform, the Group's strategy is to enable a holistic approach, from B2C to B2B, with a unique value proposition in the marketplace, providing value-added services to increase customers' revenue and users' engagement.

N-and also focuses on the Embedded and IoT business and has developed the NViPi™ Platform, a series of powerful and flexible hardware, and the N-Touch Plus, the new range of Edge HMIs spanning from 5" to 32" with connectivity included.

In the last three years the Group invested around EUR 4.5 million in research and development (around EUR 1.5 million each year).

RELATED PARTY TRANSACTIONS

The transactions with related parties shown in the Consolidated Financial Statements regarded the associated companies and other related parties as defined by IAS 24 and referred to by Article 344 (1bis) of the Luxembourg law of August 10th, 1915 and Article 65(1) item 7-ter of the Luxembourg law of December 19th, 2002, on the register of commerce and companies and the accounting and annual accounts of undertakings.

The operations with related parties were carried out for the purposes of consolidating existing synergies within the Group in terms of production, commercial and logistics integration, of the efficient use of expertise and skills and streamlining of centralized structures and of financial resources. All transactions with related parties, both those related to the exchange of goods and services and those of a financial nature, take place at normal market conditions.

No atypical or unusual transactions not described in this report and/or in the explanatory notes took place during the year.

All the transactions finalized during the year 2024 by the Group with related parties with an amount exceeding the threshold established by the Related Parties Procedure were all subject to a specific pre-authorization and evaluation opinion by the competent Related Parties Committee.

Transactions with subsidiaries and associates

Transactions with subsidiaries and with associates are of a trading nature (exchange of goods and/or services, such as management fees, fees and consideration for services, rental/leasing charges) and a financial nature.

During the year 2019, IVS Group S.A. has signed with several subsidiaries an intercompany loan following the new credit facility of EUR 105 million after refinanced in 2021.

In November 2019, IVS Group S.A. granted a loan to IVS Italia S.p.A. of EUR 267,000 thousand indexed to fix rate of 3.2% that will be used by IVS Italia S.p.A. to refinance its former intercompany indebtedness.

In 2022 IVS Group S.A. granted a loan to Immobiliare Santo Spirito S.p.A. of EUR 3,725 thousand. The loan bears interest on 3.20% and during 2024 Immobiliare Santo Spirito S.p.A. fully repaid the amount, in relation to the extraordinary transaction of sale of the Immobiliare Santo Spirito S.p.A..

In 2023, Wefor S.r.l. granted a loan to Breskui S.r.l. of EUR 1,300 thousand. The loan bears interest on 3%.

In 2023, CSH S.r.l. granted a loan to Aora Vending sp z.o.o. of EUR 914 thousand. The loan bears interest on 5%.

In 2024, IVS Italia S.p.A. granted a loan to Aora Vending sp z.o.o. of EUR 4,245 thousand. The loan bears interest on 5%.

In 2024, IVS Italia S.p.A. granted a loan to H24 Italia S.p.A. of EUR 550 thousand. The loan bears interest on EURIBOR 3M +1%.

Transactions with other related parties

Transactions with other related parties are mainly of a commercial nature and mostly consist of exchange of goods and/or services, such as fees and consideration for services, rental/leasing charges, etc.

Own shares and shares/quotas in parent companies

In June 2024, IVS Group canceled 447 thousand treasury shares and in September 2024, the company sold 224 thousand shares to the beneficiaries of the share-based payments with price 4.58 Euro per share.

The number of treasury shares held as of December 31st, 2023 was 671,296. As of December 31st, 2024 IVS Group no longer holds any treasury shares.

Further information

No loans were granted or guarantees given to the members of the Board of Directors or of other organs of the Group during the financial year, nor are any shown to be in existence at the end thereof.

MAIN RISKS AND UNCERTAINTIES

Risk management (which involves management of internal and external, social, industrial, political and financial risks) is an integrated part of the Group's growth strategy and is essential to the on-going development of its corporate governance system. Its aim is to protect both stakeholders (employees, customers, suppliers and shareholders) and the Group's assets by improving codes of conduct.

General and business Risks

The Group constantly monitors its financial risks in order to assess in advance the potential effects thereof and undertake the necessary actions to mitigate or offset them..

Our business, financial condition and results of operations may be adversely affected by the current unfavourable economic conditions in our primary markets of Italy, France, Spain and Other Countries.

Demand for products sold through the vending machine, in particular snacks and meals on the go and office coffee breaks, is correlated with the consumer confidence. During the past years, the European economies where the Group operates underwent periods of deep economic recession and economic uncertainty, firstly the pandemic, then the war in Ukraine, with its effect on energy prices and finally the surge of inflation, all of them lowered consumer confidence for certain countries, including Italy. Recessionary conditions and uncertainty in the macroeconomic environment and, in particular, on the consumer confidence, adversely impacted in the past, and may adversely impact in the future, our customers' decision to contract for a vending machine on their premises as well as consumers discretionary consumption patterns.

Approximately three quarters of our vending machines are located in companies and the majority of our vending machines occurs during the working week, and there is therefore a close correlation between the total number of items sold through the vending machines of the Group and gross domestic product (GDP) of our primary markets, due primarily to reductions of workforces during recessionary periods and decreased purchase power among consumers. As we experienced in the past, the uncertain economic prospects may lead consumers to make fewer snack and in-between meal purchases from our vending machines.

A deterioration of the condition of the Italian, French, Spanish and Other Countries' economies, including as expressed by the indicators described above, could have a material adverse effect on our business, financial condition and results of operations.

The food and beverage industry is highly regulated, and our business could be materially adversely affected by

changes in governmental regulation and legislation or by associated compliance costs. Moreover, failure to comply with governmental regulations could result in the imposition of fines or restrictions on operations and remedial liabilities.

Local, national and European legislation related to nutritional information, food safety and hygiene, public tenders for placement of vending machines and increasingly, broader public health and diet concerns affect our business. National legislation mandates, among other things, the temperatures we must store certain products. We may also be affected in the future by requirements regarding energy consumption of our vending machines and the use of recyclable or biodegradable containers in connection with our Office Coffee Service machines. Moreover, to the extent any design or technical flaws result from our refurbishment of vending machines, we may be liable for any damages caused thereby. In addition, diet concerns motivate certain regulations that affect the products we can offer for sale in our vending machines. France, for example, only allows vending machines in schools to stock products such as edible seeds, unsalted nuts and fruit and vegetables and the only permissible beverages are water, pure fruit juices, yoghurt and milk drinks, low-calorie hot chocolate, tea and coffee. Such restrictions could require us to stock less profitable products in our vending machines and/or products that are less appealing to consumers and generate less revenue. If such regulations were to spread to Italy or Spain, then it may have a material adverse effect on our business, financial condition and results of operations.

Recent consumption trends for healthier and environmentally friendly products and the demand for reduction of single-use plastics (in particular cups and stirrers) may influence the consumers' demand for goods sold through our vending machines which could negatively affect the sales and margins of our Vending Business.

Consumption trends of food and beverages are influenced by an increasing sensibility of consumers and regulators regarding healthier food (food and beverages with low calories and lower sugar/salt content) and environmental care (reduction of waste packaging and single-use plastics, recycling). These trends can influence consumptions levels, product costs and indirect costs (packaging and distribution) of the food and beverage industry. Although IVS Group is not a food and beverage producer, its sales and margins could be affected by these trends, as its customers could move to products different to those currently sold through its vending machines, like different product categories and/or products with no plastic packaging. The final outcome of these recent trends cannot be accurately predicted, as changes could also generate new opportunities (sales of higher added value products, new

revenues from entering in specialized logistic services for waste and packaging materials recycling, etc.). Therefore, the logistic and commercial organization of IVS Group faces new challenges and could be unable to fully exploit new opportunities arising from new health and environmental sensitivity or could suffer a reduction of its margins on those market segments and clients particularly sensitive to these trends. IVS Group, through relevant vending operator associations in all major country in which IVS Group operates, is managing the matter, proposing an optimal solution to minimize the plastic impact, preserving the business profitability, customers satisfaction and service levels.

We operate in highly competitive industries, and if we do not compete effectively, we may lose market share or be unable to maintain or increase prices for our services.

We face constraints on our ability to increase prices in response to competitive pressures or otherwise. Additionally, increasing operating costs, including relevance cost arrangements with certain customers, may offset improvements on margins that rising prices might otherwise produce.

Our Coin Service Business involves the movement of large sums of money, and, as a result, our business is particularly dependent on our ability to process and settle transactions securely, accurately, and efficiently.

Our Coin Service Business, which represented approximately 4.1% of our revenues for the year ended December 31st, 2024, requires the effective transfer of large sums of money between many different locations. In the year ended December 31st, 2024, we performed coin management, including collection, packaging and delivery for more than Euro 2 billion equivalent in coins from both our vending machines and for a variety of third-party customers, including banks, large retailers, parking and vending operators, train and highway stations ticket offices and public authorities. Because we are responsible for large sums of money that are substantially greater than the revenue generated, the success of our business particularly depends upon the efficient, secure, and error-free handling of the money. We rely on the ability of our employees and our operating systems and network to process these transactions in a secure, efficient, uninterrupted and error-free manner. Transportation of large sums of money also exposes us to the risk of loss or theft. In the event of a breakdown, catastrophic event, security breach, improper operation or any other event impacting our systems or network or our vendors' systems or processes, or improper actions taken by employees, or third parties, we could suffer financial loss, loss of consumers or the sums entrusted to us, damage to our reputation.

Our operations could be adversely affected if we are unable to retain key employees

We depend on certain key personnel for our success. Our performance and our ability to implement our strategies depend on the efforts and abilities of our executive officers and key employees. In order to strength the loyalty of our strategic employees, on June 28th, 2022, the extraordinary shareholders' meeting of IVS Group S.A. approved a share-based incentive plan for the period 2022-2024 providing for the assignment of a number of option rights in favor of the executive directors and key managers of the Group. During 2024 the beneficiary of the incentive plan had the opportunity of activating their options in the context of the OPA. However, we can give no assurance that our incentive plans will successfully support our ability to retain our key executives and employees and our operations could be adversely affected if a number of these officers or key managers leave the Group. In the event that such key personnel choose to leave the Group, there is a risk that they may join a competing business. Indeed, while employment contracts of key personnel include non-compete arrangements, there is no assurance that these arrangements will be enforceable in the given situation. Furthermore, in the market there may be a limited number of persons with the requisite skills to serve in these positions and we may be unable to replace key employees with qualified personnel on acceptable terms. Our ability to recruit, motivate and retain personnel is important to our success and there can be no assurance that we will be able to do so given the market in which we operate.

We may face labor disruptions that could interfere with our operations and have a material adverse effect on our business, financial condition and results of operations.

We currently employ 3,479 employees in Italy (of which 318 in Coin Division) and 1,126 employees in France, Spain and other countries.

Although management believes that its relationship with employees is generally good, there can be no assurance that there will not be labor disputes and/or adverse employee relations in the future. Disruptions of business operations due to strikes or similar measures by our employees or the employees of any of our significant suppliers could have a material adverse effect on our business, financial condition and results of operations

We have historically, and intend to continue to, selectively acquired competitors in our industry from time to time as part of our business strategies; however, we may not gain all of the benefits of past or future acquisitions, we may not successfully consummate acquisitions or integrate acquired businesses and acquisitions may carry unexpected liabilities.

As we experienced in the past and in 2022 in connection with certain major acquisitions in relation to our primary business (Vending Business) and, starting from 2011, in connection with our Coin Service Business, growth can place significant strain on our management resources and financial and accounting control systems. In addition, our ability to engage in strategic acquisitions - such as, with reference to the Vending, the acquisition of Liomatic and Ge.S.A. Groups - may depend on our ability to raise substantial capital and we may not be able to raise the funds necessary to implement our acquisition strategy on terms satisfactory to us, if at all. Although we analyze and perform due diligence exercises on acquisition targets, our assessments are subject to a number of assumptions concerning profitability, growth, interest rates and company valuations and our inquiries may fail to uncover relevant information.

However, there can be no assurance that our assessments or due diligence and assumptions regarding acquisition targets will prove to be correct, and actual developments may differ significantly from our expectations. Unprofitable investments or an inability to integrate or manage new investments could adversely affect our results of operations. In addition, potential synergies that our management pinpoints in connection with recently made and future acquisitions (in particular in connection with the acquisition of Liomatic Group and Ge.S.A. Group, part of our Vending Business) may not be attained due to a variety of factors such as technological incompatibility, logistical difficulties or regional variations in consumer preferences and such problems could have a material adverse effect on our business, financial condition and results of operations.

Our business requires capital expenditures which may divert significant cash flow from other investments or uses, including debt servicing

We currently manage approximately 279,314 vending machines in our Vending Business, including automatic vending machines and semi-automatic vending machines. As part of our business model, we acquire new vending machines for new customer sites, we refurbish vending machines and we replace those that reach obsolescence, both from our existing installed vending machine base and from that of the companies we may acquire. In the years ended 31st December 2017, 2018, 2019, 2020, 2021, 2022, 2023 and 2024 our total capital expenditures for vending machines and related equipment were respectively EUR 38.1 million, EUR 40.1 million, EUR 38.7 million, EUR 15.7 million, EUR 15.1 million, EUR 27.7 million, EUR 36.9 million and EUR 46.4 million respectively. Though we have established our own in-house maintenance and repair capabilities, we can provide no assurance that our capital expenditure will not increase, and such increases may divert significant cash flows from other investments or uses, including debt servicing, which could have a material adverse effect on our business, financial condition and

results of operations.

Our operating results have been in the past and will continue to be subject to a number of other factors, many of which are largely outside our control. Any one or more of the factors listed below or described elsewhere in this risk factors section could have a material adverse impact on our business, financial condition and/or results of operations:

- inflationary pressures;
- disruptions to our supply chain;
- changes in governmental rules and approaches to taxation;
- fluctuations in foreign currency exchange rates;
- adverse outcomes of litigation;
- severe weather or other natural or man-made disasters affecting a large market or several closely located markets that may temporarily but significantly affect our business in such markets;
- changes in climate, including changes to the frequency of severe weather events, that impact the price and availability or cost of goods and services, energy and other materials throughout our supply chain; and
- political instability, acts of public violence, boycotts, hostilities and social unrest and other health pandemics that lead to avoidance of public places or restrictions on public gatherings and transportation.

Additionally, in response to the on-going Russia-Ukraine war, various governments around the world have applied economic, trade and financial sanctions and export controls against Russia. Despite the fact that IVS Group has very limited commercial interests in Russia, Ukraine and the areas of conflict, these and any additional sanctions and export controls, as well as any countermeasures by the governments of Russia or other jurisdictions, could adversely affect, directly or indirectly, our supply chain, with negative implications on availability and prices of raw materials, and our customers, as well as the global financial markets and financial services industry. The long-term impacts of the conflict remain uncertain.

Financial Risks

In conducting its business, the IVS Group is exposed to various financial risks, including, in particular, the interest rate fluctuations, the credit risk and the liquidity risk. Financial risk management is the responsibility of the Parent Treasury Department, which, together with the Group's CFO, evaluates all the Company's main financial transactions and the related risk management policies. The Group did not make any investments in non-current financial assets or in current financial assets (shares, bonds or other securities of unapproved counterparties) such as to require particular prudence on how to measure the impact the economic recession and collapse of the financial markets in having thereon.

Credit risk

We are exposed to credit risk related to our customers who may cause us to make larger allowances for doubtful trade receivables or incur write-offs related to impaired receivables.

Although we review the credit risk related to our customers regularly, such risks may be exacerbated by events or circumstances that are inherently difficult to anticipate or control.

In 2024 we experienced an increase of 2.26% of trade receivables that are overdue by 91 days from 2022 to 2023, following a decrease of 5.74% from 2022 to 2023.

Our allowance for impairment was EUR 4,322 thousand as of December 31st, 2024, representing approximately 6.20% of our gross trade receivables. The amount of our provision for bad debts is based on our assessment of historical collection trends, business and economic conditions and other collection indicators.

If the macroeconomic conditions in Italy, France, Spain and Other Countries deteriorate, we cannot assure that we will not have to increase our provisions for impaired debts relating to debts owed to us, which could have a material adverse effect on our business, financial condition and results of operations.

Liquidity risk

This is the risk that the Group will not be able to generate enough cash flows from its operations to cover investments and third-party debt. Each group company is free to negotiate credit facilities (in accordance with corporate management) and to agree diversified sources of funding (e.g., loans, finance leases, bank credit facilities, etc.) as long as the maintenance covenants of the 3.0% Senior Unsecured Notes and Credit Facilities Loan are respected. As of December 31st, 2024, unused bank credit facilities amount to EUR 31.0 million.

Interest rate risk

This is the risk related to future cash flows from financing operations at floating interest rates. A change in interest rates, which could be influenced by inflation increase and ECB interest rate increase, affects the fair value of floating rate financial assets and liabilities and may impact a company's future results.

At the reporting date, around 72% of the Group's financial liabilities (excluding current liabilities of Coin Division to customers for coins picked-up and lodged in the Company's coin counting rooms) is subject to fix rate (or hedged with derivatives instruments); the remaining percentage of financial liabilities bear interest at floating or indexed rates.

The Group is also exposed to the following non-financial risks:

IVS Group is exposed to risks arising from the failure to rapidly comply with changing laws and new regulations in the sectors and markets in which it operates. To mitigate this risk the Group stays abreast of relevant regulations, with

the assistance of external consultants, where necessary. The management periodically monitors the progress of existing and potential litigations and determines the most appropriate steps to take in managing them and ensures the appropriate assessments or impairment losses in connection with such risks and their effects on the income statement.

While not constituting a risk in itself, we point out that IVS Group S.A. has its registered office in Luxembourg, while its operational headquarters and center of main operations are located in Italy. So, IVS Group S.A. has elected Italy as its residence for tax purposes.

Shares Issued

IVS Group S.A. issued share capital is set at EUR 872,511.998 represented by 90,673,803 shares (the "Shares") in registered form, without indication of a nominal value, all subscribed and fully paid-up, as set out in the table below: On April 22nd, 2024, Grey S.à.r.l. ("Grey") launched a

Class of Shares	Numbers of Shares	% of total
Ordinary Share	90,673,803	100.00%

voluntary totalitarian tender offer on the Company's shares – pursuant to and for the purposes of Articles 102 et seq. of the Legislative Decree n. 58 of February 24th, 1998, as subsequently amended and supplemented - aimed to obtain, upon completion, the delisting of the Company from the regulated market of the Milan Stock Exchange (the "Offer").

On June 7th, 2024, in the context of the Offer, the Company's EGM resolved to reduce the amount of the share capital of the Company to EUR 872,511.99 by the annulment of an amount of 447,296 shares held in treasury. The remaining 224,000 treasury shares have been sold to the beneficiary of 2022 stock option plan following the exercise of their options. The possibility of activating the options in advance with respect to the original plan occurred in the context of the OPA.

On September 25th, 2024, the Grey crossed, as a result of the acceptances to the Offer tendered during the acceptance period, the threshold set at 95% of the share capital and voting rights of the Company and, therefore, exercised the Take-Over Squeeze-out (as defined in the Offer Document available on the Company's website).

On October 30th, 2024, the Grey completed the procedure for the exercise of the Take-Over Squeeze out and, on the same date, with decision no. 9022 dated October 24th, 2024, Borsa Italiana ordered the delisting of the Company shares from Euronext Milan, STAR segment (upon prior suspension from trading on October 28th, 2024 and October 29th, 2024).

On December 18th, 2024, the Company entered a merger by absorption with Grey S.à.r.l., with the Company as absorbing company and Grey S.à.r.l. as absorbed company. The details of the voluntary totalitarian tender offer (including the Offer Document), as well as all the other

relevant documents and press releases, are available on the Company's website at: [https://www.ivsgroup.it/en/voluntary-tender-offer/Each Share gives the right to one vote and carry the same rights](https://www.ivsgroup.it/en/voluntary-tender-offer/Each%20Share%20gives%20the%20right%20to%20one%20vote%20and%20carry%20the%20same%20rights).

All Shares carry equal rights as provided for by Luxembourg law and as set forth in the articles of association of IVS Group S.A. (the "Articles") including rights to receive dividends (if declared) or liquidation proceeds.

The Articles provide for a set of Shareholders Reserved Matters (as per article 12 of the Articles) and Board Reserved Matters (as per article 24 of the Articles) which may be resolved only with the favorable vote, respectively, of E-Coffee Solutions S.r.l. or an ECS Director (it being a director appointed by E-Coffee Solutions S.r.l. pursuant to article 21 of the Articles).

As at the date of this management report, all of the Shares are subject to Lock-Up (as per article 8 of the Articles). Following the expiration of the Lock-Up period, the transfer of the Shares is subject to Pre-Emption Right (as per article 9 of the Articles) and Tag-Along Right (as per article 10 of the Articles).

The current shareholders to the Company are IVS Partecipazioni S.p.A. with No. 46,243,640 shares (51%) and E-Coffee Solutions S.r.l. with No. 44,430,163 shares (49%).

CORPORATE GOVERNANCE

The appointment and replacement of board members are governed by Luxembourg law and article 21 of the Articles. The Articles may be amended in accordance with Luxembourg law and article 17 of the Articles. The Articles may be amended by a majority of at least 2/3 of the votes validly cast at an Extraordinary General Meeting of shareholders at which a quorum of more than half of the Company's share capital is present or represented. If no quorum is reached in the first convened Extraordinary General Meeting of shareholders, in accordance with the provisions of articles 14.3, 14.4 and 17 of the Articles a second Extraordinary General Meeting of shareholders may be convened, which may deliberate regardless of the quorum and with a majority of at least 2/3 of the votes validly cast. Abstentions, blank or invalid votes shall not be taken into account.

The Board of Directors is vested with the broadest powers to take any actions necessary or useful to fulfil the Company's corporate purpose, with the exception of the actions reserved by law or by regulation or by the Articles to the general meeting of shareholders.

At the date of this report, the Board of Directors consists of seven directors of whom four are executive directors (included the Chairman) and three are non-executive directors. The current members of the Board of Directors were elected, in accordance with the Articles, by the ordinary general meeting of shareholders held on December 18th, 2024, for a term of office that will

end with the annual general meeting to be held in 2027 resolving on the approval of the accounts for the financial year ending on December 31st, 2026.

In particular, members of the Board of Directors are:

- Paolo Covre, chairman
- Vito Gamberale, vice-chairman;
- Enrico Cavatorta, non-executive director;
- Antonio Baravalle, non-executive director;
- Massimo Paravisi, chief executive officer (Co-CEO);
- Antonio Tartaro, chief executive officer (Co-CEO);
- Alessandro Moro, chief financial officer (CFO).

Save for the limitations provided by art 24.3 of the Articles in relation to matters exclusively reserved to the Board (*Board Reserved Matters*), the two co-CEOs, Massimo Paravisi and Antonio Tartaro, are granted all powers of ordinary and extraordinary administration, along with the associated powers of representation, to be exercised separately between them and with sole signatures within certain amount limits, and jointly without any limit.

Enrico Cavatorta is also member of the Internal Control and Audit Committee with effect from December 18th, 2024, and until the annual general shareholders' meeting which will be called to approve the 2026 financial statements, together with Antonio Pennino and Elisabetta Dall'Olio (both members external to the board of directors).

INTERNAL CONTROL SYSTEM

The Board of Directors is liable and responsible for the internal control of the Company and the risk management system.

The Board of Directors shall define the guidelines for the internal control and the management of the business risks and periodically assesses their adequacy and effective operations with the cooperation of the Internal Control and Audit Committee.

- a. defines the guidelines of the internal control system, so that the main risks concerning the Company and its subsidiaries are correctly pinpointed, as well as adequately measured, managed and monitored, determining, moreover, the criteria for assessing whether such risks are compatible with a sound correct management of the Company;
- b. appoints an executive director (usually, one of the chief executive officers) for supervising the efficiency of the internal control system;
- c. evaluates, on an annual basis, the adequacy, effectiveness and actual efficiency of the internal control system;
- d. illustrates, in the report on corporate governance, the essential elements of the internal control system and assesses the overall adequacy of the same.

The Internal Control and Audit Committee meets on a regular basis and is responsible for ensuring the adequacy of the Company procedures with respect to efficiency and effectiveness and for guaranteeing the reliability and the correctness of the financial information in compliance with the law in force. The meetings of the Internal Control Committee shall be recorded by the secretary designated by the said committee.

Moreover, the Internal Control Committee:

- a. monitors the processing of the financial information;
- b. assesses, together with the director and the accounting officer in charge of preparing the accounting documents, and the auditors, the correct application of accounting principles and their consistency for the purpose of preparing the Consolidated Financial Statements and other accounting documents; more in general supervise the process of the legal control of the yearly Company and consolidate accounting;
- c. assesses the adequacy of the periodic financial and non-financial information to correctly represent the Company's business model, strategies, the impact of its activities and the performance achieved;
- d. reviews the content of periodic non-financial information relevant to the internal control and risk management system;
- e. monitors the independence, adequacy, effectiveness and efficiency of the internal audit function, possibly entrusting it with the task of carrying out assessments of specific operational areas;
- f. makes proposals to the Board of Directors;
- g. upon request of the executive director for that sake appointed, expresses opinions on principal business risks as well as risks related to the design, implementation and management of the internal control system;
- h. evaluates the proposals made by the auditors regarding the audit activity, the work plan prepared for the audit and the results presented in the report and management letter; issue possible proposals to the Board of Directors;
- i. is responsible for the selection of the statutory auditors ("revisore legale"), verifies and monitors the independence of the auditors, also as regards the supply of ancillary services to the Company. The proposal of the appointment of the statutory auditors has to be based on an indication from the Internal Control Committee;
- j. monitors the effectiveness of the audit process, the risk management under Italian Legislative Decree No. 231 of June 8th, 2001, on the administrative liability of companies and on the financial information to the market;
- k. where necessary, provides preliminary opinion to the Board of Directors on the approval of certain transactions entered into by the Company with related parties;

- l. systematically (and in any event at least every six months in occasion of the approval of the half-year report and of the yearly accounts) reports to the Board of Directors on the activities carried out as well as on the adequacy of the internal control system.

The Internal Control and Audit Committee has powers and functions equivalent to those set forth by Luxembourg law of July 23rd, 2016 concerning the audit profession.

The Company has long since decided to preside over the quality of its products and processes through a risk integrated management system based on:

- quality certifications;
- an internal audit function;
- the implementation of specific operational procedures in compliance with Italian Legislative Decree No. 231 of June 8th, 2001;
- external auditing activities carried out by third parties (i.e., the certification bodies).

The quality certification system covers quality standards, safety, environment and corporate social responsibility. To this purpose, Group's companies have obtained the following certifications:

1. UNI EN ISO 9001:2015 (quality management system);
2. UNI EN ISO 22000:2018; Certification UNI 10854:1999 (food safety management system);
3. UNI EN ISO 14001:2015 (environmental management system);
4. UNI CEI EN ISO 50001:2018 (energy management system);
5. UNI EN ISO 45001:2018 management system for health and safety at work;
6. UNI ISO 37001:2016 (anti-bribery management system);
7. UNI ISO 39001:2016
8. UNI ISO 26000 :2010 (social responsibility).

The UNI ISO 37001:2016 certification - aimed at implementing, maintaining and reviewing a management system that prevents, detects and responds to bribery in compliance with anti-bribery laws - was eventually granted to the Company on December 30th, 2019. As required by the UNI ISO 37001:2016 regulation, on November 14th, 2022, the Board of Directors appointed Mr. Francesco Ferrari as 'anti-bribery officer' for the Company and the other companies of the Group involved in the certification process until the approval of the Financial Statement for 2025.

On November 14th, 2023 the Board of Directors resolved to establish an Ethics Committee, in the person of Mr. Massimiliano Lissi and Mrs. Elena Soldani, to which assign the anti-bribery compliance functions alongside the anti-bribery officer.

On November 14th, 2023 the Board of Directors also approved and adopted the Whistleblowing Procedure in compliance with Legislative Decree No. 24 of March 10th, 2023. It provides for the establishment of a reporting platform accessible to all employees and collaborators of IVS group companies operating in the EU, the appointment of an Ethics Committee to handle reports received by the Company and IVS group companies. The members of the Ethics Committee, appointed from November 14th, 2023, until the approval of the financial statements as of December 31st, 2026, are Mrs. Elena Soldani and Mr. Massimiliano Lissi, both lawyers and experts in the field. The Ethics Committee is granted a total compensation of EUR 16 thousand per year, with an annual budget of EUR 20 thousand allocated in their favor.

By resolution of May 14th, 2024 the Board has approved an updated version of the Anti-Bribery Model of the IVS Group implementing the new reporting system adopted by the Group in compliance with Legislative Decree dated March 10th, 2023, No. 24 "Implementation of Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons reporting breaches of Union law and laying down provisions concerning the protection of persons reporting breaches of national law" (Whistleblowing).

The certification system moves from an analysis of the context and the risks related to the corporate processes with respect both to voluntary corporate improvement aspects, as well as to legally mandatory requirements (European, national, regional and local laws and regulations), to evaluate, elaborate and constantly update Group's policies, manuals, procedures, flows and working instructions with the aim to prevent, reduce and possibly eliminate all related risks.

Pursuant to the principles of the Corporate Governance Code for listed companies promoted by Borsa Italiana S.p.A., as well as to further enhance the internal control and risk management system, in 2019 the Company has resolved to set up an internal audit function. To this purpose, on November 14th 2019, the Board of Directors appointed Mr. Davide Bizzarri as responsible for the internal audit function, with faculty to be seconded with other companies belonging to the IVS Group, to carry out the tasks and responsibilities provided for by the mentioned Code for this function. For details on the internal auditor functions please refer to the Report on Corporate Governance of the Company. Mr. Davide Bizzarri, upon his resignation with effect from May 14th, 2022, has been replaced by Mrs. Martina Boschi appointed on November 14th, 2022.

Italian Legislative Decree No. 231 of June 8th, 2001 (hereinafter 'Decree 231') has introduced the administrative liability of companies and entities and their respective bodies as a result of certain crimes set forth in the Decree 231 (such as crimes against the public administration, corporate crimes, market abuse, etc.),

incurred and prosecutable in Italy by persons in senior positions or other employees in the interests or for the benefit of that company or entity where they exercise, even "de facto", the management or control or where they are employed.

However, Decree 231 provides for a specific form of exemption from such liability if the Company or entity has:

- adopted and effectively implemented an appropriate compliance program that aims to develop an inherently consistent system of procedures, rules and controls to be conducted both in advance and after the triggering event in order to reduce and prevent the risk of commission of the various types of crimes to a material extent, in particular by pinpointing the activities at risk of a crime being committed and drafting for each of them a procedure aimed at preventing such crimes (the 'Organization, Management and Control Model' or 'Model');
- appointed a specific person/body for supervising the functioning and observance of the Model, as well as for updating the Model, with autonomous powers of initiative, control and spending authority (the 'Supervisory Committee').

By resolution of the Board of Directors of May 16th, 2012, the Company and the main operative company of the Group, IVS Italia S.p.A., have adopted a Model and implemented specific operational procedures aimed at preventing offences, thus abiding by the Decree.

The same Board of Directors has also approved and adopted the code of ethics, which sets forth the fundamental ethical principles to which IVS Group S.A. conforms and with which directors, statutory auditors, employees, consultants, partners and, generally, all those who act in the Company's name and on its behalf are required to comply, as well as appointing the Supervisory Committee envisaged by Decree 231, charged with the following duties:

- supervising the effectiveness of the Model, putting in place control procedures for specific actions or acts carried out by IVS Group S.A., while also coordinating with the other corporate functions in order to implement the monitoring of activities at risk;
- periodically reviewing the efficiency and adequacy of the Model, ascertaining that the elements provided in the Model for the various types of crimes are adequate for complying to Decree 231 and pinpointing corporate activities in order to update the map of activities at risk;
- evaluating the opportunity of updating the Model;
- ensuring the required information flows, in part by promoting suitable initiatives to raise awareness and improve understanding of the Model and cooperating in drawing up and supplementing internal rules.

The Model has been updated by resolution of the Board of Directors in 2014, 2016, 2020, 2021, 2023 and 2024.

IVS Group S.A.'s Supervisory Committee is composed of three members appointed pursuant to the requirements established for such function by Decree 231: autonomous power of initiative, independence, professionalism, consistency of action, absence of conflicts of interest and integrity.

By resolution of the Board of December 2024, current members of IVS Group S.A.'s Supervisory Committee are Elena Soldani, Massimiliano Lissi and Francesco Ferrari.

By resolution of February 9th, 2016, the Board of Directors approved a code of conduct as regards the internal guidelines in the matter of antitrust and set up a special committee, finalizing some training sessions of staff too. By resolution of May 14, 2025 the Board (i) approved the Antitrust Compliance Manual and related protocols, the certification system, the internal reward and sanction system, the reporting system, and the investigation procedure. A periodic reporting system to the Board of Directors and a periodic review procedure of the Compliance Program were also approved, (ii) **appointed** Lawyer Andrea Netti External Compliance Officer with full powers for the adaptation, implementation, and modification of the company's Antitrust Compliance Manual, (ii) **appointed** Dr. Antonio Tartaro and Lawyer Mattia Peradotto Internal Compliance Officers with all the managerial, directional, decision-making, and spending powers necessary to fulfill the regulatory obligations in terms of antitrust compliance.

Control over the correct implementation of the processes and the constant updating and improvement of the risk integrated management system is granted by:

- yearly planning of internal auditing activities;
- internal auditing activities which include all the Group's companies and branches (at least twice a year) and are carried out over all the processes and in relation to all the sectors which are risk related;
- external auditing activities conducted by third parties (i.e., the certification bodies).

The above-mentioned auditing activities are aimed at assessing the compliance with legally mandatory requirements as well as the achievement of the targets set up in the yearly plan.

The "Quality Standards, HACCP, Safety and Environment" department of the Company, whose person in charge is Mr. Francesco Ferrari, is entrusted to oversee the functioning of the risk integrated management system. An effective internal control and risk management system is also guaranteed by coordination between the various parties involved, and in particular between the responsible for internal audit function and the responsible for the "Quality Standards, HACCP, Safety and Environment" department, for the sake of implementing

and monitoring activities at risk. To this end, the outcomes of the auditing activities are promptly shared between them, and also with the management of the Company, to which belongs the responsibility for the development and enforcement of the risk management system.

INDEPENDENT AUDITORS

Following a specific competitive bid and the subsequent favorable opinion of the Company's Internal Control Committee issued on January 15th 2021, the annual general meeting held on May 27th 2021, appointed Ernst & Young S.A. as independent company auditor to perform the independent audit related to the consolidated financial statements and annual account of the Company for the financial years from 2022 to 2027; its mandate shall expire at the annual general meeting convened to approve the Annual Accounts and Consolidated Financial Statements for the year ending on December 31st 2027.



SUSTAINABILITY REPORTING

GENERAL INFORMATION

ESRS 2 GENERAL DISCLOSURES

Basis for preparation

BP-1 - General basis of preparation

Sustainability Reporting has been prepared on a consolidated basis, with the reporting scope coinciding with that of the Financial Statements. Consistent with that indicated in the financial reporting, the data and information - both qualitative and quantitative - contained in this document refer to the fiscal year ending 31st December 2024. [\[BP-1-5.a-b\]](#)

The Sustainability Statement includes the upstream, direct and downstream stages of the Group's value chain. For each datapoint reported, the relevance of the issue in relation to Group operations or the entire value chain was indicated.

In particular, upstream activities included:

- Production and manufacturing activities pertaining to the production of vending machines and food products that the company supplies;
- The logistical activities of transporting food products and vending machines from suppliers.

The direct activities considered are those of storing, preserving and transporting food products, as well as handling coins and delivering vending machines to offices and other places of business. This also includes the installation, maintenance and management of installed vending machines, the management, counting and packaging of physical coins (Coin Service), as well as the management of electronic payments and sales support via call centres. The downstream activities included in the declaration are the use and end-of-life of non-IVS products and the disposal of vending machines at their end-of-life.

With respect to the value chain, it should be noted that the materiality analysis, together with the assessment of impacts, risks and opportunities, takes into account the entire process described in the previous steps. The policies, actions, targets and metrics currently set out then refer exclusively to the Group's own operations. The undertaking has not used the option to omit a specific piece of information corresponding to intellectual property, know-how or the results of innovation. [\[BP-1-5.c-d\]](#)

In addition, the Group did not benefit from exemptions relating to the non-disclosure of upcoming developments or matters under negotiation, as provided for in Articles 19a(3) and 29a(3) of Directive 2013/34/EU. [\[BP-1-5.e\]](#)

BP-2 - Disclosures in relation to specific circumstances

For the preparation of Sustainability Reporting, the time horizons adopted are defined as: short-term covering a period of no more than one year, medium-term covering a period of 1 to 5 years and long-term covering periods of more than 5 years. [\[BP-2-9.a\]](#)

Value chain estimates

With respect to value chain metrics, it is specified that the following data was estimated using indirect sources:

Scope 3 category (according to GHG Protocol classification)	Basis of preparation and level of accuracy	Emission factor used
1 (purchased goods and services)	Emissions related to purchased goods and services are estimated on the basis of the relevant economic values of expenditure	
2 (capital goods)	Emissions related to purchased goods and services are estimated on the basis of the relevant economic values of expenditure	
3 (fuel- and energy-related activities)	Emissions related to energy consumed (excluding those included in Scope 2) are estimated on the basis of the Group's energy consumption	
4 (upstream transportation and distribution)	Emissions from upstream transport are estimated on the basis of kilometres travelled and weight of goods transported	
5 (waste generated in operations)	Emissions related to the disposal and treatment of waste generated are estimated on the basis of the waste produced in the year by the Group	
6 (business travel)	Emissions related to business trips of Group employees are estimated on the basis of the economic value spent	DEFRA, UK Government GHG conversion factors for company reporting
7 (employee commuting)	Emissions related to the home-work journeys of Group employees are estimated on the basis of the results of a questionnaire prepared by the Group	
8 (upstream leased assets)	Included in Scope 1 and 2 emissions	
9 (downstream transportation and distribution)	Downstream transport-related emissions are estimated on the basis of the kilometres travelled and the weight of the goods transported	
10 (processing of sold products)	Not applicable	
11 (use of sold products)	Emissions related to the use of the product sold are estimated on the basis of the units sold in the year by the Group	
12 (end-of-life treatment of sold products)	Emissions related to end-of-life processing or disposal of the product sold are estimated on the basis of the units sold or loaded in the year by the Group	
13 (downstream leased assets)	Not applicable	
14 (franchises)	Not applicable	
15 (investments)	Not applicable	

The calculation methodologies for Scope 3 greenhouse gas emissions are subject to greater intrinsic limitations than those for Scope 1 and 2, due to the limited availability and relative precision of the information used to define such information, both quantitative and qualitative, relating to the value chain. [\[BP-2-10.a-b-c-d\]](#)

Causes of uncertainty in estimates and results

With respect to the quantitative metrics set out in the document that are subject to a high degree of measurement uncertainty, it is specified that there are no metrics or monetary amounts within the document that are subject to a high degree of uncertainty, except for Scope 3 indirect GHG emissions, which are estimated based on the assumptions listed in section Value chain estimates [\[BP 2-10\]](#).

All forward-looking disclosures are the result of reasonable assumptions by the Group's management but, given their nature, are intrinsically characterized by elements of uncertainty. [\[BP-2-11.a\]](#)

Changes in the drafting and presentation of sustainability information

No comparative data is shown for this first fiscal year of Sustainability Reporting. [\[BP-2-13\]](#)

Reporting errors in previous periods

No comparative data is shown for this first fiscal year of Sustainability Reporting. [\[BP-2-14\]](#)

Disclosures required by other legislation or generally-accepted Sustainability Reporting requirements

The information contained in this Report not only fulfils the ESRS requirements but also includes data compiled in accordance with the guidelines prescribed by the Greenhouse Gas Protocol (hereinafter, also "GHG Protocol") for measuring Greenhouse Gas (hereinafter, also "GHG") emissions of organisations. [\[BP-2-15\]](#)

Governance

GOV-1 - The role of the administrative, management and supervisory bodies

As of 2024, the Board of Directors consists of a total of 7 members, 4 of whom are executive and 3 non-executive. Furthermore, the Board does not include representation of employees and other workers, in accordance with current legislation and corporate inclusion and participation practices. [\[GOV-1-21.a-b\]](#)

The Board is comprised of members with diverse professional backgrounds and significant expertise in the sectors, products and geographical locations in which the company operates. These experiences form the basis for the effective management of impacts, risks and opportunities, as well as for the continuous improvement of the Board's competencies.

[\[GOV-1-21.c, AR.5\]](#)

From the point of view of diversity:

- The Board of Directors is composed of 0% women and 100% men;
- The Audit Committee consists of 33.3% women and 66.7% men;
- The Supervisory Body on Law 231/2001 is composed of 33.3% women and 66.7% men.

Gender diversity is calculated as the average ratio of female to male members.

In terms of independence:

- The company has ensured that 100% of the non-executive members of the Board are independent;
- The company has ensured that 100% of the members of the Audit Committee are independent;
- The company has ensured that 66.7% of the members of the Supervisory Body on Law 231/2001 are independent. [\[GOV-1-21.d-e\]](#)

The Board of Directors annually reviews the mapping of sustainability-related impacts, risks and opportunities. Responsibility for managing any impact has been delegated by the Board to the Quality, HACCP, Safety and Environment Department, which is also in charge of overseeing the Integrated Risk Management System. This function prepares the annual Management Review in order to ensure continuous and systematic oversight of sustainability impacts, risks and opportunities related to the Group's activities. [\[GOV-1-22.a\]](#)

Administrative, management and supervisory bodies have defined roles and responsibilities, reflected in the terms of reference, Board mandates and relative company policies. The Board of Directors is responsible for the general management, determining the risk profile and significant strategic, economic and financial transactions. The Managing Director oversees the Internal Control System and Risk Management with the support of the Audit Committee. The Audit Committee participates in significant transactions, ensuring a complete and timely flow of information. The Chair of the Board of Directors facilitates dialogue between executive and non-executive directors, oversees the accuracy of information and coordinates the activities of committees. In addition, the company has established an Integrated Risk Management System covering quality, safety, environmental and social responsibility standards, ensuring effective internal control and coordinated risk management. [\[GOV-1-22.b\]](#)

The Quality Standards, HACCP, Environment and Safety function is responsible for the Integrated Internal Control and Risk Management System. Supervision is ensured through internal and external audits, planned annually and involving all Group companies and subsidiaries. The Managing Director oversees the Internal Control and Risk Management System, periodically reporting to the Board of Directors. The Audit Committee monitors the processing of financial and non-financial information and reports to the Board on the effectiveness of the internal control system. Dedicated controls and procedures, including audits and annual planning, are integrated with other internal functions to ensure continuous monitoring and constant improvement of the Management System. [\[GOV-1-22.c\]](#)

The Board of Directors oversees the setting of targets relating to material impacts, risks and opportunities through the review and approval of the strategic, industrial and financial plan, whilst periodically monitoring the results achieved against the set targets. The Chief Executive Officers (CEOs) are responsible for overseeing the Internal Control System and Risk Management, implementing the guidelines set by the Board of Directors. The Audit Committee assists the Board in defining the guidelines of the internal control system, ensuring that the main risks are correctly identified, assessed, managed and monitored. The Internal Audit function verifies the operation and suitability of the Internal Control and Risk Management System through an audit plan approved by the Board of Directors. [\[GOV-1-22.d\]](#)

The administrative, management and supervisory bodies and senior management that oversee the definition of objectives relating to relevant impacts, risks and opportunities have specific expertise in sustainability, which was expanded during the year through specific training activities and discussions, including with external advisors on issues relating to Double Materiality Analysis. [\[GOV-1-23.a\]](#)

These competencies are instrumental in the conscious management of sustainability-related impacts, risks and opportunities relevant to the company.

[\[GOV-1-23.b, GOV-1-AR.5\]](#)

GOV-2 - Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

The Board of Directors is informed by the Sustainability Team of the results of the double materiality analysis exercise, which was carried out for the first time in 2024 and is viewed annually. [\[GOV-2-26.a-b\]](#)

The impacts, risks and opportunities reviewed by the Board of Directors, management and supervisory bodies in 2024 are those found to be material from the Double Materiality Analysis reported in SBM-3.

[\[GOV-2-26.c\]](#)

GOV-3 - Integration of sustainability-related performance in incentive schemes

Performance-related remuneration schemes are based on measurable objectives and evaluation criteria, with the intention of consistently aligning the remuneration of executive directors and top managers with the medium- to long-term interests of shareholders and the objectives set by the Company's Board of Directors. These consist in a component linked to short-term variable remuneration and a component linked to long-term variable remuneration.

Short-term variable remuneration (Management By Objective or MBO programme) is paid according to the degree of achievement of annual targets pertaining to the scope of responsibilities agreed annually with the beneficiary and has a variable amount between 10-15% of the gross annual remuneration.

Long-term variable remuneration, governed by the Incentive Plan, is aimed at the Group's Managing Directors and strategic personnel, designed to align management interests with the creation of shareholder value in the medium- to long-term, to focus the attention of beneficiaries on factors of strategic interest and to increase the commitment of key resources. The achievement of these objectives entails the free

allocation of non-transferable options, each of which gives the beneficiaries the right to purchase a share of the Company. [\[GOV-3-29.a\]](#)

Under the current incentive system, performance is not evaluated according to sustainability parameters.

[\[GOV-3-29.b-c-d-e\]](#)

GOV-4 - Statement on due diligence

IVS does not currently have a structured due-diligence process regarding sustainability issues. However, the Group has already enacted several key elements regarding duty of care, including first and foremost the identification and assessment of negated impacts as per the Double Materiality Analysis. [\[GOV-4-30,32\]](#)

GOV-5 - Risk management and internal controls over Sustainability Reporting

The Group has established an internal control system to ensure the reliability of the quantitative information contained in the Sustainability Report, with a clear definition of roles and responsibilities along the entire chain of data generation, processing and consolidation. Although the system is not formalised in a specific procedure, it is implemented by the various figures involved, both at the level of the central sustainability function and at the level of individual companies. The control includes a check on the consistency of the data with the trend history and the expected values of the KPIs, with the frequency of checks varying according to the KPI itself. The controls focus mainly on KPIs that are considered more complex and, consequently, more exposed to a risk of error during processing or consolidation. [\[GOV-5-36.a-b\]](#) For each KPI, specific mitigation strategies are implemented, including a thorough a verification of the calculation performed by the data owner. [\[GOV-5-36.c\]](#) The selection of KPIs to be monitored is guided by an assessment of the risk of error, being the main criterion for defining which indicators are included in the internal control system. However, there is currently no provision for periodic reporting on the results of risk assessments and checks carried out. [\[GOV-5-36.d\]](#)

Strategy

SBM-1 - Strategy, business model and value chain

The IVS Group is the market leader in the Italian Vending machines operators' sector, specialized in the sale of hot and cold beverages and snacks, through automatic and semi-automatic vending machines. The solutions offered by the Group include:

- Medium and large vending machines by product category (hot or mixed);
- Small automatic and semi-automatic vending machines (OCS - Office Coffee Service).

The Luxembourg-based IVS Group operates through four business segments:

- The Vending Division (with branches in Italy, France, Spain and other European countries);
- The Ho.Re.Ca Division;
- The Reselling Division;
- The Coin Division

With regard to total revenue, please refer to the section Revenue Segment Reporting IFRS 8. [\[SBM-1-40.b\]](#)

The number of employees is detailed below, broken down by the various geographical areas in which the Group operates: [\[SBM-1-40.a\]](#)

Country	No. of employees (headcount)
Italy	3,479
Spain	568
France	346
Germany	101
Poland	60
Switzerland	19
United Kingdom	14
Portugal	9
San Marino	8
Hong Kong	1

The Group conducted an assessment of its main products and/or services, as well as the most relevant markets and customer groups, in relation to the sustainability goals.

The Group's sustainability targets - in terms of products and services, customer categories, geographic areas and different stakeholder categories - are as follows:

- **High-efficiency Energy Saving Distributors**
On the IVS Group's vending machines, systems are being installed that allow for activation only when actually used, thus optimising energy consumption. This solution not only improves operational efficiency but also helps to reduce waste and save energy.
- **Low-emission company fleet with natural gas and electric vehicles**
In an ongoing commitment to sustainability, the Group has enriched its corporate fleet with the latest generation of vehicles, designed to ensure minimal environmental impact. In addition to conventional vehicles, natural gas and electric vehicles were introduced, further reducing emissions and promoting a more sustainable mobility.
- **Photovoltaic energy panels for Group companies**
To generate clean, renewable energy, photovoltaic panels were installed on the roofs of certain warehouses. This system means the Group's sites can produce their own solar energy, significantly reducing CO₂ emissions and contributing to the transition to a more sustainable energy model.
- **Certified suppliers for a sustainable supply chain**
In line with its vision of integrated sustainability, the Group selects its business partners and suppliers with a particular focus on those with environmental certifications. Working with certified suppliers ensures that the entire value chain meets high standards of social and environmental responsibility, contributing to a positive impact on the entire supply chain. [\[SBM-1-40.e-f-g\]](#)

For a description of the value chain, please refer to Disclosure BP-1-5.c, whilst for a description of the business model, please refer to Disclosure SBM-1-40, along with that which follows.

[\[SBM-1-42.a, SBM-1-AR.14\]](#)

Data protection is guaranteed by means of advanced security measures, in accordance with current regulations.

The Group has developed a business model geared towards the creation of direct and induced economic value for its customers, investors and other stakeholders, with a strong commitment to sustainability and the well-being of the community in which it operates. Its activities, with a focus on operational efficiency, the growth of human resources and optimisation of consumption, play a crucial role in sustaining long-term growth and competitiveness. The main results and benefits expected from the Group are outlined below, highlighting the positive impacts they generate in economic, social and environmental terms.

Generation and distribution of direct and induced economic value:

By adopting practices that favour free competition, employment and the development of personnel skills, the Group actively contributes to the development and wellbeing of its internal stakeholders and, by extension, of the local community to which they belong. In addition, the Group contributes to the taxation system, being indispensable for the development and growth of the environment in which it operates. Finally, through an economically-inclusive welfare programme, IVS contributes to the generation of economic value for the benefit of the community.

Employee skill development:

The development of employees' competencies is crucial for the creation of a virtuous and safe working environment. The Group pays special attention to the issues of staff training and skill enhancement.

Induced efficiency gains in raw material and packaging consumption and logistics:

The Group's customer services generate savings for the end consumer in terms of the consumption of raw materials and packaging, allowing for consumption and purchasing directly from their place of work, instead of going to external outlets. [\[SBM-1-42.b\]](#)

The Group's value chain is divided into upstream, direct and downstream activities, with upstream activities including production and manufacturing processes related to the manufacture of vending machines, the cultivation and production of the foodstuffs needed to supply the company as well as the purchase and transport of foodstuffs and vending machines from suppliers.

The Group's direct activities mainly concern the storage and preservation of food products, the transport of food, coins and vending machines to the operating sites, the installation, maintenance and operation of vending machines, the management, counting and packaging of physical coins (Coin Service), as well as the

management of electronic payments and sales support via the call centres.

Finally, the Group's downstream activities focus on the use and end-of-life of products not directly managed by IVS, mainly the packaging of food products sold, as well as the disposal of vending machines at the end of their life. [\[SBM-1-42.c\]](#)

SBM-2 - Interests and views of stakeholders

Relevant stakeholders for the Group were identified through a mapping exercise based on an in-depth analysis of current legislation and industry benchmarks. The main stakeholders identified are employees, contractors, the media, local communities, suppliers, partners, institutions, shareholders, financiers, consumers and customers. Stakeholder involvement is governed by specific regulations that are approved by the Board of Directors and which define the general principles and procedures for dialogue. This regulation ensures transparency, timeliness, equal treatment and compliance with legal regulations and internal governance rules.

The Group integrates the results of stakeholder engagement (mainly: consumers, customers, employees, collaborators and media, local communities, suppliers and partners, institutions, shareholders and lenders) in the development of policies and strategic plans to ensure better alignment with the expectations and needs of all stakeholders. [\[SBM-2-45.a\]](#)

Through stakeholder engagement activities, the Group is able to identify the interests, expectations and needs of various stakeholders. To facilitate this process, specific communication channels were activated, including internal employee surveys and polls, together with the creation of strategic partnerships with suppliers and business partners. In addition, this information was analysed during the Due Diligence and Materiality Assessment processes to ensure that the Group's strategy effectively responds to stakeholder expectations and helps guide strategic priorities. [\[SBM-2-45.b\]](#)

To date, the Group has no mechanism in place for communicating to the Board of Directors regarding possible views and stakeholder interests regarding the company's sustainability-related impacts. [\[SBM-2-45.d\]](#)

SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model

The IVS Group faces a number of risks and opportunities that can directly affect its core business.

List of material impacts	Positive/negative	Description [SBM-3-48.c]	Direct/Indirect	Time horizon
Contribution of the company's suppliers to climate change	Negative	The consumption of energy from non-renewable sources by suppliers (for transport activities in particular), inefficiencies in the management of energy consumption and food production activities result in emissions of climate-changing gases that contribute to the phenomenon of climate change.	Indirect	Long-term
Contribution of company operations to climate change	Negative	The consumption of energy from non-renewable sources related to the company's activities (for transport activities in particular), inefficiencies in the management of energy consumption and the use of refrigerant gases for vending machines cause emissions of climate-changing gases that contribute to the phenomenon of climate change.	Direct	Long-term
Air pollution due to logistics	Negative	The transport of products to refill the vending machines and the travel of IVS employees to repair vending machines at the facilities where they are installed cause the emission of air pollutants related to the use of fossil-fuelled vehicles.	Direct	Medium-term
Contribution of suppliers to water scarcity	Negative	The activities of processed food companies, as IVS suppliers, contribute to the scarcity of the water resource as a raw material needed for their production and transformation processes (e.g., beverage and packaged food production). The impact is further amplified in water-stressed areas.	Indirect	Short-term
Contribution to raw material shortages due to suppliers' production activities	Negative	Raw material extraction and vending machine production upstream in the value chain involve primary material consumption related to electrical and electronic materials.	Indirect	Medium-term
Generation of non-recyclable waste from product packaging	Negative	Placing on the market products with non-recyclable or non-reusable packaging generates waste for disposal.	Indirect	Medium-term
Impact on the health and safety of workers and co-workers	Negative	The presence of elements of potential risk can lead to occupational accidents, especially related to transport and maintenance activities.	Direct	Short-term
Developing employees' skills	Positive	Positive impact linked to the contribution to the professional development and training of employees through the Group's training offer.	Direct	Medium-term
Violation of human or labour rights in the supply chain	Negative	Potential negative impact on workers involved along the supply chain - suppliers' work activities may be characterised by exposure to the risk of accidents and incidents of human or labour rights violations.	Indirect	Medium-term
Damage to consumer health	Negative	The company's activities can lead to possible damage to consumers' health if dietarily unhealthy or poorly-preserved food is distributed. In particular, such impact can also be caused by the use of non-compliant water for the dispensing of hot and cold beverages.	Indirect	Medium-term
Incidents of corruption and money laundering	Negative	Negative impact on individuals and the sector in general, generated by possible corruption and money laundering incidents.	Direct	Long-term
Distortions in the market by anti-competitive behaviour	Negative	Through its activities, the company could engage in anti-competitive and monopolistic behaviour or practices, leading to price barriers, barriers to the entry of other players into the market and contributing to reducing the stimulus for the development of new technologies and solutions to meet market needs.	Direct	Short-term

List of material risks/opportunities	Description	Direct/Indirect	Time horizon
Risk of disruption of operations due to extreme weather events (physical)	Operational risk resulting from the increased frequency of extreme weather events due to climate change, which may cause an increase in disruptions to the company's operations. In particular, some of the company's premises are close to watercourses, which are thus subject to possible flooding in the event of heavy rainfall. In addition, weather conditions could aggravate any cases of fire inside or outside the company.	Direct	Medium-term
Risk of supply disruptions due to extreme weather events (physical)	Operational risk due to the increased frequency of extreme weather events due to climate change, which may cause interruptions in the supply of products and materials needed for IVS operations.	Indirect	Medium-term
Risk of rising energy costs (transitional)	The absence or scarcity of energy efficiency and self-generation systems results in higher energy consumption, rendering the company more vulnerable to rising energy prices on the market.	Direct	Medium-term
Risk of increased packaging costs	Companies supplying food products could be affected by regulatory demands regarding the packaging of food products, forcing companies to adopt more expensive biodegradable and recyclable packaging, consequently causing an increase in the cost of purchasing such products for IVS.	Indirect	Medium-term
Risk of business interruptions as a consequence of occupational accidents	Possible interruptions of activities as a consequence of possible accidents to employees and contractors can have a negative impact on both the Group's reputation and revenues.	Direct	Long-term
Risk of legal sanctions for anti-competitive practices	Since part of IVS's strategy is to be the leader in the markets in which it operates, the Group is susceptible to accusations of abuse of position (particularly in Italy) or anti-competitive practices. Such complaints could adversely affect reputation and result in legal proceedings and fines that could have a negative impact on the business.	Direct	Medium-term
Risk of business continuity disruptions due to cybersecurity breaches	Potential breaches of customer cybersecurity in the area of electronic payments at ATMs pose a risk to the company's business continuity.	Direct	Medium-term
Risk from the introduction of driving restrictions for polluting vehicles	Operational risk related to the possible introduction of traffic restrictions on polluting vehicles, which may cause disruptions to the distribution of Group products throughout the territory	Direct	Medium-term
Reputational risks and legal sanctions in the event of consumer harm	In the event of damage to public health related to distributed food and beverages, the company may incur legal sanctions. Moreover, this would entail a reputational risk.	Indirect	Medium-term
Risk of legal and reputational sanctions for corruption and money laundering	Incidents of corruption and money laundering may pose a risk of legal sanctions for the company, along with a risk to its reputation.	Direct	Medium-term
Risk arising from measures restricting the circulation of thermal combustion vehicles (transitional)	Most of the vehicles utilised by the company are powered by fossil fuels, making IVS very vulnerable to changes to their price and availability.	Direct	Medium-term
Risk of raw material cost increases along the supply chain	The scarcity of raw materials can lead to an increase in the cost of such raw materials along the supply chain due to a reduction in supply compared to market demand.	Indirect	Medium-term
Opportunities to develop management skills and technical know-how	Economic opportunity linked to the development of human capital, the professional profiles and training of IVS employees that can lead to a general improvement in the work performed and thus in the overall economic performance of the company.	Direct	Medium-term
Risks related to changes in food safety legislation	The food and beverage industry is highly regulated, thus the activities of IVS and that of its key suppliers could be significantly affected by changes in legislation. In addition, non-compliance could result in fines or restrictions on activities.	Direct	Medium-term

It is specified that no financial effects have been identified or quantified with respect to the aforementioned risks at present. [\[SBM-3-48.a,b\]](#)

The Group considers risk management - which encompasses internal and external social, industrial, political and financial risks - to be a key element of its growth strategy and a key factor in ensuring the resilience of its business model. Such management not only protects stakeholders (employees, customers, suppliers, shareholders) and corporate assets but also supports the continuous evolution of the Corporate Governance System.

To ensure long-term sustainability, the Group adopts a dynamic and integrated approach to risk management, which includes a continuous analysis of material impacts, risks and opportunities. [\[SBM-3-48.f\]](#)

The Double Materiality Analysis revealed new material impacts compared to what was previously reported, such as:

- Contribution of company operations to climate change
- Violation of human or labour rights in the supply chain
- Generation of non-recyclable waste from product packaging
- Market distortions due to anti-competitive behaviour
- Incidents of corruption and money-laundering

On the other hand, some impacts were no longer material, such as:

- Waste of energy resources related to operations
- Procurement-related environmental impacts
- Generation of non-recyclable waste from operations and end-of-life products
- Damage to public health
- Dissemination of false or misleading consumer information
- Lack of employee skill development
- Accidents at work
- Incidents of discrimination

Because this was the first year of reporting under the ESRS, it was not possible to benchmark risks and opportunities. [\[SBM-3-3-48.g\]](#)

Impact, Risk and Opportunity Management

IRO-1 - Description of the process to identify and assess material impacts, risks and opportunities

The process of identifying, assessing, prioritising and monitoring the Group's impacts builds on the criteria used to identify and assess non-financial impacts, risks and opportunities described in the European Sustainability Reporting Standards (ESRS). [\[IRO-1-53.a\]](#)

This process includes an assessment of impacts in terms of scale, scope, irreversibility, severity and likelihood, with a particular focus on the expected impact on people and the environment.

The process covers all of the Group's specific activities, examining in detail the Vending, Hospitality, Resale and Coin Divisions, as well as commercial relations, covering upstream and downstream activities and the various geographical areas where the Group is present.

Stakeholder needs and expectations are analysed using public sources, such as studies of industry trends, reports from associations and NGOs (e.g., CDC, SASB, etc.), legislative documents, media analyses and comparative benchmarks against a panel of peers, in order to ensure a comprehensive and up-to-date view of relevant stakeholder issues. [\[IRO-1-53.b\]](#)

The risk and opportunity mapping process includes the following activities:

- Mapping the impacts generated that may also constitute a risk or an opportunity;
- Mapping of dependencies along the supply chain that may pose a risk or opportunity related to sustainability issues. [\[IRO-1-53.c\]](#)

The Board of Directors is responsible for approving the Sustainability Report, reviewing and approving the Letter to Stakeholders and approving the results of the Materiality Analysis. Impact management is delegated to the Head of the Quality, HACCP, Safety and Environment function, who is also responsible for the Integrated Risk Management System. This function is in charge of drawing up the annual Management Review. The Group's due diligence process, along with other tools for identifying and managing impacts on the economy, environment and people, is reviewed annually by the Board of Directors. [\[IRO-1-53.d\]](#)

The process of identifying and assessing material impacts, risks and opportunities was carried out for the first time for reporting on the 2024 financial year in application of the European Sustainability Reporting Standards (ESRS). The results were shared with the Board of Directors. The analysis was also carried out taking into consideration the mapping identified within the Organisational Model and the Integrated Environmental System. [\[IRO-1-53.e-f\]](#)

For the identification, evaluation and prioritisation of impacts, an analysis of public sources was used, with the aim of identifying the main sustainability issues and trends in the sector, by consulting publications of associations and NGOs (e.g. CDC, SASB, etc.) and

legislative sources, the media and a benchmark analysis was carried out against a peer/comparable panel. Relevant internal documentation was likewise analysed, such as the 2023 Sustainability Report, the Code of Ethics and the 2023 Annual Report.

The identification, assessment and prioritisation of risks and opportunities was based on the analysis of the Impact Significance Analysis and relative mitigation actions, an analysis of the Group's dependencies and the analysis of relevant internal documentation, such as the Annual Report, the October 2019 Stock Exchange Trading Commencement Report, the insurance policies and the document related to the Risk Assessment within the management systems carried out in 2023.

[\[IRO-1-53.g\]](#)

2024 is the first year in which the Group conducted a Double Materiality Analysis, in accordance with European Sustainability Reporting Standards (ESRS). In the previous reporting period, the Materiality Analysis was conducted according to GRI standards, which do not include a specific identification of risks and opportunities. [\[IRO-1-53.h\]](#)



IRO-2 - Disclosure requirements in ESRS covered by the undertaking's sustainability statement [IRO-2-56]

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ESRS E5	
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ESRS S2

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S2.SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	93
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S2-4 Taking action on material impacts on value chain workers and approaches to managing material risks and pursuing material opportunities related to value chain workers, along with the effectiveness of those actions	94
S2-5 Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities	95

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Below is a table listing the datapoints contained in standards derived from other European regulations, in order to provide a complete overview of the information required in accordance with European Union laws.

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page	Materiality
ESRS 2 GOV-1 Board's gender diversity - Paragraph 21 (d)	Indicator 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816 (27), Annex II		56	Yes
ESRS 2 GOV-1 Percentage of board members who are independent - Paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		56	Yes
ESRS 2 GOV-4 Statement on due diligence - Paragraph 30	Indicator 10 of Table #3 of Annex 1				57	Yes
ESRS E1-1 Transition plan to reach climate neutrality by 2050 - Paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	76	Yes
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks - Paragraph 16 (g)		Article 449a Regulation (EU) no. 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book - Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g) and Article 12.2		76	Yes
ESRS E1-4 GHG emission reduction targets - Paragraph 34	Indicator 4 of Table #2 of Annex 1	Article 449a Regulation (EU) no. 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book - Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		78	Yes
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) - Paragraph 38	Indicator 5 of Table #1 and Indicator 5 of Table #2 of Annex 1				78	Yes
ESRS E1-5 Energy consumption and mix - Paragraph 37	Indicator 5 of Table #1 of Annex 1				78	Yes
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors - Paragraphs 40 to 43	Indicator 6 of Table #1 of Annex 1				N/A	No
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions - Paragraph 44	Indicators 1 and 2 of Table #1 of Annex 1	Article 449a; Regulation (EU) no. 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book - Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Articles 5(1), 6 and 8(1)		79	Yes

ESRS E1-6 Gross GHG emissions intensity - Paragraphs 53 to 55	Indicators 3 of Table #1 of Annex 1	Article 449a of Regulation (EU) no. 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book - Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)	79	Yes
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil - Paragraph 28	Indicator 8 of Table #1 of Annex 1 Indicator 2 of Table #2 of Annex 1 Indicator 1 of Table #2 of Annex 1 Indicator 3 of Table #2 of Annex 1			80	Yes
ESRS E3-1 Water and marine resources - Paragraph 9	Indicator 7 of Table #2 of Annex 1			N/A	No
ESRS E3-1 Dedicated policy - Paragraph 13	Indicator 8 of Table #2 of Annex 1			N/A	No
ESRS E3-4 Total water recycled and reused - Paragraph 28 (c)	Indicator 6.2 of Table #2 of Annex 1			81	Yes
ESRS E3-4 Total water consumption in m3 per net revenue on own operations - Paragraph 29	Indicator 6.1 of Table #2 of Annex 1			81	Yes
ESRS 2 - SBM 3 - E4 Paragraph 16 (a) i	Indicator 7 of Table #1 of Annex 1			N/A	No
ESRS 2 - SBM 3 - E4 Paragraph 16 (b)	Indicator 10 of Table #2 of Annex 1			N/A	No
ESRS 2 - SBM 3 - E4 Paragraph 16 (c)	Indicator 14 of Table #2 of Annex 1			N/A	No
ESRS E4-2 Sustainable land/ agriculture practices or policies - Paragraph 24 (b)	Indicator 11 of Table #2 of Annex 1			N/A	No
ESRS E4-2 Sustainable oceans/seas practices or policies - Paragraph 24 (c)	Indicator 12 of Table #2 of Annex 1			N/A	No
ESRS E4-2 Policies to address deforestation - Paragraph 24 (d)	Indicator 15 of Table #2 of Annex 1			N/A	No
ESRS E5-5 Non-recycled waste Paragraph 37 (d)	Indicator 13 of Table #2 of Annex 1			83	Yes
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator 9 of Table #1 of Annex 1			83	Yes
ESRS 2- SBM3 - S1 Risk of incidents of forced labour Paragraph 14 (f)	Indicator 13 of Table #3 of Annex 1			84	Yes

ESRS 2 - SBM3 - S1 Risk of incidents of child labour - Paragraph 14 (g)	Indicator 12 of Table #3 of Annex I		84	Yes
ESRS S1-1 Human rights policy commitments - Paragraph 20	Indicator 9 of Table #3 and Indicator 11 of Table #1 of Annex I		85	Yes
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8 - Paragraph 21		Delegated Regulation (EU) 2020/1816, Annex II	N/A	No
ESRS S1-1 Processes and measures for preventing trafficking in human beings - Paragraph 22	Indicator 11 of Table #3 of Annex I		N/A	No
ESRS S1-1 Workplace accident prevention policy or management system - Paragraph 23	Indicator 1 of Table #3 of Annex I		85	Yes
ESRS S1-3 Grievance/complaints on handling mechanisms - Paragraph 32 (c)	Indicator 5 of Table #3 of Annex I		86	Yes
ESRS S1-14 Number of fatalities and number and rate of work-related accidents - Paragraph 88 (b) and (c)	Indicator 2 of Table #3 of Annex I	Delegated Regulation (EU) 2020/1816, Annex II	92	Yes
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator 3 of Table #3 of Annex I		N/A	No

[IRO-2-56]

Relevant information disclosed in the Sustainability Reporting was identified on the basis of the association of identified material impacts, risks and opportunities with the topics, subtopics and sub-subtopics identified by ESRS 1 AR 16. Subsequently, the identified topics, subtopics and sub-subtopics were associated with the relevant Disclosure Requirements from EFRAG Guideline ID 177 - Links Between AR16 and Disclosure Requirements.

[IRO-2-59]

ENVIRONMENTAL INFORMATION

DISCLOSURES PURSUANT TO ART. 8 OF REGULATION 2020/852 (TAXONOMY REGULATION)

Eligibility analysis

The analyses conducted led to the identification of both eligible economic activities carried out directly by the Group and costs incurred during the year pertaining to the purchase of products from economic activities eligible for the taxonomy. The list of eligible activities is thus as follows:

- **1.2 Transition to a circular economy (1.2 CE)** - "Manufacture of electrical and electronic equipment", with reference to capitalised costs for the purchase of new vending machines;
- **5.3 Transition to a circular economy (5.3 CE)** - "Preparation for re-use of end-of-life products and product components", with reference to the activity of overhaul and recovery of used distributors. For this activity, the costs capitalised by S. Italia S.p.A. for carrying out the reclamation operations of used distributors are accounted for but not the relative revenues since they are intragroup and thus eliminated at the consolidated level;
- **6.5 Climate change mitigation (6.5 CCM)** - "Transport by motorbikes, passenger cars and light commercial vehicles", with reference to the operating and investment costs for the car fleet used by the Group to transport products, vending machines and employees;
- **7.2 Climate Change Mitigation (7.2 CCM)** - "Renovation of existing buildings", with reference to renovation works on the buildings of Group companies (including work on rented assets);
- **7.3 Climate Change Mitigation (7.3 CCM)** - "Installation, maintenance and repair of energy efficiency equipment" with reference to efficiency measures on the buildings of Group companies;
- **7.5 Climate change mitigation (7.5 CCM)** - "Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings" with reference to the installation of devices for measuring the energy consumption of the buildings of the Group's companies;
- **7.6 Climate change mitigation (7.6 CCM)** - "Installation, maintenance and repair of renewable energy technologies", with reference to the installation of photovoltaic panels carried out at the Barcelona site and on the Italian branches of IVS Italia and S. Italia;
- **7.7 Climate change mitigation (7.7 CCM)** - "Acquisition and ownership of buildings", with reference to the costs incurred in leasing assets owned by third parties.



Alignment analysis

Substantive contribution criteria

The Regulation provides for different substantive contribution criteria for eligible activities, as shown in the following table:

Activities	Substantive contribution criterion	Group Evaluation
1.2 CE	Investments must comply with a complex set of criteria, defined by the Regulation and aimed at defining the parameters of product durability, design and safety, as well as consumer communication and producer responsibility.	Given the complexity of the criteria to be verified, requiring access to the documentation of the various suppliers and the adoption of a precautionary approach, the Group considers the criterion not met for purchases associated with this activity.
5.3 CE	<ol style="list-style-type: none"> The activity prepares for reuse products or components of products that have become waste so that they can be reused without further pre-processing. The waste raw materials of the business come from waste collected separately and transported in separated fractions or mixed at the source. The business has implemented acceptance, safety and inspection procedures in accordance with defined criteria. The activity uses tools and equipment suitable for preparing discarded end-of-life products for reuse. The activity has a system for reporting the recovery rate and, where appropriate, the targets for preparation for re-use or recycling set by Union or national legislation. The result of the activity is products or components of products suitable for reuse without any other pre-processing and moreover, the goods sold are subject to a contract of sale, where applicable, and comply with the provisions on product conformity, seller's liability, burden of proof, remedies for lack of conformity, how to exercise such remedies, repair or replacement of goods, and commercial guarantees. For the preparation for re-use of Waste Electrical and Electronic Equipment (WEEE), the business is authorised to process the waste and implements an Environmental Management System according to ISO 14001:2015. 	Although the reclamation activities carried out by S. Italia meet some of the substantive contribution criteria laid out, by adopting a conservative approach, the Group does not believe it possesses all the elements to confirm compliance with the entire set of criteria defined by the Regulation.
6.5 CCM	Vehicles in the categories have specific CO ₂ emissions of less than 50 gCO ₂ /km (equal to 0 as of 01/01/2026).	Only the electric vehicles in the fleet meet these parameters
7.2 CCM	Building renovations comply with the applicable requirements for major restorations	It was not possible to verify the criterion for all interventions during the year
7.3 CCM	The activity consists of one of the efficiency measures provided for in the Regulation	Eligible interventions refer to measures included in the list outlined in the Regulation
7.5 CCM	The activity consists of one of the provisions for energy performance measurement provided for in the Regulation	Eligible interventions refer to measures included in the list outlined in the Regulation
7.6 CCM	The activity consists of installation, maintenance and repair of photovoltaic-solar systems and ancillary technical equipment.	The criterion is met for all Group assets
7.7 CCM	The building has at least one Class A energy performance certificate	The assets included in the eligible activity do not have a Class A energy performance certificate



DNSH criteria

The Regulation provides for different DNSH criteria for eligible activities, as shown in the following table:

Activities	DNSH criteria	Group Evaluation
1.2 CE	<p>CCM: If it contains refrigerants, the manufactured product complies with the global warming potential GWP performance set out in Regulation (EU) no. 517/2014. The business does not manufacture products containing sulphur hexafluoride (SF6). If applicable, the manufactured product does not score lower than the third highest energy efficiency class from among those in which a significant percentage of products are placed.</p>	<p>CCM: The purchased vending machines that contain refrigeration units comply with the applicable regulations</p>
	<p>CCA: The physical climatic risks to the business were identified by conducting a robust Climate Risk and Vulnerability Assessment.</p>	<p>CCA: A Climate Risk and Vulnerability Assessment has not been carried out to date.</p>
	<p>WTR: Risks of environmental degradation related to the preservation of water quality and the prevention of water stress are identified and addressed, with the aim of achieving good water status and ecological potential.</p>	<p>WTR: To date, there has been no mapping of the risks of environmental degradation related to water quality preservation.</p>
	<p>PPC: The activity does not involve the manufacture, placing on the market or use of substances listed in Appendix C of the Regulation.</p>	<p>PPC: It was not possible to assess full compliance with the requirements of Appendix C of the Regulation for this reporting year.</p>
5.3 CE	<p>BIO: An Environmental Impact Assessment or Review was carried out in accordance with Directive 2011/92/EU.</p>	<p>BIO: No Environmental Impact Assessment was carried out.</p>
	<p>CCM: If the activity involves on-site heat/cooling generation or co-generation, including electricity generation, the direct Greenhouse Gas emissions of the activity are less than 270 gCO₂e/kWh</p>	<p>CCM: The activity does not involve on-site heat/cooling generation or co-generation.</p>
	<p>CCA: The physical climatic risks to the business were identified by conducting a robust Climate Risk and Vulnerability Assessment.</p>	<p>CCA: A Climate Risk and Vulnerability Assessment has not been carried out to date.</p>
	<p>WTR: Risks of environmental degradation related to the preservation of water quality and the prevention of water stress are identified and addressed, with the aim of achieving good water status and ecological potential.</p>	<p>WTR: To date, there has been no mapping of the risks of environmental degradation related to water quality preservation.</p>
6.5 CCM	<p>PPC: The activity does not involve the manufacture, placing on the market or use of substances listed in Appendix C of the Regulation.</p>	<p>PPC: For this reporting year, it was not possible to assess full compliance with the requirements of Appendix C of the Regulation.</p>
	<p>BIO: N/A</p>	<p>BIO: N/A</p>
	<p>CCA: The physical climatic risks to the business were identified by conducting a robust Climate Risk and Vulnerability Assessment.</p>	<p>CCA: A Climate Risk and Vulnerability Assessment has not been carried out to date.</p>
	<p>WTR: N/A</p>	<p>WTR: N/A</p>
6.5 CCM	<p>EC: The vehicles are: a) Reusable or recyclable by at least 85% by weight; and b) Reusable or recoverable by at least 95% by weight. Measures are in place for managing waste in both the utilisation and end-of-life phase of the fleet in accordance with the waste hierarchy.</p>	<p>EC: the Group does not currently have all the information needed to assess compliance with this criterion.</p>
	<p>PPC: The vehicles comply with the requirements of the latest applicable stage of the Euro 6-type approval for light vehicle emissions. The vehicles meet the emission thresholds for clean light-duty vehicles. The tyres meet the requirements for external rolling noise in the highest class and the rolling resistance coefficient in the two highest classes.</p>	<p>PPC: newly-registered Group vehicles meet the parameters and characteristics under consideration.</p>
	<p>BIO: N/A</p>	<p>BIO: N/A</p>
	<p>CCA: The physical climatic risks to the business were identified by conducting a robust Climate Risk and Vulnerability Assessment.</p>	<p>CCA: A Climate Risk and Vulnerability Assessment has not been carried out to date.</p>
7.2 CCM	<p>WTR: The work carried out complies with a series of parameters defined by the Regulations concerning the water consumption of the plumbing appliances installed.</p>	<p>WTR: The criterion is only applicable to part of the interventions carried out but compliance could not be verified.</p>
	<p>EC: The work conducted complies with a set of parameters defined in the Regulation concerning the treatment of waste produced during the supported operations.</p>	<p>EC: It was not possible to verify compliance with the criterion in the context of the interventions carried out during the year.</p>
	<p>PPC: The materials used within the context of the work comply with the criteria for substances mentioned in Appendix C of the Regulation.</p>	<p>PPC: For this reporting year, it was not possible to assess full compliance with the requirements of Appendix C of the Regulation.</p>
	<p>BIO: N/A</p>	<p>BIO: N/A</p>

7.3 CCM	CCA: The physical climatic risks to the business were identified by conducting a robust Climate Risk and Vulnerability Assessment.	CCA: A Climate Risk and Vulnerability Assessment has not been carried out to date.
	WTR: N/A	WTR: N/A
	EC: N/A	EC: N/A
	PPC: The materials used within the scope of the supported interventions comply with the criteria for substances mentioned in Appendix C of the Regulation.	PPC: For this reporting year, it was not possible to assess full compliance with the requirements of Appendix C of the Regulation.
	BIO: N/A	BIO: N/A
7.5 CCM	CCA: The physical climatic risks to the business were identified by conducting a robust Climate Risk and Vulnerability Assessment.	CCA: A Climate Risk and Vulnerability Assessment has not been carried out to date.
	WTR: N/A	WTR: N/A
	EC: N/A	EC: N/A
	PPC: N/A	PPC: N/A
	BIO: N/A	BIO: N/A
7.6 CCM	CCA: The physical climatic risks to the business were identified by conducting a robust Climate Risk and Vulnerability Assessment.	CCA: A Climate Risk and Vulnerability Assessment has not been carried out to date.
	WTR: N/A	WTR: N/A
	EC: N/A	EC: N/A
	PPC: N/A	PPC: N/A
	BIO: N/A	BIO: N/A
7.7 CCM	CCA: The physical climatic risks to the business were identified by conducting a robust Climate Risk and Vulnerability Assessment.	CCA: A Climate Risk and Vulnerability Assessment has not been carried out to date.
	WTR: N/A	WTR: N/A
	EC: N/A	EC: N/A
	PPC: N/A	PPC: N/A
	BIO: N/A	BIO: N/A

Minimum safeguards

Finally, the Group analysed its degree of adherence to the principles referred to in Article 18 of the Regulation, also based on the guidance provided by the Platform on Sustainable Finance³.

With regard to the safeguards in place within the Group, IVS operates and requires its employees, external contractors and business partners to operate in accordance with its Code of Ethics, which defines the ethical and moral principles underpinning the rules of conduct to which the Group's internal and external stakeholders must adhere. The safeguards and controls in place to meet the requirements of Article 18 of the Regulation are, in particular, the following:

- The Code of Ethics, whose principles must be respected by all Group procedures;
- The Organisational, Management and Control Model pursuant to Legislative Decree 231/01, which ensures that the organisation's activities are carried out in full compliance with the Decree and prevents and sanctions any conduct that may fall within one of the offences set out in the Decree;
- The Anti-Corruption Code, which guarantees maximum transparency and fairness in the management of relations with third parties, with particular attention to the Public Administration;
- Procedures for related party transactions, which define and identify related parties and identify the procedures to be adopted whenever transfers of resources, services or obligations occur;
- Privacy-GDPR, to promote a culture of data protection and confidentiality of the information of employees, contractors, customers and suppliers;
- The Whistleblowing Procedure for reporting violations of the Code of Ethics and Model 231/01;
- The Antitrust Code, which illustrates the contents of the law protecting competition and provides practical guidance on how to behave in real-life situations that may lead to potential antitrust violations;
- The Anti-Money Laundering Procedure, to prevent and monitor anomalies in order to report any suspicious money laundering transactions.

In addition, please refer to section GOV-1 for information on diversity in governing bodies. With respect to the gender pay gap issue, it is specified that the Group - even in the absence of formal policies - ensures equal pay for all employees and has recently embarked on a path to obtain voluntary equal opportunity certification.

³ Final Report on Minimum Safeguards, October 2022

With respect to the analysis on the investments incurred, the Group does not consider the current practices in place in the supply chain sufficient to consider the activities identified as eligible as being aligned with the safeguard criteria.

KPI Calculation Methodology - Accounting Policy

The Annexes to the Disclosure Delegated Act (EU) 2021/2178 (hereafter, "Disclosures Delegated Act") require a calculation of the percentage of Turnover, CapEx and OpEx associated with eligible and aligned assets. To meet this regulatory requirement, as indicated in the previous paragraphs, the Group identified its eligible activities and calculated the three KPIs required by the Regulation.

The following paragraphs present in detail the analyses carried out to meet the disclosure requirements of the Disclosure Delegated Act, detailing the methodologies applied and the accounting items considered for the calculation of the three KPIs.

TURNOVER

In line with the Disclosure Delegated Act, the Group considered the following values for the calculation of the Turnover Ratio:

- **Denominator:** net turnover from the provision of services after deduction of sales discounts and value-added taxes directly related to turnover. In order to avoid any possible double counting, intercompany parties have been elided and do not contribute to the determination of the KPI;
- **Numerator:** the portion of net turnover (taken into account for the calculation of the denominator) associated with eligible and aligned activities.

CAPEX

For the calculation of the denominator of the CapEx KPI, the Group considered the additions incurred in the reporting period relative to tangible assets (development and restructuring of corporate assets), intangible assets (patents, software and capitalised research and development costs) and Right of Use (RoU) assets. The approach used for the extraction of the aforementioned figures involved a detailed analysis of management reports showing the investments made during the year by all companies within the scope of consolidation.

In line with the Disclosure Delegated Act, the Group considered the following values for calculating the CapEx rate:

- **Denominator:** In calculating the denominator, the Group considered tangible assets accounted for in accordance with IAS 16, intangible assets (excluding goodwill) accounted for in accordance with IAS 38, and leases accounted for in accordance with IFRS 16;
- **Numerator:** considered for the purpose of determining the numerator were the CapEx related to assets or processes associated with eligible and aligned activities and the purchase of products from taxonomy-eligible economic activities and individual measures that enable the target activities to reduce their emission profile.

OPEX

In line with the Disclosure Delegated Act, the Group considered the following values for calculating the OpEx rate:

- **Denominator:** For the calculation of the denominator, the following were considered:
 - » Non-capitalised R&D costs relating to internal and external projects, from which the cost component relating to managing R&D projects carried out has been eliminated;
 - » Short-term leases, whereby all items in the chart of accounts relating to leases accounted for in the Income Statement were considered, as they relate to contracts with a duration of less than 12 months and thus represent exemptions from accounting under IFRS 16;
 - » Costs related to maintenance and repairs, with costs related to employees involved in maintenance and repair activities and also maintenance commissioned to third-party companies being taken into account for this category, whilst within the accounts for maintenance and repairs, renovations to buildings that can be assimilated to the concept of building renovation measures mentioned in the Disclosure Delegated Act were also considered.

The result of these analyses determined a value to be considered non-material in relation to total operating expenses (2.8 million euros).

Objective	Share of turnover/total turnover		Share of CapEx/Total CapEx	
	Aligned by objective	Eligible by objective	Aligned by objective	Eligible by objective
CCM	0%	0%	0%	50.7%
CCA	0%	0%	0%	0%
WTR	0%	0%	0%	0%
CE	0%	0%	0%	42.2%
PPC	0%	0%	0%	0%
BIO	0%	0%	0%	0%

Model 1 - Nuclear and Fossil Gas Activities

Line	Activities related to nuclear energy	
1.	The company carries out, finances or has exposures to research, development, demonstration and implementation of innovative power generation plants that produce energy from nuclear processes with a minimum amount of fuel-cycle waste.	No
2.	The company carries out, finances or has exposure to the construction and safe operation of new nuclear power plants for the generation of electricity or process heat, including for district heating purposes or for industrial processes such as hydrogen production, along with improvements to their safety with the help of the best available technology.	No
3.	The company carries out, finances or has exposure to the safe operation of existing nuclear power plants that generate electricity or process heat, including for district heating or industrial processes such as the production of hydrogen from nuclear energy, along with improvements to their safety.	No
Fossil gas activities		
4.	The company carries out, finances or has exposure to the construction or operation of power generation plants using gaseous fossil fuels.	No
5.	The company carries out, finances or has exposure to the construction, upgrading and operation of combined heat/cool and power generation plants using gaseous fossil fuels.	No
6.	The company carries out, finances or has exposure to the construction, upgrading and operation of heat generation plants producing heat/cooling using gaseous fossil fuels.	No

ESRS E1 CLIMATE CHANGE

Governance

Disclosure requirement related to ESRS 2 GOV-3 Integration of sustainability-related performance in incentive schemes

To date, climate considerations are not taken into account when determining the remuneration of members of the administrative, management and supervisory bodies. As a result, members' performance is not assessed in relation to specific climate targets. [\[ESRS 2 GOV-2. 13\]](#)

Strategy

E-1 Transition plan

To date, the Group has no climate change mitigation transition plan in place and has no plan to adopt one in the next year. [\[E-1-14,17\]](#)

ESRS 2 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model

For the list of impacts, risks and opportunities related to climate change, including all stages of the value chain and all risks, physical and transitional, found relevant by the Double Materiality Analysis, please refer to section SBM-3. [\[E1-1-18\]](#)

As part of its business strategy, the Group has not yet defined a specific plan for climate change resilience analysis. [\[E1-19\]](#)

Impact, Risk and Opportunity Management

ESRS 2 IRO-1 - Description of the processes to identify and assess material climate-related impacts, risks and opportunities

The analysis of climate change-related IROs was included in the double relevance process, which examined the significant impacts the company has on the environment, as well as the financially-relevant risks and opportunities. For details on the process of identifying and assessing impacts, risks and opportunities, please refer to section ESRS 2 IRO-1. Climate-relevant risks are listed in ESRS E1-1-18. [\[E1-1-20.a,b,c\]](#)

Currently, the Group has not employed climate scenario analyses to assess climate change risks. [\[E1-1-21\]](#)

E1-2 - Policies related to climate change mitigation and adaptation

The Group adopted an Integrated Policy, which came into force in January 2023, valid for the entire Group. Its implementation is monitored by the office responsible for the integrated system, reporting to the Managing Directors. In relation to environmental aspects, the Policy is certified according to UNI EN ISO 14001:2015 for Environmental Management and UNI CEI EN ISO 50001:2018 on Energy Efficiency. At present, a process of integrating the interests of key stakeholders within the Integrated Policy has not been formalised. The Policy is published on the Group's website and is thus accessible to all stakeholders. To date, the Group has no specific policy for managing climate change issues nor defined actions or targets to address climate impacts. [\[E1-2-22,23,24,25\]](#)

The implementation of this Policy is under the direct responsibility of the directors, managers, and employees of the IVS Group, as well as all individuals who, directly or indirectly, on a permanent or temporary basis, establish a relationship with the Group.

The absence of a specific policy for these issues stems from the fact that the IVS Group adopts an integrated policy, which includes environmental aspects but lacks detailed objectives and actions in this regard. [\[ESRS 2-62\]](#)

E1-3 - Actions and resources in relation to climate change policies

The IVS Group is constantly striving to improve the environmental performance of its business operations by implementing a number of initiatives aimed at reducing its impact on climate change, including:

- Use of new gases with reduced impact on Greenhouse Emissions (R290);
- The purchase of vending machines with advanced technical features and special energy-saving functions to optimise energy consumption;
- The replacement and purchase of new generation vehicles with low environmental impact, contributing to the reduction of CO₂ emissions;
- The installation of photovoltaic systems to produce renewable energy, reducing dependence on fossil fuels;
- Rationalising purchasing by organising bulk orders with the aim of reducing the transport of goods and, consequently, logistics-related emissions

Through these initiatives, the IVS Group is committed to steadily consolidating its contribution to the fight against climate change. However, these actions are not specifically included in the Group Policy and do not refer to climate change mitigation and adaptation objectives, as the latter is integrated in nature and does not detail the individual measures adopted. [\[E1-3-26,27,28,29; ESRS 2-62\]](#)

Metrics and Targets

E1-4 - Targets related to climate change mitigation and adaptation

At present, the Group has not set specific targets for the management of climate change issues, as for this first year of reporting on the entire perimeter of GHG emissions (including Scope 3) the focus of the Group was set on the calculation of the baseline. [\[E1-4-30\]](#)

E1-5 - Energy consumption and mix

[\[E1-5-37-a,b,c\]](#)

	2024
(1) Fuel consumption from coal and coal products (MWh)	0.00
(2) Fuel consumption from crude oil and petroleum products (MWh)	71,139.95
(3) Fuel consumption from natural gas (MWh)	4,790.44
(4) Fuel consumption from other fossil sources (MWh)	0.00
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	11,649.43
(6) Total fossil energy consumption (MWh)	87,579.82
Share of fossil sources in total energy consumption (%)	98.55%
(7) Consumption from nuclear sources (MWh)	356.10
Share of consumption from nuclear sources in total energy consumption (%)	0.40%
(8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	216.19
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	0.00
(10) The consumption of self-generated non-fuel renewable energy (MWh)	714.83
(11) Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)	931.02
Share of renewable sources in total energy consumption (%)	1.05%
Total energy consumption (MWh) (calculated as the sum of lines 6, 7 and 11)	88,866.94

For the calculation of energy consumption, the billed consumption of each Group company was reported. Where invoice data could not be retrieved, consumption was estimated on the basis of disbursements made during the reporting year. For the calculation of energy from nuclear sources, the percentages reported by suppliers in their invoices were adopted. Otherwise, if the figure was not available, the national energy mix was adopted.

[\[E1-5 MDR-M 77.a\]](#)



E1-6 - Gross Scopes 1, 2, 3 and Total GHG emissions

[E1-6-44-a,b,c,d; E1-6-48,49,50,51,52; E1-6-AR.40,41,44,45,46,47,48]

	Milestones and target years				Annual % target/ Base year
	2024	2025	2030	2050	
Scope 1 GHG emissions					
Gross Scope 1 GHG emissions (tCO ₂ eq)	19,948.02	-	-	-	-
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	0.00%	-	-	-	-
Scope 2 GHG emissions					
Gross location-based ⁽¹⁾ Scope 2 GHG emissions (tCO ₂ eq)	3,128.96	-	-	-	-
Gross market-based Scope 2 GHG emissions (tCO ₂ eq)	5,702.15	-	-	-	-
Significant scope 3 GHG emissions					
Total Gross indirect (Scope 3) GHG emissions (tCO ₂ eq)	308,885.42	-	-	-	-
1. Purchased goods and services	168,348.47	-	-	-	-
2. Capital goods	11,698.66	-	-	-	-
3. Fuel and energy-related Activities (not included in Scope1 or Scope 2)	5,334.34	-	-	-	-
4. Upstream transportation and distribution	12,705.65	-	-	-	-
5. Waste generated in operations	218.18	-	-	-	-
6. Business traveling	820.35	-	-	-	-
7. Employee commuting	1,808.30	-	-	-	-
8. Upstream leased assets	N/A	-	-	-	-
9. Downstream transportation	7,870.43	-	-	-	-
10. Processing of sold products	N/A	-	-	-	-
11. Use of sold products	99,678.42	-	-	-	-
12. End-of-life treatment of sold products	402.62	-	-	-	-
13. Downstream leased assets	N/A	-	-	-	-
14. Franchises	N/A	-	-	-	-
15. Investments	N/A	-	-	-	-
Total GHG emissions					
Total GHG emissions (location-based) (tCO ₂ eq)	331,962.40	-	-	-	-
Total GHG emissions (market-based) (tCO ₂ eq)	334,535.59	-	-	-	-

⁽¹⁾ Location based scope 2 emissions are calculated based on the contractual instruments in force with the Companies' suppliers that currently do not foresee any PPA nor GO.

Utilised for the calculation of emissions were the emission factors published by DEFRA 2024, which can be found at the link: <https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2024>. Emissions were calculated on the basis of energy consumption multiplied by the respective conversion factors. [E1-6-AR.39.b]

Categories 8, 10, 13, 14 and 15 were excluded from the GHG inventory calculation due to not being representative for any of the Group companies. [E1-6-AR.46.i] See [BP-2-10.a-b-c-d] in which the calculation methodology for every Scope 3 category is reported. [E1-6-AR.46.g]

Energy intensity	2024		
	Energy consumption	Net revenue	Energy intensity
Units of Measurement	MWh	EUR (thousand)	MWh/EUR (thousand)
Total Energy Consumption deriving from activities in high climate impact sectors (MWh)/Net revenue from activities in high climate impact sectors (gas distribution and water service activities - EUR (thousand))	88,866.94	732,777	0.12

The related GHG emissions intensity equals to 0.450 tCO₂e / EUR (thousands) considering location based GHG emissions (0.454 tCO₂e / EUR (thousands) considering market based approach). [E1-6-53,54 AR.53]

The net revenues used to calculate the emission intensity correspond to the total revenues reported in the Management Report, within the Group Performance section. [E1-6-55, E1-6 AR.55]

ESRS E2 POLLUTION

Impact, Risk and Opportunity Management

ESRS 2 IRO-1 - Description of the processes to identify and assess material pollution-related impacts, risks and opportunities

The analysis of pollution-related IROs was integrated into the double relevance process, which assessed the significant impacts the company generates in terms of pollution, along with the financially-relevant risks and opportunities. For more details on the process of identifying and assessing impacts, risks and opportunities, please see **ESRS 2 IRO-1**. [\[E2 ESRS 2 IRO-1\]](#)

The material result impact on pollutant emissions was as follows: "Air pollution due to logistics" in the Group's direct operations.

E2-1 - Policies related to pollution

The Group adopted an Integrated Policy, which came into force in January 2023, valid for the entire Group. Its implementation is monitored by the office responsible for the integrated system, reporting to the Managing Directors. In relation to environmental aspects, the Policy is certified per the UNI EN ISO 14001:2015 standard for environmental management. At present, a process of integrating the interests of key stakeholders within the Integrated Policy has not been formalised. The Policy is published on the Group's website and is thus accessible to all stakeholders. [\[E2-1-12\]](#)

With regard to the emission of pollutants, the Policy does not set out specific actions to mitigate significant impacts related to air pollution. To date, the Group does not have a dedicated policy for managing pollution-related environmental issues nor defined actions or targets to address their impacts. [\[E2-1-14,15.a\]](#)

The absence of a specific policy for these issues stems from the fact that the IVS Group adopts an integrated policy, which includes environmental aspects but lacks specific objectives and actions on the subject of pollutants. [\[ESRS 2-62\]](#)

E2-2 - Actions and resources related to pollution

The absence of specific actions for these issues stems from the fact that the IVS Group adopts an integrated policy, which includes environmental aspects but lacks specific objectives and actions. [\[E2-2-16; ESRS 2-62\]](#)

Metrics and Targets

E2-3 - Targets related to pollution

Currently, the Group has not set specific targets for pollutant management. [\[E2-3-20\]](#)

E2-4 - Pollution of air, water and soil

The emissions of pollutants from the IVS Group's direct operations are shown in the table below and refer to the pollutants generated by the Group's fleet of vehicles utilised for logistics activities. [\[E2-4 AR.21\]](#)

E2-4-28	UoM	2024
CO (Carbon monoxide)	Tonnes	40.59
NO _x (Nitrogen oxides)	Tonnes	7.76
PM (Particulate Mass)	Tonnes	0.42

In relation to the reported data, there are no significant changes during the year 2024. [\[E2-4-30.a\]](#)

The reported amounts of pollutant emissions were estimated on the basis of the average kilometres driven and on the basis of the environmental class of each vehicle in the company fleet, considering the respective pollutant limits. The contribution of each vehicle is thus been estimated based on a conservative approach, since it is based on the hypothesis that each vehicle has emitted an amount equal to the maximum reported for each environmental class. This methodology used has been applied due to the lack of available primary data. No specific standards nor sectorial studies have been used in addition to the described approach. This measurement of the metric is not validated by an external body. [\[E2-4-30.b\]](#)

The Group's monitoring of emissions and pollutants was not conducted according to the EU BREF Standards. To date, the Automated Measuring Systems (AMS) have not been subject to calibration tests. [\[E2-4 AR.27\]](#) Regarding financial effects, no operating and capital expenditures incurred in 2024 in conjunction with major incidents and deposits related to pollution. [\[E2-4-40b\]](#)

ESRS E3 WATER AND MARINE RESOURCES

Impact, Risk and Opportunity Management

ESRS 2 IRO-1 - Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities

The analysis of IROs related to water and marine resources was integrated into the Double Materiality Assessment, which examined the significant impacts generated by the company in relation to water resources, as well as relevant risks and opportunities from a financial perspective.

The material result impact with respect to water resource issues is the "Contribution of suppliers to water scarcity", in the upstream stages of the value chain. For materiality purposes, a list of geographical areas where water is a significant issue in the upstream stages of the value chain was considered: Central and southern Italy and the Italian islands, San Marino, southern Spain, western France, western Poland and central and southern Portugal.

[\[E3 ESRS 2 IRO-1 AR.15.a\]](#) For more details on the process of identifying and assessing impacts, risks and opportunities, please see ESRS 2 IRO-1. [\[E3 ESRS 2 IRO-1-8.a\]](#)

At present, no formal consultations have been undertaken with the communities concerned. [\[E3 ESRS 2 IRO-1-8.b\]](#)

E3-1 - Policies related to water and marine resources

The Group adopted an Integrated Policy, which came into force in January 2023, valid for the entire Group. Its implementation is monitored by the office responsible for the integrated system, reporting to the Managing Directors. At present, a process of integrating the interests of key stakeholders within the Integrated Policy has not been formalised. The Policy is published on the Group's website and is thus accessible to all stakeholders.

With regard to water resources, the Group uses water for both sanitary and industrial purposes, mainly for cleaning and sanitising vending machines. However, to date, there is no specific policy dedicated to managing such issues nor have targeted objectives and actions been defined to address the associated risks and impacts. [\[E3-1-9,10,11\]](#)

E3-2 - Actions and resources related to water and marine resources

The absence of specific actions on these issues stems from the fact that the IVS Group adopts an integrated policy, which includes environmental aspects but lacks specific objectives and actions on water. [\[E3-2-15\]](#)

Metrics and Targets

E3-3 - Targets related to water and marine resource

At present, the Group has not set specific targets for water management. [\[E3-3-20\]](#)

E3-4 - Water consumption

At present, no quantitative data on water consumption is reported, as the material impacts reported in IRO-1 refer to activities along the value chain and not to the Group's direct operations. [\[E3-4-26\]](#)

ESRS E5 RESOURCE USE AND CIRCULAR ECONOMY

Impact, Risk and Opportunity Management

ESRS 2 IRO-1 - Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities

The analysis of IROs related to the circular economy was integrated into the Double Materiality Assessment, which examined the significant impacts generated by the company in relation to these issues, as well as the relevant risks and opportunities from a financial perspective.

- The material result impacts with respect to circular economy issues are: "Contribution to raw material scarcity due to the production activity of suppliers" in the upstream stages of the value chain;
- "Generation of non-recyclable waste from product packaging", in the downstream stages of the value chain.

For more details on the process of identifying and assessing impacts, risks and opportunities, please see **ESRS 2 IRO-1**. [[E5 ESRS 2 IRO-1-11.a](#)]

At present, no formal consultations have been undertaken with the communities concerned.

[[E5 ESRS 2 IRO-1-11.b](#)]

E5-1 - Policies related to resource use and circular economy

The Group adopted an Integrated Policy, which came into force in January 2023, valid for the entire Group. Its implementation is monitored by the office responsible for the integrated system, reporting to the Managing Directors. At present, a process of integrating the interests of key stakeholders within the Integrated Policy has not been formalised. The Policy is published on the Group's website and is thus accessible to all stakeholders.

As far as the circular economy is concerned, the Group is constantly striving to promote sustainable recycling practices. However, to date, there is no specific policy dedicated to managing such issues nor have targeted objectives and actions been defined to address the associated risks and impacts. [[E5-1-12](#)]

E5-2 - Actions and resources related to resource use and circular economy

The Group is unwaveringly committed to promoting a circular economy, focusing its efforts mainly on the sustainable management of the packaging of the products it distributes, including those of Coca-Cola HBC Italia. In particular, the Group has initiated a number of strategic partnerships that positively impact circularity, helping to reduce the use of virgin plastic and improve the lifecycle of materials.

One of the main actions concerns the sourcing of products in 100% recycled plastic, a choice shared with Coca-Cola HBC Italia for its rPET bottles for soft drinks such as Coca-Cola, Fanta, Sprite, Kinley, FuzeTea and Powerade and with San Benedetto S.p.A. for its EcoPET bottles, as well as with FLO S.p.A. for its Hybrid glasses. Through these partnerships, the IVS Group supports the distribution of these products, contributing to a reduction in the use of new plastic. [[E5-2 MDR-A 68.a,b](#)] For this action, no timeframe has been defined within which the initiative is expected to conclude due to the very nature of the collaboration established with the suppliers. [[E5-2 MDR-A 68.c](#)]

In addition, the IVS Group is actively collaborating with Coca-Cola HBC Italy in promoting Tethered Caps, a measure that simplifies collection and recycling whilst reducing plastic leakage into the environment. This initiative, introduced in advance of the European Directive on single-use plastics, has been progressively extended to all products in the Coca-Cola portfolio distributed by the Group, reinforcing the common commitment to sustainability and circularity. [[E5-2 MDR-A 68.a,b](#)] For this action, no timeframe has been defined within which the initiative is expected to conclude due to the very nature of the collaboration established with the supplier. [[E5-2 MDR-A 68.c](#)]

The IVS Group is likewise working to improve its systems for collecting and disposing of waste from distributed products, working with partners to ensure that packaging is properly collected, recycled and reused, thus completing the life-cycle of materials and reducing the overall environmental impact.

With Brita S.p.A., a supplier of water filter cartridges for vending machines, the Group is committed to recycling 100% of the plastic material of the filter composition. [[E5-2 MDR-A 68.a,b](#)] This initiative is continuous in time. [[E5-2 MDR-A 68.c](#)]

The Group purchases 100% recycled material for the production of the bags used for the delivery of OCS machine products.

In Italy, a portion of the waste coffee grounds is collected to then be transformed, in collaboration with Organica S.r.l., to generate electricity. In France, rather, the same by-product is given to a company that transforms it into

combustible material. [\[E5-2 MDR-A 68.a,b\]](#) Although the Group has not set a target, it intends to increasingly extend these initiatives in order to reuse an increasing percentage of coffee waste. [\[E5-2 MDR-A 68.c\]](#)

A further initiative promoted by the Group's Italian companies consists in delivering packaged products, no longer usable in our sales circuit, to the Banco Alimentare (Food Bank) chain for consumption by those in need.

[\[E5-2 MDR-A 68.a,b\]](#) The Group's intention is to increase this initiative from year to year, although there is no time horizon defining the actual timeframe and objectives. [\[E5-2 MDR-A 68.c\]](#)

From the Lavazza Group, the Group purchases products linked to projects that promote fair-trade raw materials and that improve and support farming communities in non-European countries. [\[E5-2 MDR-A 68.a,b\]](#) For this action, no timeframe has been defined within which the initiative is expected to conclude due to the very nature of the collaboration established with the supplier. [\[E5-2 MDR-A 68.c\]](#)

The initiatives described above are not foreseen within a policy dedicated to circularity matters due to the fact that the IVS Group adopts an integrated policy, which includes environmental aspects but lacks specific objectives and actions on circular economy issues. [\[E5-2-17\]](#)

The IVS Group pays utmost attention to the recovery of assets, materials, and components, particularly concerning our vending machines. These can follow three channels:

- **The refurbishment channel:** allows to recover obsolete models of vending machines and their spare parts.
- **The scrapping channel:** allows to recover about 80% of the raw materials they are composed.
- **The resale channel**

Metrics and Targets

E5-3 - Targets related to resource use and circular economy

At present, the Group has not defined specific targets on circular economy issues. [\[E5-3-21\]](#)

E5-4 - Resource inflows

At present, no quantitative information on incoming resources is reported, as the material impacts reported in IRO-1 refer to activities along the value chain and not to the Group's direct operations. [\[E5-4-28\]](#)

E5-5 - Resource outflows

Currently, no quantitative information on outgoing resources is reported, as the material impacts cited in IRO-1 refer to activities along the value chain and not to the Group's direct operations. [\[E5-5-33\]](#)

Waste

	Tonnes	%
Total waste generated [E5-5-37.a]	7,563.15	-
of which total amount and percentage of non-recycled waste [E5-5-37.d]	1,480.03	19.57%
	Hazardous waste	Non-hazardous waste
Diverted from disposal [E5-5-37.b]	744.02	5,339.10
Preparation for reuse (Hazardous waste+ Non-hazardous waste)		617.98
Recycling (Hazardous waste+ Non-hazardous waste)		5,368.90
Other recovery operations (Hazardous waste+ Non-hazardous waste)		96.24
Directed to disposal [E5-5-37.c]	139.78	1,340.26
Incineration (Hazardous waste+ Non-hazardous waste)		623.10
Landfill (Hazardous waste+ Non-hazardous waste)		602.76
Other disposal operations (Hazardous waste+ Non-hazardous waste)		254.18

[\[E5-5-38\]](#)

The waste consists mainly of material related to warehouse and office operations (such as plastic packaging, paper and cardboard or mixed packaging). The waste data include both the quantities collected by third-party suppliers and the portion of waste collected by the relevant municipalities. The latter is estimated based on the parameter of waste generated (collected by third parties) per service provided, calculated as the average of the Group's main locations.

SOCIAL INFORMATION

ESRS S1 OWN WORKFORCE

Strategy

ESRS 2 SBM-2 - Interests and views of stakeholders

The IVS Group adopts a structured approach to ensure the highest standards of health and safety for its own workforce. This commitment is reflected in the constant application of local legislative requirements, promoting ongoing dialogue with its employees to ensure that all company facilities and outsourced processes operate in complete safety.

The IVS Group likewise commits to respecting and protecting human rights, ensuring that the work performed by its employees is always voluntary and never coerced through threats or penalties. Employment relationships are based on maximum clarity and transparency. In this context, the company fosters a work environment that respects the dignity and fundamental rights of each individual, ensuring equal opportunities and fair working conditions for all.

The management of these issues is formalised in the integrated Policy, which outlines the guidelines followed by all companies in the Group. The document is made available through the company's intranet portal and institutional websites, providing all interested parties - including customers and suppliers - with clear indications on the optimal behaviours to adopt, with a particular focus on preventive actions and the goal of continuous improvement. [\[S1 ESRS 2 SBM-2-12\]](#)

ESRS 2 SBM-3 - Material impacts, risks and opportunities and their interaction of with strategy and business model

The IVS Group recognises that the actual and potential impacts, risks and opportunities on its employees, as outlined below, are closely connected to its strategy and business model. [\[S1 ESRS 2 SBM-3-13.a,b\]](#)

Negative impacts:

Impact on the health and safety of workers and collaborators.

The presence of elements of potential risk can lead to occupational accidents, especially related to transport and maintenance activities. [\[S1 ESRS 2 SBM-3-14.b\]](#)

Types of workers involved: salaried employees and self-employed professionals. [\[S1 ESRS 2 SBM-3-14.a\]](#)

Positive impacts:

Employee skill development.

Positive impact related to the contribution to the professional development and training of employees through the Group's training programmes.

[\[S1 ESRS 2 SBM-3-14.c\]](#)

Types of workers involved: Salaried employees.

[\[S1 ESRS 2 SBM-3-14.a\]](#)

Risks:

Risk of business interruptions due to workplace accidents.

Any disruptions to operations as a result of potential accidents involving collaborators and employees may negatively impact both the Group's reputation and its revenues. [\[S1 ESRS 2 SBM-3-14.d\]](#)

Opportunities:

Opportunities for the development of skills and technical know-how within the management team.

Economic opportunity related to the development of human capital, professional profiles, and training of IVS' collaborators, which can lead to an overall improvement in the quality of work and, consequently, the company's overall economic performance. [\[S1 ESRS 2 SBM-3-14.d\]](#)

Currently, there are no material impacts on workforce arising from the implementation of a transition plan.

[\[S1 ESRS 2 SBM-3-14.e\]](#)

The Group does not engage in operations at significant risk of incidents related to forced labour or child labour.

[\[S1 ESRS 2 SBM-3-14.f,g\]](#)

The Group has not yet gained an understanding of how individuals with specific characteristics, those working in certain contexts or otherwise engaged in particular activities may be more vulnerable to harm.

[\[S1 ESRS 2 SBM-3-15\]](#)

Impact, Risk and Opportunity Management

S1-1 - Policies related to own workforce

The IVS Group has implemented workforce policies and procedures, such as corporate internal rules and National Collective Labour Agreement (NCLAs) applicable to all employees, including full-time, part-time, temporary and contract workers, in compliance with Italian labour law (Law 300/1970 - Statuto dei Lavoratori, Legislative Decree 81/2008 on workplace safety and Legislative Decree 231/2001 on corporate liability). These policies and procedures ensure fair treatment, non-discrimination and safe working conditions. [\[S1-1-17\]](#)

The Company Internal Regulations establish the fundamental rules and guidelines that govern the working environment, ensuring compliance with legal requirements, organisational efficiency and a positive workplace culture. These regulations apply to all employees and (where applicable) to external collaborators and consultants operating within the company.

Below are the main elements: Code of Conduct and Ethical Standards (defining the expected professional behaviour, ethical principles and company values that employees must uphold in all work-related activities), Workplace Policies and Procedures (covering attendance, working hours, remote work arrangements and general operational guidelines to ensure consistency and efficiency), Health, Safety, and Workplace Security (establishing rules and preventive measures to ensure a safe and healthy workplace, in compliance with national safety regulations), Use of Company Resources and IT Policies (regulating the appropriate use of company assets, including IT systems, email, internet access and confidential information protection), Disciplinary Measures and Compliance (outlining the procedures and consequences for non-compliance with company policies, ensuring fairness and adherence to labour laws), Training and Professional Development (encouraging continuous learning and career growth through mandatory and voluntary training programs), the Human Resources (HR) Department and the Company Management are responsible for the effective implementation, monitoring and enforcement of these policies. [\[S1-1-19, S1-1 MDR-P.65.a,b,c\]](#)

In line with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, along with the OECD Guidelines for Multinational Enterprises and Italian legislation, the company commits to:

- Respecting human and labour rights, in accordance with Article 36 of the Italian Constitution, ensuring fair remuneration and working conditions;
- Employee engagement, promoting participation through trade unions and worker councils as per Law 300/1970;
- Access to remedy, providing grievance mechanisms in compliance with Legislative Decree 231/2001, which establishes internal reporting channels for ethical violations. [\[S1-1-20.a\]](#)

The company's Code of Ethics and Organisational Model (ex Legislative Decree 231/2001) is aligned with internationally-recognised human rights instruments. Compliance is monitored through internal audits and external certifications, such as SA8000 (Social Accountability) and ISO 45001 (Occupational Health and Safety).

The company has implemented a Workplace Health and Safety Management System (SGSL), in line with Legislative Decree 81/2008 and ISO 45001, to prevent workplace accidents. Key measures include:

- Risk assessments and periodic safety audits in accordance with the Prevention and Protection Service Manager (RSPP) requirements.
- Mandatory training programmes for employees and managers, as required by Article 37 of Legislative Decree 81/2008.
- Incident reporting and corrective action plans, monitored by the Supervisory Board (SB) under Legislative Decree 231/2001. [\[S1-1-23\]](#).

The above-mentioned policies have been introduced in the Group prior to the definition of material impacts under the Double Materiality Assessment, and therefore do not cover all the relevant impacts, risks and opportunities detected.

S1-2 - Processes for engaging with own Workforce and Workers' Representatives about impacts

The IVS Group ensures that the perspectives of its workforce inform decisions and activities affecting employees. Engagement occurs:

- Directly with employees through periodic surveys, internal communication platforms and focus groups. All these activities are centrally managed by the corporate offices, which provide support to all areas and departments;
- Through Workers' Representatives, in compliance with Law 300/1970 (Workers' Statute) and Legislative Decree 81/2008 (Workplace Safety Law), ensuring collective bargaining and consultation with trade unions (RSU/RSA). [\[S1-2-27.a\]](#)

The feedback received will be integrated into the decision-making process through focus groups using a bottom-up approach, ensuring that employee insights actively contribute to shaping company policies and initiatives. Once analysed, key takeaways and resulting decisions will be communicated to the workforce through internal communication channels, such as newsletters, dedicated meetings and/or digital platforms, ensuring transparency on how their input has influenced company decisions. [\[S1-2 AR.24.b\]](#)

These activities are carried out through funded training programmes and by allocating the hourly cost of employees dedicated to this function (Training & Development). [\[S1-2 AR.24.d\]](#)

Engagement occurs at various stages, including:

- Crisis response (ad-hoc meetings, such as during the COVID-19 pandemic);
- Workplace health and safety audits (semi-annual consultations). [\[S1-2-27.b\]](#)

The following functions ensure workforce engagement:

- HR Director, responsible for overall workforce relations;
- Representative of Workers' Safety Representatives (RLS), overseeing Occupational Health and Safety compliance;
- Supervisory Board (SB) under Legislative Decree 231/2001, ensuring legal and ethical compliance. [\[S1-2-27.c\]](#)
- Respect for freedom of association and collective bargaining (Article 39 of the Italian Constitution [\[S1-2-27.d\]](#)

Effectiveness is assessed through:

- Employee Satisfaction Surveys measuring engagement and wellbeing;
- Whistleblower Reports and Grievance Mechanism Outcomes, monitored in compliance with Legislative Decree 24/2023 (Whistleblowing Protection Law). [\[S1-2-27.e\]](#)

S1-3 - Processes to remediate negative impacts and channels for own workers to raise concerns

IVS Group is committed to providing or contributing to remedy mechanisms whereby it has caused or contributed to material negative impacts on its workforce. The company follows the principles of proportionality and effectiveness, as outlined in:

- Leg. Decree 231/2001 (Corporate Administrative Liability Law) - ensuring internal accountability structures;
- Law 300/1970 (Workers' Statute) - guaranteeing employee rights and fair treatment.

The effectiveness of remedy mechanisms is assessed through:

- Employee satisfaction surveys on dispute resolution outcomes;
- Internal audits evaluating policy implementation;
- Independent monitoring by the Supervisory Board (SB) under Legislative Decree 231/2001. [\[S1-3-30\]](#)

The Group utilises a structured **remediation process** to address issues and ensure continuous improvement. This process includes:

- Employee satisfaction surveys on dispute resolution outcomes - gathering direct feedback from employees to assess the effectiveness and fairness of dispute resolution mechanisms;
- Internal audits evaluating policy implementation - conducting regular audits to monitor compliance, identify gaps and implement corrective actions where necessary;
- Independent monitoring by the Supervisory Board (SB) under Legislative Decree 231/2001 - ensuring oversight and adherence to ethical and legal standards through independent supervision and reporting mechanisms. [\[S1-3-32.a\]](#)

The company has multiple formal and confidential channels for employees to raise concerns, including:

- Internal Whistleblowing system, compliant with Legislative Decree 24/2023 (Whistleblower Protection Law), allowing for anonymous reporting;
- Employee grievance procedures, aligned with ISO 45001 (Occupational Health and Safety Management), enabling workplace safety concerns to be reported;
- Direct engagement with HR and trade unions, in accordance with collective bargaining agreements (CCNL - Contratto Collettivo Nazionale di Lavoro). [\[S1-3-32.b\]](#)

The IVS Group has a formalised grievance mechanism that:

- Ensures compliance with legal frameworks, including Legislative Decree 81/2008 (Workplace Safety Law) and Law 300/1970. [\[S1-3-32.c\]](#)

To ensure accessibility and effectiveness, the company:

- Integrates technology-driven reporting platforms, allowing for easy and anonymous submission of concerns;
- Works closely with RSU/RSA (workers' representatives) to promote awareness of grievance channels. [\[S1-3-32.d\]](#)

The company tracks and monitors all workforce-related concerns through:

- Quarterly reports to the Board and Supervisory Board (SB) on labour rights and ethical compliance;
- Feedback loops with employees and trade unions, ensuring a continuous improvement of grievance mechanisms. [\[S1-3-32.e\]](#)

IVS Group ensures employees are aware of and trust these processes through:

- Whistleblower protection policies, aligned with Legislative Decree 24/2023, ensuring no retaliation against workers or representatives who report concerns. [\[S1-3-33\]](#)

S1-4 - Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own work-force, as well as the effectiveness of those actions

In line with Italian labour laws (Law 300/1970 - Statuto dei Lavoratori), Legislative Decree 81/2008 - Workplace Safety and Legislative Decree 231/2001 - Corporate Compliance), the IVS Group has implemented the following actions:

Key actions: [\[S1-4 MDR-A 68.a\]](#)

- **Workplace Health and Safety Programmes:** Regular risk assessments and training, in accordance with Legislative Decree 81/2008, to prevent work-related injuries and illnesses. Scope: This training programme is aimed at all employees of the Group's companies in Italy. [\[S1-4 MDR-A 68.b\]](#)
Time horizon: Group companies in Italy comply with the provisions of the same Legislative Decree 81/2008. [\[S1-4 MDR-A 68.c\]](#)
- **Fair Compensation and Working Hours:** Adherence to CCNL (National Collective Bargaining Agreement) or equivalent to prevent wage exploitation and excessive working hours. [\[S1-4-35,38.a\]](#)
Scope: For all Group company employees. [\[S1-4 MDR-A 68.b\]](#)
Time horizon: No time limit is defined since adherence to the National Collective Bargaining Agreements is continuous [\[S1-4 MDR-A 68.c\]](#)

Below are listed the future actions planned by the Group.

Workplace Health and Safety Programmes

- **Planned Actions:** Strengthening regular risk assessments and expanding safety training initiatives to further mitigate work-related injuries and illnesses; **Scope:** Group-wide implementation, ensuring consistent application across all units; **Timeframe:** By the end of 2025, with periodic reviews to enhance effectiveness.

Fair Compensation and Working Hours

- **Planned Actions:** Enhancing monitoring mechanisms to ensure full compliance with CCNL (Collective Bargaining Agreement) provisions, preventing wage exploitation and regulating working hours effectively; **Scope:** Implementation across all business units, with a specific focus on areas requiring improvement; **Timeframe:** Progressive implementation through 2025, with a verification of full compliance by mid-2026.

These initiatives aim to create a safer, fairer and more sustainable work environment, aligning with the Group's long-term commitment to employee well-being and regulatory compliance.

[\[S1-4 MDR-A 68.a,b,c\]](#)

Where material workforce-related issues arise, the company ensures effective remedy through:

- Internal grievance mechanisms in line with Legislative Decree 24/2023 (Whistleblower Protection Law);
- Corrective action plans following workplace incidents, aligned with Legislative Decree 81/2008;
- Independent mediation with trade unions to resolve disputes fairly and transparently. [\[S1-4-35,38.b\]](#)

Beyond legal compliance, IVS Group invests in:

- Employee Well-Being Programmes, including work-life balance policies;
- Professional Development and Training, with funding for upskilling through inter-professional training funds (Fondi Interprofessionali);
- Flexible Work Arrangements, including smart working policies compliant with Law 81/2017. [\[S1-4-35,38.c\]](#)

The company identifies necessary actions through:

- Annual workforce risk assessments, conducted in compliance with Legislative Decree 81/2008 and ISO 45001;
- Regular engagement with employee representatives (RSU or Unitary Trade Union Representative/RSA or Company Union Representative) to anticipate emerging labour issues. [\[S1-4-39\]](#)

To reduce risks related to workforce management, the company has implemented:

- Data protection policies, ensuring ethical employee data use in compliance with GDPR (EU Regulation 2016/679);
- Supply Chain Audits, ensuring ethical labour practices among suppliers in compliance with Legislative Decree 231/2001. [\[S1-4-40.a\]](#)

Data Protection Policies: The Group ensures ethical use of employee data by adhering to GDPR (EU Regulation 2016/679). This is embedded within the broader Risk Management framework, with regular assessments to mitigate any risks to data protection. The effectiveness of this action is verified during periodically-scheduled training activities involving all Group Company employees [\[S1-4-40.a\]](#)

Supply Chain Audits: Ethical labour practices among suppliers are monitored through regular audits to ensure compliance with Legislative Decree 231/2001. These audits are integrated into the Group's Risk Management system, addressing potential risks in the supply chain. This approach ensures continuous oversight of labour practices and enables the monitoring of the effectiveness of corrective actions over time. [\[S1-4-40.a\]](#) By incorporating these elements into the Risk Management structure, the Group ensures a comprehensive and proactive approach to workforce-related risks and legal compliance. [\[S1-4 AR.47\]](#)

Data Protection Policies

- **Planned Actions:** Further enhancing employee data protection by implementing advanced data encryption, regular privacy audits and strengthening employee training on GDPR compliance; **Scope:** Group-wide application, ensuring consistency across all subsidiaries and departments; **Timeframe:** By the end of 2025, with ongoing monitoring and periodic updates to align with evolving privacy regulations.

Supply Chain Audits

- Planned Actions: Expanding the scope of supply chain audits to include deeper checks on ethical labour practices and establishing a more robust Supplier Code Of Conduct to ensure full compliance with Legislative Decree 231/2001;
Scope: Applicable across the entire supply chain, with a particular focus on high-risk suppliers and regions;
Timeframe: By mid-2025, with a continuous evaluation and improvements to audit processes.

These future actions aim to enhance the Group's ethical standards, ensuring both data protection and supply chain compliance are continuously improved and aligned with legal requirements.

[\[S1-4-40.b\]](#)

To ensure that business operations do not contribute to workforce harm, the company:

- Audits procurement practices to ensure fair labour conditions throughout the supply chain. [\[S1-4-41\]](#)

For information on tracking effectiveness through targets, please refer to Section S1-5 - Targets for Managing Workforce-Related Impacts, Risks and Opportunities. [\[S1-4-38.d;42\]](#)

- Annual investment in workforce training, wellbeing, and compliance programmes;
- External advisory partnerships, including legal and compliance consultants for labour law adherence. [\[S1-4-43\]](#)

Metrics and Targets

S1-5 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Below the key workforce-related targets are reported

Target Area	Description	Target Value	Timeline [S1-4 MDR-T 80.e]	Baseline [S1-4 MDR-T 80.d]	Legal Framework	Scope [S1-4 MDR-T 80.c]
Workplace Safety	Reduce workplace accidents	-20% incidents	2028	2024	Leg. Decree 81/2008,	Italian Companies
					ISO 45001	for 13 Group Companies
Skills Development	Provide professional training to employees	90% workforce participation	2026	2024	Interprofessional Training Funds	Italian Companies
Work-Life Balance	Increase remote work flexibility	100% eligible workforce with smart working options	2025	2024	Law 81/2017 (Smart Working Law)	Italian Companies

We have chosen these criteria based on key strategic assumptions. The company aims to become more managerial, shifting its focus beyond purely technical training to also include soft-skill development. This approach is essential to fostering leadership, communication and adaptability within the workforce.

Additionally, flexibility is a crucial factor in remaining competitive in the labour market, rendering the company more attractive to candidates and contributing to a lower turnover rate. By investing in these areas, we ensure long-term sustainability and a stronger, more resilient organisation. [\[S1-4 MDR-T 80.f\]](#)

Stakeholders have not been engaged in the target-setting process. [\[S1-4 MDR-T 80.h\]](#)

The progress toward the targets has been closely monitored, showing positive trends in key areas. The shift towards a more managerial approach has led to an increase in soft-skill training initiatives, enhancing leadership and employee engagement.

At the same time, the focus on flexibility has contributed to rendering the company more attractive to talent, with initial signs of improved retention rates and reduced turnover. While some areas still require further improvement, the overall trend indicates that the chosen strategy is yielding concrete and measurable benefits. [\[S1-4 MDR-T 80.J\]](#)

The IVS Group follows a structured process when defining workforce-related targets:

The company actively involves employees and workers' representatives in setting targets through:

- Bilateral discussions with trade unions in compliance with the National Collective Bargaining Contract (RSA or Rappresentanza Sindacale Aziendale in Italy, CGT or Confédération Générale du Travail in France and CGT or Confederación General del Trabajo in Spain;
- Employee surveys and focus groups to identify workforce needs and expectations;
- Consultation with the Supervisory Board (SB) under Legislative Decree 231/2001 to ensure compliance and ethical standards in Italy, the Commission Nationale de l'Informatique et des Libertés (CNIL) for data protection supervision in France, Agencia Española de Protección de Datos (AEPD) for data protection and privacy oversight in Spain. Although France and Spain do not have a Supervisory Board with the same characteristics as in Italy, IVS in these countries implement compliance programmes with figures such as the Compliance Officer, ethics committees and internal control systems to prevent wrongdoing.

To measure progress, the company employs:

- Annual workforce reports, publicly disclosed as part of the company's Sustainability Report;
- Third-party audits (such as ISO 45001 certification for safety and SA8000 for social responsibility).

Through structured target-setting, performance tracking and continuous improvement, the IVS Group ensures a transparent, compliant and effective workforce management strategy, aligned with both Italian labour laws and ESG standards. [\[S1-4-47.a,b,c\]](#) [\[S1-5-49.a,b,c\]](#)

S1-6 - Characteristics of the undertaking's employees

Below the metrics related to the company's employees as of December 31, 2024 are reported.

Table 1 - Template for presenting information on employee head count by gender [\[S1-6-50.a; AR.55;69\]](#)

Gender	Number of employees (head count)
Male	3,953
Female	652
Other	0
Not reported	0
Total Employees	4,605

The breakdowns by gender and by country for countries in which the undertaking has 50 or more employees representing at least 10% of its total number of employees refer to Italy and Spain, as France, the third most represented country is below that threshold.

Table 2 Template for presenting employee head count in countries where the undertaking has at least 50 employees representing at least 10% of its total number of employees.

Country	Number of employees (head count)
Italy	3,479
Spain	568

Table 3 - Template for presenting information on employees by contract type, broken down by gender (head count). There are no significant differences in the definition, among the countries the Group operates, of the categories in the table below [S1-6-50.b]

	2024				2024
	FEMALE	MALE	OTHER	NOT DISCLOSED	TOTAL
Number of employees (head count)	652	3,953	0	0	4,605
Number of permanent employees (head count)	614	3,691	0	0	4,305
Number of temporary employees (head count)	38	262	0	0	300
Number of non-guaranteed hours employees (head count)	0	0	0	0	0
Number of full-time employees (head count)	472	3,897	0	0	4,369
Number of part-time employees (head count)	180	56	0	0	236

No assumptions were made with respect to the above data. [S1-6-50.d]

[S1-6-50.c]	2024
Total number of employees who have left the undertaking	626
Employee turnover rate	16.00%

Please note that the figure on table above also include an estimate for those employees not included within the HR portal currently in use. For those employees, the turnover has been estimated based on the actual data available (that cover 26.5% of the headcount) [S1-6-50.d]

Please note that the total number of IVS Group employees is shown in the "Employees" section of the Management Report and in "Note 33 - Personnel costs" of the Notes to the Financial Statements as at 31.12.2024. [S1-6-50.f] The measurement of these metrics was not validated by an external body.

S1-7 - Characteristics of non-employees in the undertaking's own workforce

As provided for in ESRS 1-10.4 the Group omits the datapoints of the DR S1-7 for this first year reporting.

S1-11 - Social protection

As provided for in ESRS 1-10.4 the Group omits the datapoints of the DR S1-11 for this first year reporting.

S1-12 - Percentage of employees with disabilities

As provided for in ESRS 1-10.4 the Group omits the datapoints of the DR S1-12 for this first year reporting.

S1-13 - Training and skills development

As provided for in ESRS 1-10.4 the Group omits the datapoints of the DR S1-13 for this first year reporting.

S1-14 - Health and safety metrics

The management system is structured and implemented in compliance with the requirements of relevant international standards. The regulatory tools in place contribute to ensuring legal compliance and safeguarding the health and safety of the Group's people (employees, end customers, contractors, etc.), as well as preventing accidents.

13 companies within the Group are ISO 45001-certified for Occupational Health and Safety Management (79.32% of the total workforce).

100% of the Group's employees, regardless of their contract type, are covered by Occupational Health and Safety Management Systems.

As provided for in ESRS 1-10.4 the Group omits the datapoints on cases of work-related ill-health and on number of days lost to injuries, accidents, fatalities and work-related ill health as well as information on non-employees for this first year reporting. [\[S1-14-88.a, AR.80, AR.89, AR.91\]](#)

S1-15 - Work-life balance

As provided for in ESRS 1-10.4 the Group omits the datapoints of the DR S1-15 for this first year reporting.

S1-17 - Incidents, complaints and severe human rights impacts

[S1-17-103]	Unit of Measure	2024
(a) The total number of incidents of discrimination, including harassment, reported in the reporting period;	number	0
(b) The number of complaints filed through channels for people in the undertaking's own workforce to raise concerns (including grievance mechanisms) and, where applicable, to the National Contact Points for OECD Multinational Enterprises related to the matters defined in Paragraph 2 of this Standard, excluding those already reported in (a) above;	number	0
(c) The total amount of fines, penalties and compensation for damages as a result of the incidents and complaints disclosed above, along with a reconciliation of such monetary amounts disclosed with the most relevant amount presented in the Financial Statements;	number	-

[\[S1-17-103.a,b,c\]](#)

This measurement of the metric is not validated by an external body other than the assurance provider. As for the methodologies used and significant assumptions behind the metric, the data have been determined by the incident reported to the competent bodies in the Group.

The IVS Group did not experience any cases of severe incidents concerning human rights in 2024. Please refer to the information in section G1 for the description of the processes in place in case severe incidents would occur. [\[S1-17-104.a,b\]](#)



ESRS S2 WORKERS IN THE VALUE CHAIN

Strategy

ESRS 2 SBM-2 Interests and views of stakeholders

The IVS Group integrates respect for the rights and opinions of workers along the entire value chain into its strategy and business model through employee surveys, focus groups and internal communication platforms. At the same time, suppliers are required to adopt environmental standards equivalent to those applied within its own organisations. [\[S2 SBM-2-9\]](#)

ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

The IVS Group acknowledges that the actual and potential impacts on workers along the value chain, as described below, are closely linked to its strategy and business model: [\[S2 SBM-3-10.a\]](#)

Negative impacts:

Violation of human or labour rights in the supply chain.

Potential negative impact on workers involved along the supply chain: the suppliers' work activities may be characterised by exposure to the risk of accidents and incidents of human or labour rights violations. This impact is widespread, potentially leading to recurring human rights issues across various operations. [\[S2 SBM-3-11.c\]](#)

Types of value chain workers affected by this impact: Salaried employees and self-employed professionals and in general workers working for entities in the value chain (upstream and downstream) [\[S2 SBM-3-11.a.ii,iii\]](#)

Impact, Risk and Opportunity Management

S2-1 - Policies related to value chain workers

In compliance with Italian labour laws (Legislative Decree 231/2001 - Corporate Compliance, Legislative Decree 81/2008 - Workplace Safety and Legislative Decree 24/2023 - Whistleblower Protection) The IVS Group has implemented procedures to manage material impacts, risks and opportunities related to value chain workers. The Company Internal Regulations establish the fundamental rules and guidelines that govern the working environment, ensuring compliance with legal requirements, organisational efficiency and a positive workplace culture. These procedures and regulations apply to all employees and (where applicable) to external collaborators and consultants operating within the company. [\[S-2-1-14\]](#)

IVS Group ensures that its procedures apply to:

- All direct suppliers and subcontractors in Italy and internationally.
- Specific high-risk worker groups, including those in manufacturing, logistics, and agriculture, where labour rights risks are higher.

The Human Resources (HR) Department and Company Management are responsible for the effective implementation, monitoring and enforcement of these procedures. [\[S-2-1-16, MDR-P 65.b,c\]](#)

These procedures have not yet been specifically aligned with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, or the OECD Guidelines for Multinational Enterprises. [\[S-2-1-19\]](#)

- Adherence to fair labour conditions, ensuring compliance with the National Collective Bargaining Agreement (CCNL);
- Occupational Health and Safety measures aligned with Legislative Decree 81/2008 (Occupational Safety Consolidation Act);
- Prevention of wage exploitation and precarious work, ensuring minimum wages align with Italian law (Legislative Decree 66/2003 on working hours and minimum wage regulations).
- Strengthening due diligence on subcontracting chains, ensuring full traceability of labour sources. [\[S-2-1-17, MDR-P 65.a\]](#)
- Collaboration with trade unions and worker representatives to assess working conditions and address grievances;
- Grievance mechanisms for value chain workers, allowing them to report issues through: Anonymous whistleblowing channels, as required by Legislative Decree 24/2023. [\[S-2-1-17.b\]](#)
- Immediate corrective action plans for violations, with contract termination clauses for non-compliant suppliers. [\[S-2-1-17.c\]](#)

The procedures mentioned do not specifically address human trafficking, forced labour or child labour.

- Strict verification of worker documentation, ensuring all employees have legal working status (Legislative Decree 286/1998 - Immigration Law). [\[S-2-1-18\]](#)

To date, the IVS Group does not have a Supplier Code of Conduct.

The annual sustainability report includes disclosures on any violations and the corrective actions taken.

Through structured procedures, engagement mechanisms and compliance tracking, the IVS Group ensures the protection of value chain workers' rights, aligned with Italian law and international labour standards.

Currently there are no dedicated policies related to workers in the value chain besides the above-mentioned procedures in place.

S2-2 - Processes for engaging with value chain workers about impacts

Currently, the Group has not yet implemented a process to engage with value chain workers. [\[S-2-2-22-24\]](#)

S2-3 - Processes to remediate negative impacts and channels for value chain workers to raise concerns

Currently, the Group has not established a channel for raising concerns, nor does it support the availability of such a channel in the workplaces of value chain workers.

S2-4 - Taking action on material impacts on value chain workers as well as approaches to managing material risks and pursuing material opportunities related to value chain workers plus the effectiveness of those actions

As of now, the Group has not yet taken any action regarding the material impacts on value chain workers.

[\[S2 ESRS 2-62\]](#)

Metrics and Targets

S2-5 - Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities

As of now, the Group has not yet set any targets for managing material negative impacts and risks to value chain workers. [S2 ESRS 2-81]

ESRS S4 CONSUMERS AND END-USERS

Strategy

ESRS 2 SBM-2 - Interests and views of stakeholders

The IVS Group integrates respect for the rights and opinions of its consumers and end-users into its strategy and business model, guaranteeing a 7-day-a-week customer service to respond to any customer and/or supplier needs. In addition, the Group offers direct support through a dedicated chat service on its websites, ensuring constant and attentive dialogue with all stakeholders, in particular consumers and end-users, in order to respect their human rights and guide their strategic choices. [S-4 SBM-2-8]

ESRS 2 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model

The IVS Group acknowledges that the actual and potential impacts on consumers and end-users, as described below, are closely linked to its strategy and business model:

Negative impacts:

Damage to consumer health

The company's activities can lead to possible damage to consumers' health if dietarily unhealthy or poorly-preserved food is distributed. In particular, such impact can also be caused by the use of non-compliant water for the dispensing of hot and cold beverages. The impact is considered widespread because, although it affects a large number of consumers, it stems from isolated situations, such as poorly-preserved food or the use of non-compliant water, without reflecting a systemic problem within the company. [S4 ESRS2 SBM-3-10.b]

Types of consumers impacted: Consumers or end-users of products harmful to health. [S4 ESRS2 SBM-3-10.a]

Risks:

Reputational risks and legal sanctions in the event of consumer harm

In the event of damage to public health related to distributed food and beverages, the company may incur legal sanctions. Moreover, this would entail a reputational risk.

The Group has not yet gained an understanding of how consumers and/or end-users with specific characteristics, or those who use certain products or services, may be more exposed to risks. [S4 ESRS2 SBM-3-11]

Impact, Risk and Opportunity Management

S4-1 - Policies related to consumers and end-users

The IVS Group has long implemented and maintained procedures to manage potential emergency situations and incidents that may impact on food safety and which are relevant to the organisation's role in the food supply chain.

The company periodically evaluates and maintains the Food Safety System to ensure that it incorporates the latest information on Food Safety hazards kept under control.

Furthermore, through the supply chain and within the organisation itself, the company communicates information concerning the development, implementation and updating of the Food Safety Management System relating to the safety aspects of the products used.

All activities implemented by the IVS Group's Vending Companies have been set up in compliance with internationally-recognised regulations (RE852/2004) and in accordance with the SDG principles, in particular for fighting poverty and achieving better food security for all.

This guarantees and controls through computerised systems that end consumers are guaranteed conformity of purchased products.

To date, these practices are not formalised within a dedicated policy.

S4-2 - Processes for engaging with consumers and end-users about impacts

The IVS Group has adopted procedures and built processes to ensure that traceability of non-compliant products to end consumers is always guaranteed in accordance with internationally-recognised regulatory provisions (RE178/2001). As a direct communication tool, the Group has set up a certified email address to allow everyone to send in reports on possible non-compliant products.

To date, business decisions are positively influenced by the needs and opinions of end consumers, even though there is no engagement with end consumers. [\[S4-2-20\]](#)

S4-3 - Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

The IVS Group avails of customer service/support to guarantee immediate assistance to millions of consumers.

The service guarantees answers, solutions and possible opportunities when facing a problem in order to protect and respect consumers.

S4-4 - Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions

To date, with respect to the negative impacts and risks indicated in Paragraph SBM-3 of 4, the Group operates as indicated below to protect all end-users:

- **Damage to consumer health - Risk of change in consumer eating habits - Reputational risks and legal sanctions in the event of damage to consumer health**

The food sold is in no way detrimental to the health of the end consumer (verification of expiry dates, verification of integrity, verification of potential contamination of external origin). This is achieved thanks to the computerised system used and the systematic control of the equipment by the restockers. These actions are systematically carried out throughout the supply and control chain. The action is continuous over time.

Metrics and Targets

S4-5 - Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities

To date, the Group has not yet defined specific targets with regard to material impacts, risks and opportunities on end consumers.

GOVERNANCE INFORMATION

ESRS G1 BUSINESS CONDUCT

Governance

ESRS 2 GOV-1 - The role of the administrative, supervisory and management bodies [G1 GOV-1-5.a,b]

IVS GROUP SPA is a holding company under Luxembourg law, resident in Italy for tax purposes.

The Company adopts a governance model based on the active role of the Board of Directors, composed of 7 members, 4 of whom are executive and 3 non-executive and independent.

The Company then has an Internal Control Committee, composed of two (2) independent persons - external to the Board of Directors - and a non-executive director.

The Company's Statutory and Consolidated Financial Statements are audited by the Independent Auditors, in accordance with Luxembourg law.

There are no plans to appoint a body equivalent to the Board of Statutory Auditors.

The Company does not have a Board of Statutory Auditors but has set up an Audit Committee to which the Company has decided to assign the tasks listed in the Italian Stock Exchange Code, along with the additional task of monitoring the independence of the Statutory Auditor and contributing to the Statutory Auditor selection process, as required by the Luxembourg law of 23rd July 2016 on Statutory Auditors transposing EU Directive 56/2014 and EU Regulation 537/2014. The Audit Committee consists of two (2) independent members - external to the Board of Directors - and one non-executive director.

The Internal Control and Audit Committee has a consultative function and presents proposals to the Board of Directors, and in particular:

- Defines the guidelines of the internal control system so that the main risks concerning the company and its subsidiaries are correctly identified, as well as assessed, managed and monitored, along with establishing the criteria for determining where such risks are compatible with the proper management of the company;
- Identifies an Executive Director (usually one of the Directors with delegated powers) to supervise the operation of the internal control system;
- Assesses on an annual basis the adequacy, effectiveness and functioning of the internal control system.

In addition, the Internal Control and Audit Committee:

- Monitors the processing of financial information;
- Assesses, jointly with the administrative and accounting function in charge of drawing up the accounting documents, together with the Auditors, the correct application of the accounting principles and their uniformity for the purpose of preparing the Consolidated Financial Statements and other accounting documents, whilst more generally supervising the process of legal auditing of the Company's annual documents and Consolidated Financial Statements;
- Formulates proposals for the Board of Directors;
- At the request of the executive director designated for this purpose, expresses opinions on specific aspects of the process for identifying specific business risks as well as on risks relating to the design, implementation and management of the internal control system;

- Assesses the proposals made by the auditors for the audit work, the work plan drafted for the audit and the results presented in the report and management letter, in addition to making proposals to the Board of Directors;
- Is responsible for the entire auditor selection process, for verifying and monitoring the independence of the auditors, also in relation to the provision of ancillary services to the Company. The proposal for the appointment of the statutory auditor must be based on the directions provided by the Audit Committee;
- Monitors the effectiveness of the audit process, the management of risks pursuant to Legislative Decree 231/2001 on the administrative liability of entities and financial reporting to the market;
- Reports to the Board of Directors on the activities carried out, on the adequacy, effectiveness and actual functioning of the internal control system when approving the annual and half-yearly Financial Reports, and on the results of the Statutory Audit;
- Where necessary, provides a preliminary opinion to the Board of Directors on the approval of certain transactions between the Company and related parties.

The Audit Committee has powers and functions equivalent to those established by the Luxembourg Law of 23rd July 2016 for the Audit Committee.

Furthermore, the Audit Committee reports to the Board of Directors twice a year, on the occasion of the approval of the annual and half-yearly Financial Report, on its activities and on the adequacy of the Internal Control and Risk Management System. In the performance of its duties, the Committee has the power to access all information and corporate functions necessary for executing its duties.

The Company's organisation complies with the regulations and provisions of Luxembourg law applicable to companies, whilst its corporate governance practices comply with the aforementioned legislation, the Articles of Association and, on a voluntary basis where possible, with Borsa Italiana's Corporate Governance Code for Listed Companies.

The Group has defined the document "Procedures for Transactions with Related Parties", aimed at defining and identifying related parties and identifying the procedures to be adopted whenever there are transfers of resources, services or bonds, with or without the stipulation of a fee, from IVS Group or its subsidiaries to parties belonging to this category.

Impact, Risk and Opportunity Management

ESRS 2 IRO-1 - Description of the processes to identify and assess material impacts, risks and opportunities [G1 IRO-1-6]

The analysis of IROs related to business conduct was included in the double relevance process, which examined significant impacts as well as financially-relevant risks and opportunities. For details on the process of identifying and assessing impacts, risks and opportunities, please refer to section **ESRS 2 IRO-1**.

G1-1 - Business conduct policies and corporate culture

The IVS Group has a whistleblowing procedure in place to monitor and address any breaches of IVS's integrity or violations of national or European Union regulations related to business conduct. As mentioned previously, the Group adopted an Integrated Policy, which came into force in January 2023, valid for the entire Group. Its implementation is monitored by the office responsible for the integrated system, reporting to the Managing Directors. The document is made available through the company's intranet portal and institutional websites, ensuring accessibility to all interested parties, with a particular focus on preventive actions and the goal of continuous improvement. The implementation of this Policy is under the direct responsibility of the directors, managers, and employees of the IVS Group, as well as all individuals who, directly or indirectly, on a permanent or temporary basis, establish a relationship with the Group.

In line with these efforts, and as part of its broader commitment to ethical conduct, the Group adheres to the UNI ISO 37001:2016 standard for Anti-Corruption. This includes conducting business with integrity, transparency, and fairness across all countries where the Group operates. The Group implements necessary procedures to ensure compliance with the Anti-Corruption Policy, the Code of Ethics, and applicable Anti-Corruption Laws, while continuously reviewing and monitoring its Anti-Corruption System. Corruption in any form is strictly prohibited, both involving public officials and private individuals, across all jurisdictions. Additionally, all transactions are carefully and accurately recorded, in compliance with accounting principles, to ensure transparency and the traceability of all receipts, payments, and transactions. [\[MDR-P 65.a,b,c\]](#)

The above-mentioned policies have been introduced in the Group prior to the definition of material impacts under the Double Materiality Assessment, and therefore do not cover all the relevant impacts, risks and opportunities detected.

The IVS Group, complying with the Legislative Decree 24/2023, transposing into Italian law Directive (EU) 2019/1937 of 23rd October 2019, on the protection of persons who report breaches of Union law, implemented a reporting system accessible to both internal employees and external stakeholders, such as suppliers and customers.

The selected system, named Ethicpoint, is provided by a qualified third party. This certified system is independent of the corporate network and built in compliance with the current legislation (Decree no. 24 of 10th March 2023 transposing European Directive 2019/1937, Legislative Decree 231 of 2001, Law 179 of 2017, European Personal Data Regulation 679/2016 - GDPR) as well as with the company's Code of Ethics and is certified according to the ISO 37002 standard.

A web page on the EthicPoint.eu website (technology infrastructure) dedicated to the service and customised for the IVS Group has been activated. The page includes a form that allows, among other things, separate reporting for each Group company. In addition, an email address (@ethicpoint.eu) has been set up for operating the service, along with a telephone number for verbal reports, both for Italy and abroad. Reports can be made either on a named or anonymous basis. In addition, a physical mailbox (PO Box) was activated and managed independently (with specific forwarding and control procedures). There is even the possibility of meeting with the recipient.

[\[G1-1-10.a; G1-3-18.a,b\]](#)

The body in charge of receiving and analysing reports is the Ethics Committee, composed of two external professionals, acting in accordance with the principles of confidentiality, timeliness of investigation and action, objectivity and impartiality, carrying out any activity deemed appropriate.

If the report is relevant for the purposes of Legislative Decree no. 231/2001, constituting a breach of the Organisational Model or the Code of Ethics or one of the offences set out in the Decree, the Supervisory Board of the company concerned shall be informed.

The IVS Group ensures the confidentiality of the identity of the Whistleblower and the confidentiality of the information contained in the report throughout the case management process and by all parties involved, to the extent that applicable local legislation protects anonymity and confidentiality.

Failure to comply with confidentiality obligations, on the part of any persons involved in the handling of reports, may result in disciplinary liability for the perpetrator, without prejudice to any further liability established by law. The entire reporting process is regulated through a special procedure that defines each aspect.

The IVS Group undertakes to protect the Whistleblower against any retaliatory act as a consequence of the report. The Group considers the processes in place as efficient measures to contrast corruption and bribery, even though they were not defined based on the United Nations Convention against Corruption. For the time being, there are no plans to further integrate the processes with the above mentioned Convention. [\[G1-1-10.b\]](#)

In compliance with the principles of confidentiality and protection of the Whistleblower, the Ethics Committee reports to the Board of Directors on any reports received. [\[G1-1-10.c.i,ii\]](#)

To date, with the issuance of the Code of Ethics and the Group Vision, the Group communicates to all employees and contractors the principles of conduct and corporate culture. [\[G1-1-7,9\]](#)

To strengthen the culture of compliance, an in-person training course was organised for all managers and all sales and area managers. The Group plans to expand training activities, extending training on the Anti-Bribery Model to the entire corporate population. [\[G1-1-10.g\]](#)

To date, the Group investigates incidents of business conduct through the Whistleblowing channel. [\[G1-1-10.e\]](#)
The IVS Group has identified the Area, Branch and Commercial functions as those most involved and exposed to corruption risk. [\[G1-1-10.h\]](#)

G1-3 - Prevention and detection of corruption and bribery

In carrying out its activities, the IVS Group is actively committed to combating corruption and mitigating the risks arising from unlawful conduct, at all levels of work and in all geographical contexts.

In order to strengthen measures to prevent and combat corruption, the IVS Group Board of Directors approved the Anti-Corruption Model, which has been adopted by all Group companies. Furthermore, IVS Group decided to further strengthen its anti-corruption system by complying with the international standard ISO 37001:2016 on Anti-Corruption Management Systems, issued by the International Organisation for Standardisation on 15th October 2016.

The Anti-Corruption Model is inspired not only by compliance with Legislative Decree 231/01 but also with the regulations in force in the countries in which the Group operates, including the ratification provisions of international conventions, such as: the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (1997); the United Nations Convention against Corruption (2003); the Council of Europe Convention on Corruption (1999). [\[G1-1-10.c.ii; G1-3-18.a\]](#)

The Model additionally responds to the tenth principle of the Global Compact, to which IVS adheres, according to which, "Businesses should work against corruption in all its forms, including extortion and bribery."

The Model applies to all members of Boards of Directors and Boards of Statutory Auditors (or administrative and control bodies), employees, contractors of any kind for the IVS Group and Group companies, as well as all those who have contractual relations, whether onerous or gratuitous, with the IVS Group or Group companies.

The Anti-Bribery Model defines general principles and specific guidelines for managing relationships at risk of corruption, identifying standards of conduct and action.

Such has been communicated to the entire corporate population and is accessible through the website of all Group companies. [\[G1-3-20\]](#)

Coinciding with the approval of the Anti-Bribery Policy and Anti-Bribery Model, the Board of Directors appointed an Anti-Bribery Compliance Function, known as the Anti-Bribery Officer, to the Ethics Committee. This person is responsible for implementing and monitoring the Anti-Bribery Model within the Group, ensuring compliance with the requirements of the UNI ISO 37001:2016 standard.

Monitoring the application of the Model is entrusted to the Anti-Bribery Officer who, through audits conducted by the Integrated System and Internal Audit Office, verifies adherence to the established provisions. Managers of the Group companies and branches are in charge of supervising the local implementation of the Anti-Bribery System, reporting any critical issues and suggestions for improvement to the Anti-Bribery Officer.

In addition, to strengthen the culture of compliance, an in-person training course was organised for all managers and all sales and area managers. The Group plans to expand training activities, extending training on the Anti-Bribery Model to the entire corporate population. [\[G1-3-21.a,b,c\]](#)
[\[G1-3 AR.8\]](#)

	At-risk functions ⁽¹⁾	Managers ⁽²⁾	AMSB ⁽³⁾	Other own workers
Training coverage				
Total	1,227	15	10	-
Total receiving training	97	6	1	-
Topics covered				
Definition of corruption	X	X	X	-
Policy	X	X	X	-
Procedures on suspicion/detection	X	X	X	-
Integrated Compliance Etc.	X	X	X	-

⁽¹⁾ At-risk functions include, on a conservative basis, all employees of the Group, excluding blue collars.
⁽²⁾ Managers include exclusively employees that are classified as "executive" according to Italian Labor Law ("Dirigenti")
⁽³⁾ AMSB includes the members of the Board of Directors and of the Supervisory Board

No further actions are currently planned in relation to the above reported IROs.

Metrics and Targets

G1-4 - Incidents of corruption or bribery

Throughout 2024, there were no cases of corruption. [\[G1-4-24.a,b\]](#)



INFORMATION PURSUANT TO ARTICLE 11 (1) OF THE TAKEOVER BIDS LAW

List of information	References and comments in present Annual Report
(a) the structure of their capital, including securities which are not admitted to trading on a regulated market in a Member State, where appropriate with an indication of the different classes of shares and, for each class of shares, the rights and obligations attaching to it and the percentage of total share capital that it represents.	The share capital of the Company comprises only ordinary shares, each of them carrying equal rights. Page 48 of the Management Report (the "MR") - paragraph "Shares Issued". Page 220 of the Annual Report (the "AR") - Note 9 "Capital and Reserves".
(b) any restrictions on the transfer of securities, such as limitations on the holding of securities or the need to obtain the approval of the Company or other holders of securities, without prejudice to Article 46 of Directive 2001/34/EC.	Not applicable to the Company, there are no restrictions on the transfer of securities. Page 48 of the MR - paragraph "Shares Issued" it is clarified that all the shares are freely transferable.
(c) significant direct and indirect shareholdings (including indirect shareholdings through pyramid structures and cross-shareholdings) within the meaning of Directive 2004/109/EC.	Page 48 of the MR - paragraph "Shares Issued", it is declared that the majority shareholder is IVS Partecipazioni S.p.A. holding, 56,945,752 shares of the Company. Not applicable to the Company, there are no holders of any securities with special control rights.
(d) the holders of any securities with special control rights and a description of those rights.	Page 48 of the MR - paragraph "Shares Issued", it is stated: <i>"All Shares carry equal rights as provided for by Luxembourg law and as set forth in the Articles including rights to receive dividends (if declared) or liquidation proceeds"</i> .
(e) the system of control of any employee share scheme where the control rights are not exercised directly by the employees.	Not applicable to the Company, there is no system of control of any employee share scheme where the control rights are not exercised directly by the employees. Each share entitles the owner thereof to cast one vote, subject to any limitations imposed by the Luxembourg laws and regulations and by the Articles. In particular, a freezing in the exercise of the voting rights attached to the Company's shares is provided by the Luxembourg law of January 11 st 2008 ("Transparency Law") as well as by the Articles in case of failure to comply with the notification requirements triggered by the exceeding, the reaching or the falling below certain thresholds as a consequence of acquisitions, disposals or even increase or decrease of the total amount of voting shares or share capital. Moreover, the voting rights pertaining to the own shares held in treasury are suspended. No other restrictions on voting rights are applicable to the Company's shares. Page 48 of the MR - paragraph "Shares Issued" it is stated: <i>"Article 7.8 of the Articles authorizes the Company to issue non-voting shares under certain conditions stated therein"</i> .
(f) any restrictions on voting rights, such as limitations of the voting rights of holders of a given percentage or number of votes, deadlines for exercising voting rights, or systems whereby, with the Company's cooperation, the financial rights attaching to securities are separated from the holding of securities.	Not applicable to the Company, the Company is not cognizant of any agreements between shareholders which may result in restrictions on the transfer of securities or voting rights within the meaning of Directive 2004/109/EC.
(g) any agreements between shareholders which are known to the Company and may result in restrictions on the transfer of securities or voting rights within the meaning of Directive 2004/109/EC.	Not applicable to the Company, the Company is not cognizant of any agreements between shareholders which may result in restrictions on the transfer of securities or voting rights within the meaning of Directive 2004/109/EC.
(h) the rules governing the appointment and replacement of board members and the amendment of the articles of association.	Page 49 of the MR - paragraph "Corporate Governance"
(i) the powers of board members, and in particular the power to issue or buy back shares.	Page 49 of the MR - paragraph "Corporate Governance"
(j) any significant agreements to which the Company is a party and which take effect, alter or terminate upon a change of control of the Company following a takeover bid, and the effects thereof, except where their nature is such that their disclosure would be seriously prejudicial to the Company; this exception shall not apply where the Company is specifically obliged to disclose such information on the basis of other legal requirements.	Note 25 of the AR - paragraph "Financial liabilities."
(k) any agreements between the Company and its board members or employees providing for compensation if they resign or are made redundant without valid reason or if their employment ceases because of a takeover bid.	Not applicable to the Company, there are no agreements between the Company and its board members or employees providing for compensation if they resign or are made redundant without valid reason or if their employment ceases because of a takeover bid.

SUBSEQUENT EVENTS AND OUTLOOK FOR THE REMAINDER OF THE YEAR

With effect from January 2nd, 2025, the Group acquired the reselling business unit of DAIMA S.A.S. di Calestani Vittorio & C. for a final consideration transferred of EUR 100 thousand.

On January 31st, 2025 the Group, signed the preliminary agreement for the sale of the entire stakes of Moneynet S.p.A.

On February 5th, 2025 the Group acquired the non controlling interests of Express S.r.l., for a consideration equal to EUR 4,297 thousand.

On February 21st, 2025, through the Italian subsidiary Vendomat Partecipazioni S.r.l., the Group acquired the 34% of the share capital of Trivending S.p.A. (reaching a stake of 66% of share capital), for a provisional consideration of EUR 1,200 thousand.

On February 28th, 2025, through its Italian subsidiary IVS Italia S.p.A., the Group acquired the 100% of Italian Vending S.r.l., a vending company active in Calabria and Lazio regions, for a provisional consideration of EUR 4,968 thousand.

On March 5th, 2025 the final price adjustments for the acquisition of 65% of BH Partners has been defined in EUR 11,243 thousand with the payment of the residual amount of EUR 985 thousand.

On March 13th, 2025, through its Italian subsidiary IVS Italia S.p.A., the Group acquired the 12.34% of Espresso Coffee & Water S.A., for a consideration of EUR 3,783 thousand.

The first months of 2025 are confirming a delay in like for like volumes compared to the same period of 2024, confirming an increasingly complicated trend oriented towards price increases. We are constantly looking for targets to acquire in the vending market to increase our customer base and vending services in those areas and branches, which would allow an increase in volumes against a relatively lower increase in the respective costs.

CONCLUSIONS

Dear Shareholders,

We trust to have provided you with a sufficiently detailed analysis of the Company and Group position as of December 31st, 2024, and of its operating performance for the year then ended.

We thank you for your confidence in us and invite you to approve the financial statements as presented.

Luxembourg, March 27th, 2025

On behalf of the Board of Directors,

Mr. Paolo Covre
Chairman



The background is a solid light blue color with a subtle pattern of concentric, overlapping ripples that create a sense of depth and movement, similar to water or a soft-focus lens effect.

MANAGEMENT CERTIFICATION





**Shape the future
with confidence**

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Autorisations d'établissement :
00117514/13, 00117514/14, 00117514/15, 00117514/17, 00117514/18, 00117514/19

Limited Assurance Report on Sustainability information

To the Board of Directors,
IVS Group S.A.
2A, Rue Jean Baptiste Esch
L-1473 Luxembourg
Grand Duchy of Luxembourg

Limited Assurance Conclusion

We conducted a limited assurance engagement on the Sustainability Reporting of IVS Group S.A. (the "Company") included in section "Sustainability Reporting" of the Management Report (the "Sustainability Reporting") as of 31st December 2024 and for the year then ended.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the accompanying Sustainability Reporting is not prepared, in all material respects in accordance with:

- article 19(a) and 29(a) of EU Directive 2013/34/EU ("Directive");
- compliance with the European Sustainability Reporting Standards ("ESRS"), including that the process carried out by the Company to identify the information reported in the Sustainability Reporting (the "Process") is in accordance with the description set out in note ESRS 2 IRO-1;
- compliance of the disclosures in "Reporting according to the EU Taxonomy" within the environmental section of the Sustainability Reporting with Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation");
- altogether the "Criteria".

Basis for Limited Assurance Conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (revised) ("ISAE 3000"), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board ("IAASB") as adopted for Luxembourg by the Institut des Réviseurs d'Entreprises ("IRE").

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Our responsibilities under this standard are further described in the Responsibilities of réviseur d'entreprises agréés section of our report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants ("IESBA Code") as adopted for Luxembourg by the Commission de



Surveillance du Secteur Financier ("CSSF"), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Management ("ISQM") 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, issued by the IAASB as adopted for Luxembourg by the CSSF. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Responsibilities of Board of Directors and those Charged with Governance for the Sustainability Reporting

The Board of Directors of the Company is responsible for designing and implementing and maintaining a process to identify the information reported in the Sustainability Reporting in accordance with ESRS and for disclosing this process in note ESRS 2 IRO-1 of the Sustainability Reporting.

This responsibility includes:

- understanding the context in which the Company's activities and business relationships take place and developing an understanding of its affected stakeholders;
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the Company's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates about individual sustainability disclosures that are reasonable in the circumstances.

The Board of Directors of the Company is further responsible for:

- The preparation of the Sustainability Reporting in accordance with the Criteria.
- Designing, implementing and maintaining such internal control that Board of Directors determines is necessary to enable the preparation of the Sustainability Reporting, in accordance with the Criteria, that is free from material misstatement, whether due to fraud or error.

Those charged with governance are responsible for overseeing the Company's sustainability reporting process.



Inherent limitations in preparing the Sustainability Reporting

In reporting forward looking information in accordance with ESRS, the Board of Directors of the Company is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Company. Actual outcome is likely to be different since anticipated events frequently do not occur as expected.

In determining the disclosures in the Sustainability Reporting, the Board of Directors of the Company interprets undefined legal and other terms. Undefined legal and other terms may be interpreted differently, including the legal conformity of their interpretation and, accordingly, are subject to uncertainties.

Responsibilities of the réviseur d'entreprises agréé

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the Sustainability Reporting is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Sustainability Reporting as a whole.

As part of a limited assurance engagement in accordance with ISAE 3000, we exercise professional judgement and maintain professional scepticism throughout the engagement.

Our responsibilities in respect of the Sustainability Reporting, in relation to the Process, include:

- Performing procedures, including obtaining an understanding of internal control relevant to the engagement, to identify risks that the process to identify the information reported in the Sustainability Reporting does not address the applicable requirements of ESRS, but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process;
- Designing and performing procedures to evaluate whether the Process to identify the information reported in the Sustainability Reporting is consistent with the Company's description of its Process as disclosed in note ESRS 2 IRO-1.

Our other responsibilities in respect of the Sustainability Reporting include:

- Performing risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify where material misstatements are likely to arise, whether due to fraud or error, but not for the purpose of providing a conclusion on the effectiveness of the Company's internal control;
- Designing and performing procedures responsive to where material misstatements are likely to arise in the Sustainability Reporting. 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.



Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the Sustainability Reporting. The procedures performed in a limited assurance engagement vary in nature and form, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. The nature, timing and extent of procedures selected depend on professional judgement, identification of disclosures where material misstatements are likely to arise in the Sustainability Reporting, whether due to fraud or error.

In conducting our limited assurance engagement, with respect of the Process, we:

- obtained an understanding of the Process by performing inquiries to understand the sources of the information used by management (e.g., stakeholder engagement, business plans and strategy documents) and reviewing the Company's internal documentation of its Process; and
- evaluated whether the evidence obtained from our procedures about the Process implemented by the Company was consistent with the description of the Process set out in note ESRS 2 IRO-1.

In conducting our limited assurance engagement, with respect to the Sustainability Reporting, we:

- obtained an understanding of the Company's reporting processes relevant to the preparation of its Sustainability Reporting by conducting interviews with key personnel;
- evaluated whether all material information identified by the Process is included in the Sustainability Reporting;
- evaluated whether the structure and the presentation of the Sustainability Reporting is in accordance with the Criteria;
- evaluated the methods, assumptions and data for developing estimates and forward-looking information;
- obtained an understanding of the process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Sustainability Reporting;
- performed inquiries of relevant personnel and analytical procedures on selected disclosures in the Sustainability Reporting;
- performed substantive assurance procedures based on a sample basis on selected disclosures in the Sustainability Reporting;
- compared selected disclosures in the Sustainability Reporting with the corresponding disclosures in the financial statements and management report;
- evaluated whether the evidence obtained from our procedures about the Process implemented by the Company was consistent with the description of the Process set out in note ESRS 2 IRO-1;



Other information

The Board of Directors of the Company is responsible for the other information. The other information comprises the management report, the consolidated financial statements, the annual accounts but does not include the Sustainability Reporting and our assurance report thereon.

Our conclusion on the Sustainability Reporting does not cover the other information and we do not express any form of assurance conclusion thereon.

Luxembourg, 27 March 2025

Ernst & Young
Société anonyme
Cabinet de révision agréé

A handwritten signature in blue ink, enclosed in a thin black rectangular border. The signature is cursive and appears to read 'Petar Dionissiev'.

Petar Dionissiev

Management Certification

We confirm, to the best of our knowledge, that:


1. the Consolidated Financial Statements prepared in conformity with International Financial Reporting Standards, as adopted by the European Union, included in this annual report, give a true and fair view of the assets, liabilities, financial position and profit or loss of IVS Group S.A. and its consolidated subsidiaries, taken as a whole;
2. the Annual Accounts prepared in accordance with Luxembourg legal and regulatory requirements, included in this annual report, give a true and fair view of the assets, liabilities, financial position and profit or loss of IVS Group S.A.; and
3. the consolidated management report, which has been combined with the management report for IVS Group S.A., included in this annual report, gives a fair review of the development and performance of the business and the position of IVS Group S.A., or IVS Group S.A. and its consolidated subsidiaries, taken as a whole, as applicable, together with a description of the principal risks and uncertainties they face.

Antonio Tartaro



Chief Executive Officer
March 27th, 2025

Alessandro Moro



Chief Financial Officer
March 27th, 2025



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CONSOLIDATED FINANCIAL STATEMENTS

as of December 31st, 2024

Independent Auditor's
Report on Consolidated
Financial Statements



**Shape the future
with confidence**

Ernst & Young
Société anonyme

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Autorisations d'établissement :
00117514/13, 00117514/14, 00117514/15, 00117514/17, 00117514/18, 00117514/19

Independent auditor's report

To the Shareholders of
IVS Group S.A.
2A Rue Jean-Baptiste Esch
L-2449 Luxembourg

Opinion

We have audited the consolidated financial statements of IVS Group S.A. and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and the notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union.

Basis for opinion

We conducted our audit in accordance with EU Regulation N° 537/2014, the Law of 23 July 2016 on the audit profession ("Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under the EU Regulation N° 537/2014, the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the "réviseur d'entreprises agréé" for the audit of the consolidated financial statements" section of our report. We are also independent of the Group in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the consolidated financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of the audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Goodwill and impairment test:

Risk Identified

As disclosed in Group's accounting policies outlined in Note 3 as well in Note 11 of the consolidated financial statements, the Group reported EUR 565.2 million in goodwill contained within seven cash generating units ('CGUs') as of 31 December 2024. In accordance with IFRS, the Group performed, with the support of an external expert, an impairment test per cash generating unit to assess whether goodwill might be impaired.

The assumptions and results of the impairment tests performed by the Group are disclosed in Note 11 of the consolidated financial statements. Because of the complex process involving management judgment to support key assumptions and future cash flows estimates, as well as the significant carrying amount of the goodwill, which represents 44% of the total assets on the consolidated statement of financial position, the goodwill impairment test is a key audit matter for the 31 December 2024 audit.

Our response

Our procedures over the impairment of goodwill included, amongst others:

- ▶ Involving our own valuation specialists to assist evaluating the assumptions and methods that were used by the Group to carry out its impairment test, including the discount rate per cash generating unit, and to assess the model that calculates future cash flows;
- ▶ Testing key assumptions of the model used by the Group such as the macroeconomic variables, the expected growth rates and the required level of capital expenditures, among other key assumptions;
- ▶ Comparing key assumptions to Group historical information and externally derived data such as projected economic growth, cost inflation and discount rates.

We also assessed the adequacy of the Group's disclosures in respect of goodwill and impairment test as set out in Note 11.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the consolidated management report and the corporate governance statement but does not include the consolidated financial statements and our report of "réviseur d'entreprises agréé" thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.



Responsibilities of the Board of Directors and of those charged with governance for the consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS as adopted by the European Union, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

The Board of Directors is also responsible for presenting and marking up the consolidated financial statements in compliance with the requirements set out in the Delegated Regulation 2019/815 on European Single Electronic Format, as amended (“ESEF Regulation”).

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group’s financial reporting process.

Responsibilities of the “réviseur d’entreprises agréé” for the audit of the consolidated financial statements

The objectives of our audit 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 a report of the “réviseur d’entreprises agréé” that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with EU Regulation N° 537/2014, the Law of 23 July 2016 and with the ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.



- Conclude on the appropriateness of Board 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 report of the "réviseur d'entreprises agréé" to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Assess whether the consolidated financial statements have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter.

Report on other legal and regulatory requirements

We have been appointed as "réviseur d'entreprises agréé" by the General Meeting of the Shareholders on 21 May 2021 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is 13 years.

The consolidated management report is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

The corporate governance statement, included in the consolidated management report, is the responsibility of the Board of Directors. The information required by article 68ter paragraph (1) letters c) and d) of the law of 19 December 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings, as amended, is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.



We have checked the compliance of the consolidated financial statements of the Group as at 31 December 2024 with relevant statutory requirements set out in the ESEF Regulation that are applicable to the financial statements. For the Group, it relates to:

- Financial statements prepared in valid xHTML format;
- The XBRL markup of the consolidated financial statements using the core taxonomy and the common rules on markups specified in the ESEF Regulation.

In our opinion, the consolidated financial statements of the Group as at 31 December 2024, identified as 2221001SWMFR4N4VBK57-2024-12-31-en., have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.

We confirm that the audit opinion is consistent with the additional report to the audit committee or equivalent.

We confirm that the prohibited non-audit services referred to in EU Regulation No 537/2014 were not provided and that we remained independent of the Group in conducting the audit.

Ernst & Young
Société anonyme
Cabinet de révision agréé

A handwritten signature in black ink, enclosed in a thin black rectangular border. The signature is cursive and appears to read 'Oliver Lemaire'.

Oliver Lemaire

Luxembourg, 27 March 2025

Financial Statements Schedules

Financial statements schedules

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in thousands of Euro)	Note	December 31 st , 2024	December 31 st , 2023
ASSETS			
Non-current assets			
Intangible assets	10	96,940	103,948
Goodwill	11	565,244	548,218
Property, plant and equipment	12	272,583	292,591
Equity Investments	13	3,019	3,393
Non-current financial assets	14	2,539	1,687
Deferred tax assets	24	1,746	2,092
Other non-current assets		1,140	1,116
TOTAL NON-CURRENT ASSETS	A	943,211	953,045
Current assets			
Inventories	15	89,879	83,893
Trade receivables	16	66,111	66,300
Tax assets	17	7,529	12,181
Other current assets	18	30,298	30,759
Current financial assets	14	11,938	7,506
Cash and cash equivalents	19	122,709	137,142
TOTAL CURRENT ASSETS	B	328,464	337,781
TOTAL ASSETS	A+B	1,271,675	1,290,826
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	21	873	877
Share premium reserve		477,277	483,036
Other reserves		10,617	10,550
Treasury shares		-	(6,790)
Cash Flow Edge Reserve		147	425
Retained earnings / (losses)		(9,625)	(14,557)
Net profit (loss) for the year		6,662	16,226
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE OWNERS OF THE PARENT	21	485,951	489,767
Share capital and reserves attributable to non-controlling interests		17,976	23,468
Net profit/(loss) for the year attributable to non-controlling interests		(966)	1,380
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS		17,010	24,848
TOTAL SHAREHOLDERS' EQUITY	C	502,961	514,615
Non-current liabilities			
Due to Bond holders	25	299,509	298,940
Non-current financial liabilities	25	109,867	159,845
Employee benefits	22	15,406	15,991
Provisions for risks and charges	23	726	767
Deferred tax liabilities	24	-	8,995
Other non-current liabilities	26	4,953	3,546
TOTAL NON-CURRENT LIABILITIES	D	430,461	488,084
Current liabilities			
Due to Bond holders	25	1,231	1,249
Current financial liabilities	25	164,225	104,836
Derivative financial instruments	26	-	-
Trade payables		123,737	134,138
Tax liabilities	17	5	150
Provisions for risks and charges	23	24	15
Other current liabilities	27	49,031	47,739
TOTAL CURRENT LIABILITIES	E	338,253	288,127
TOTAL LIABILITIES	F=D+E	768,714	776,211
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	C+F	1,271,675	1,290,826

CONSOLIDATED INCOME STATEMENT

(in thousands of Euro)	Note	For the year ended December 31 st	
		2024	2023
Revenue from sales and services	29	693,561	689,384
Other revenues and income	30	39,216	36,830
Total revenues		732,777	726,214
Cost of raw materials, supplies and consumables	31	(257,706)	(262,095)
Cost of services	32	(75,496)	(72,473)
Personnel costs	33	(193,939)	(183,540)
Other operating income / (expenses), net	34	(99,352)	(94,294)
Gains / (losses) from disposal of fixed assets, net	35	(2,639)	(284)
Depreciation, amortization and impairment	10,11,12,36	(81,087)	(80,281)
Operating profit / (loss)		22,558	33,247
Financial expenses	37	(22,468)	(15,744)
Financial income	37	1,089	1,510
Foreign exchange differences and variations in derivatives fair value, net	37	(5)	(78)
Result of companies valued at net equity	38	(29)	98
Profit / (loss) before tax		1,145	19,033
Income taxes	39	4,551	(1,427)
Net profit/(loss) for the period		5,696	17,606
Net profit/(loss) for the period attributable to non-controlling interests		(966)	1,380
Net profit/(loss) for the year attributable to owners of the parent		6,662	16,226
Earnings per share (in unit of Euro)			
Base	40	0.07	0.18
Diluted	40	0.07	0.18

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in thousands of Euro)	Note	For the year ended December 31 st	
		2024	2023
Net profit/(loss) for the year		5,696	17,606
<i>Items of other comprehensive income that will be reclassified in profit and loss</i>			
Net (loss)/gain on cashflow hedge		(376)	(545)
Tax impact		98	131
Exchanges differences on translation of foreign operations		415	335
Total income (loss) in the statement of comprehensive income, net of taxes that will be reclassified in profit and loss		137	(79)
<i>Items of other comprehensive income that will not be reclassified in profit and loss</i>			
Net gain/(loss) on equity instruments designated at fair value through other comprehensive income		-	3,971
Actuarial Gain/(Losses) on defined benefit plan		362	(414)
Tax impact		(70)	98
Total income (loss) in the statement of comprehensive income, net of taxes that will not be reclassified in profit and loss		292	3,655
Total income (loss) in the statement of comprehensive income, net of taxes		6,125	21,182
Attributable to non-controlling interests		(721)	2,383
Attributable to owners of the parent		6,846	18,799

CONSOLIDATED STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY AS OF DECEMBER 31ST, 2024

Shareholders'equity of the IVS Group S.A.

(in thousands of Euro)	Share capital	Share premium reserve	Treasury shares	Cash flow hedge reserve	Other capital reserves	Retained earnings/ (losses brought forward)	Net income/ (loss) for the period	Total	Attributable to non-controlling interests	Total Shareholders' equity
December 31 st , 2023	877	483,036	(6,790)	425	10,550	(14,557)	16,226	489,767	24,848	514,615
Effect of adjustments detailed in Note 2 of Explanatory										
January 1 st , 2024	877	483,036	(6,790)	425	10,550	(14,557)	16,226	489,767	24,848	514,615
Allocation of net income (loss)	-	-	-	-	-	16,226	(16,226)	-	-	-
Net result for the period	-	-	-	-	-	-	6,662	6,662	(966)	5,696
Other comprehensive income	-	-	-	(278)	-	462	-	184	245	429
Total comprehensive income/(loss)	-	-	-	(278)	-	462	6,662	6,846	(721)	6,125
Treasury shares										
Treasury shares cancelled	(4)	(4,520)	4,524	-	-	-	-	-	-	-
Treasury shares sold	-	(1,239)	2,266	-	-	-	-	1,027	-	1,027
Total effect of Treasury shares	(4)	(5,759)	6,790	-	-	-	-	1,027	-	1,027
NCI Purchase of MB Web (See Note 8)	-	-	-	-	-	25	-	25	(35)	(10)
Incorporation of H24 Italia S.p.A.	-	-	-	-	-	-	-	-	200	200
NCI Purchase of Auto-Bar (See Note 8)	-	-	-	-	-	(1,065)	-	(1,065)	(52)	(1,117)
Deconsolidation of Mida S.r.l. (See Note 7.2)	-	-	-	-	-	-	-	-	677	677
Stock Option Plan	-	-	-	-	67	-	-	67	-	67
Acquisition of NCI Liomatic Group (See Note 8)	-	-	-	-	-	1,053	-	1,053	(4,831)	(3,778)
Acquisition of NCI IVS Gernany GmbH (See Note 8)	-	-	-	-	-	299	-	299	(299)	-
Incorporation of IVS Rail Sr.l.	-	-	-	-	-	-	-	-	4	4
Acquisition of NCI Eurovending (See Note 8)	-	-	-	-	-	(2,545)	-	(2,545)	(876)	(3,421)
Acquisition of NCI Coin Service SPA (See Note 8)	-	-	-	-	-	(1,380)	-	(1,380)	(615)	(1,995)
Capital increase IVS Germany GMBH	-	-	-	-	-	(15)	-	(15)	324	309
Purchase of IVS H24 S.r.l. (See Note 8)	-	-	-	-	-	(963)	-	(963)	(560)	(1,523)
NCI Disposal of real estates (See Note 7.4)	-	-	-	-	-	-	-	-	(2,002)	(2,002)
Acquisition of BH Partners (See Note 8)	-	-	-	-	-	(7,161)	-	(7,161)	948	(6,213)
Total other movements	-	-	-	-	67	(11,752)	-	(11,685)	(7,117)	(18,802)
Dividends	-	-	-	-	-	-	-	-	-	-
Rounding	-	-	-	-	-	(4)	-	(4)	-	(4)
December 31st, 2024	873	477,277	-	147	10,617	(9,625)	6,662	485,951	17,010	502,961

CONSOLIDATED STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY AS OF DECEMBER 31ST, 2023

Shareholders'equity of the IVS Group S.A.

(in thousands of Euro)	Share capital	Share premium reserve	Treasury shares	Cash flow hedge reserve	Other capital reserves	Retained earnings/ (losses brought forward)	Net income/ (loss) for the period	Total	Attributable to non-controlling interests	Total Shareholders' equity
December 31 st , 2022	877	498,801	(20,135)	410	10,482	(21,403)	6,240	475,272	35,372	510,644
Effect of adjustments detailed in Note 2 of Explanatory										
January 1 st , 2023	877	498,801	(20,135)	410	10,482	(21,403)	6,240	475,272	35,372	510,644
IFRS 3 Adjustment	-	-	-	-	-	-	6	6	151	157
January 1 st , 2023	877	498,801	(20,135)	410	10,482	(21,403)	6,246	475,278	35,523	510,801
Allocation of net income (loss)	-	-	-	-	-	6,246	(6,246)	-	-	-
Net result for the period	-	-	-	-	-	-	16,226	16,226	1,380	17,606
Other comprehensive income	-	-	-	15	-	2,558	-	2,573	1,003	3,576
Total comprehensive income/(loss)	-	-	-	15	-	2,558	16,226	18,799	2,383	21,182
Treasury shares										
- Treasury shares sold	-	(5,959)	13,345	-	-	-	-	7,386	-	7,386
Total effect of Treasury shares	-	(5,959)	13,345	-	-	-	-	7,386	-	7,386
NCI Purchase of Express S.r.l.	-	-	-	-	-	(22)	-	(22)	(50)	(72)
NCI Purchase of Ge.O.S. Group S.p.A	-	-	-	-	-	1,818	-	1,818	(2,678)	(860)
Put Option expired on Ediwen Group GmbH	-	-	-	-	-	760	-	760	44	804
NCI Purchase of Vendomat S.p.A.	-	-	-	-	-	(3,379)	-	(3,379)	(9,303)	(12,682)
NCI Purchase of Ge.O.S. Group S.p.A.	-	-	-	-	-	(98)	-	(98)	(272)	(370)
NCI Purchase of Ge.O.S Sardegna S.r.l.	-	-	-	-	-	(1,357)	-	(1,357)	(78)	(1,435)
Capital increase of Moneynet S.p.A.	-	-	-	-	-	268	-	268	420	688
Put Option of Demomatic S.A.	-	-	-	-	-	(233)	-	(233)	(19)	(252)
NCI Purchase of Aora Vending Sp. Z.o.o.	-	-	-	-	-	11	-	11	(18)	(7)
Other minor	-	-	-	-	-	272	-	272	(292)	(20)
Stock Option Plan	-	-	-	-	68	-	-	68	-	68
Total other movements	-	-	-	-	68	(1,960)	-	(1,892)	(12,246)	(14,138)
Dividends	-	(9,806)	-	-	-	-	-	(9,806)	(812)	(10,618)
Rounding	-	-	-	-	-	2	-	2	-	2
December 31st, 2023	877	483,036	(6,790)	425	10,550	(14,557)	16,226	489,767	24,848	514,615

CONSOLIDATED STATEMENT OF CASH FLOWS

(in thousands of Euro)	Note	December 31 st , 2024	December 31 st , 2023
A) Cash flows from operating activities			
Profit (Loss)		5,696	17,606
Adjustments for:			
Income taxes		(4,551)	1,427
Undistributed (profit) loss of equity-accounted investees		29	(897)
Amortization, depreciation and impairment losses		81,088	80,281
(Gains)/losses on disposal of non-current assets		2,639	284
Changes in employee benefits and other non-monetary movements		774	(9,990)
Reversal of financial expense		21,574	20,107
<i>Cash flows from operating activities before tax, financial income/expense and change in working capital:</i>		107,249	108,818
Changes in working capital	41	(11,681)	(8,044)
<i>Cash flows from operating activities before tax and financial income/expense:</i>		95,568	100,774
Net financial expense paid	41	(19,884)	(18,184)
Tax paid		(4,290)	(4,279)
Total A)		71,394	78,311
B) Cash flows from investing activities:			
Investments in non-current assets:			
Intangible assets	10	(3,785)	(2,940)
Property, plant and equipments	12	(61,061)	(55,365)
Change in unpaid capital expenditure		(1,890)	3,997
Acquisition of subsidiaries and business units, net of cash		(23,573)	(6,020)
Total investments		(90,309)	(60,328)
Proceeds from disposal of net non-current assets		67,521	2,071
Changes in financial assets		(4,460)	908
Total divestitures		63,061	2,979
Total B)		(27,248)	(57,349)
C) Cash flows from financing activities:			
Proceeds from non-current loan		28,656	56,241
Repayment of non-current loan liabilities		(73,404)	(43,045)
Changes in current financial liabilities		1,643	(8,580)
Acquisitions of non-controlling interests	8	(15,423)	(10,996)
Capital increase by third parties of controlled companies		309	688
Cash inflow from reverse merger of Grey S.a.r.l.		214	-
Dividend distribution	21	(140)	(10,409)
Total C)		(58,145)	(16,101)
D) Exchange rate differences and other changes:		(434)	(94)
E) Change in cash and cash equivalents (A+B+C+D):		(14,433)	4,767
F) Opening cash and cash equivalents:		137,142	132,375
Closing cash and cash equivalents (E+F)		122,709	137,142

Explanatory Notes to the Financial Statements

Explanatory Notes to the Financial Statements

1 - CORPORATE INFORMATION

IVS Group S.A. is a "Société anonyme" (public limited liability company) incorporated under the Luxembourg law on August 26th, 2010 and registered with the RCSL under number B155.294. The Company has its registered offices at 18 Rue de l'Eau, L-1449 Luxembourg. The Company changed its registered office on July 13th, 2018. The name of the Company was changed on May 16th, 2012, from Italy1 Investment S.A.

The publication of the Consolidated Financial Statements for the period ended on December 31st, 2024 was authorized by the Board of Directors' resolution of March 27th, 2025.

IVS Group S.A. controls, directly and indirectly, a number of companies that operate in the vending market, i.e., in the sale of products through automated and semi-automated vending machines installed at unattended points of sale (businesses, schools, hospitals, railway stations, and other public places). These machines operate 24 hours a day and allow consumers to purchase products with coins, banknotes, prepaid cards, mobile app and other means of payment. The Group also controls the Coin Service Group, whose core business is the counting of coins for third parties, cash-in-transit services, collection and distribution of coins (coin management); digital money business and the digital payment business; the Reselling division related to resale of products, vending machines and other equipment mainly to other vending operators and the Ho.Re.Ca. division which comprise sales - through the specific distribution channel of hotel, restaurant, and catering/Café - of coffee, foods and machines to company selling food and beverages for immediate consumption.

2 - BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The Group's Consolidated Financial Statements have been drawn up under the IFRS accounting standards issued by International Accounting Standards Board as adopted by the European Union ('IFRS').

The Consolidated Financial Statements have been drawn up in accordance with the historical cost convention, except for derivative financial instruments which are measured at fair value. The Consolidated Financial Statements are presented in Euro, which is also the Group's functional currency, and all figures are rounded off to full thousands of Euro unless otherwise specified.

The Group adopted the following criteria in the preparation of its financial statements:

- assets and liabilities are classified as current or non-current in the statement of financial position. Current assets, which include cash and cash equivalents, are those that will be realized, sold or used in the Group's ordinary operating cycle. Current liabilities are those that will be extinguished within the Group's ordinary operating cycle or in the twelve months after the reporting date;
- expenses are presented based on their nature in the income statement;
- with reference to the statement of comprehensive income, the Group chose to adopt two separate statements: an income statement presenting the traditional items forming the profit or loss for the period and the statement of comprehensive income that begins with the profit or loss for the period and details the other items of comprehensive income that were previously presented only in the statement of changes in equity, i.e., variations in the fair value of derivatives;
- the statement of cash flows is presented using the indirect method.
- The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of this Consolidated Financial Statements are consistent with those followed in the preparation of previous one, ended December 31st, 2023, except for the adoption of new standards and interpretations effective as of January 1st, 2024. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The nature and the effect of these changes are disclosed below.

Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback

The amendments in IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendments had no impact on the Group's consolidated financial statements.

Amendments to IAS 1 - Classification of Liabilities as Current or Non-current

The amendments to IAS 1 specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement;
- That a right to defer must exist at the end of the reporting period;
- That classification is unaffected by the likelihood that an entity will exercise its deferral right;
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments had no impact on the Group's consolidated financial statements.

Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

The amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements.

The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments had no impact on the Group's consolidated financial statements.

Standards and interpretations that are issued, but not yet effective as of the preparation of these Group's financial statements, are summarized as follow:

STANDARDS / AMENDMENTS	Expected Effective Date (IASB)	Endorsed by the EU	Expected Effective Date (EU)
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (issued on August 15 th , 2023)	January 1 st , 2025	Yes	January 1 st , 2025
Contracts Referencing Nature-dependent Electricity Amendments to IFRS 9 and IFRS 7 (issued on December 18 th , 2024)	January 1 st , 2026	No	n.a.
Annual Improvements Volume 11 (issued on July 18 th , 2024)	January 1 st , 2026	No	n.a.
Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) (issued on May 30 th , 2024)	January 1 st , 2026	No	n.a.
IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued on 9 May 9 th , 2024)	January 1 st , 2026	No	n.a.
IFRS 18 Presentation and Disclosure in Financial Statements (issued on April 9 th , 2024)	January 1 st , 2027	No	n.a.

The Group intends to adopt these standards, if applicable, when they become effective. The Group does not expect impacts from the adoption of these standards/amendments.

The Consolidated Financial Statements as of December 31st, 2023 have not been restated.

3 - CRITICAL JUDGEMENTS AND ACCOUNTING ESTIMATES

The preparation of the Group's financial statements requires management to make discretionary judgements, assumptions and estimates that affect the reported amounts of income, expenses, assets and liabilities and the corresponding disclosures, and the indication of potential liabilities. Uncertainty about these assumptions and estimates might determine outcomes that will require in the future a significant adjustment to the book value of these assets and/or liabilities. The assumptions regarding the future and other major causes of estimate uncertainty which, at the reporting date, present a significant risk of giving rise to significant adjustments to the carrying amounts of assets and liabilities within next year, are listed below.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value, less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model ("DCF"). The cash flows are derived from the budget for the next three years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill recognized by the Group. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis, are disclosed and further explained in Note 11.

Current and deferred taxation

There is uncertainty about the interpretation of complex tax laws and on the amount and timing of future taxable income. Given the wide range of international trade relations, the long-term nature and complexity of existing contractual agreements, the ensuing differences between actual results and the assumptions made, or any future changes in these assumptions, may require future adjustments to income taxes and costs that have already been recorded. The Group provides for allowance accounts, based on reasonable estimates, for the potential effects of audits by tax authorities of the respective countries in which it operates. The amount of these provisions is based on several factors, such as previous tax audits or the different interpretations of tax laws by the Company subject to taxation and by the competent tax authority. These differences of interpretation may concern a wide range of problems depending on the prevailing conditions in the respective domicile of the Group's companies.

Deferred tax assets are recognized for all unused tax losses, to the extent that it is probable that there will be taxable income in the future such as to allow for the losses to be used. To determine the amount of tax assets that can be recognized on the basis of future taxable profit, the timing of their occurrence and tax planning strategies, requires management to make considerable estimates.

Deferred tax assets are recognized for all temporary differences and the carryforward of unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary difference or unused tax losses can be utilized. Management uses a high level of discretionary judgment to determine the amount of deferred tax assets that can be recognized, by estimating when they will probably become due and the amount of future taxable profit.

The Parent has decided to calculate its tax charge in accordance with the Italian fiscal legislation applicable to resident Italian companies.

Further details are included in Note 24.

Litigation

Various legal proceedings are pending against the Group on a wide range of topics, including competition, tax and securities laws, labor and other contractual relationships. Litigation is subject to many uncertainties, and the outcome of individual matters is not predictable with certainty. Moreover, the cases and claims against the Group are often derived from complex legal issues which are subject to differing degrees of uncertainty, including the facts and circumstances of each particular case, the manner in which the applicable law is likely to be interpreted

and applied and the jurisdiction and the different laws involved. An accrual is established in connection with pending or threatened litigation if a loss is probable, there will be an outflow of funds and when the amount can be reasonably estimated. If an outflow of funds becomes probable, but the amount cannot be estimated, the matter is disclosed in the Notes. Since these accruals represent estimates, the resolution of some of these matters could require the Group to make payments in excess of the amounts accrued or may require the Group to make payments in an amount or range of amounts that could not be reasonably estimated. The Group monitors the status of pending legal procedures and consults with experts on legal and tax matters on a regular basis. As such, the provisions for the Group's legal proceedings and litigation may vary as a result of future developments in pending matters. Further details are included in Notes 23 and 28.

Measuring the fair value of contingent consideration

Contingent consideration related to Business Combinations is recognized at the acquisition date fair value as part of the business combination. If contingent consideration satisfies the definition of a derivative and is thus a financial liability, its value is then restated at each reporting date. The determination of fair value is based on discounted cash flows. The key assumptions take into account the likelihood of achieving each performance objective and the discount factor. Further developments may require the estimate to be further revised.

Contingent considerations are classified under Other current liabilities or under Other non-current liabilities. Further details are included in Note 27.

Other captions affected by estimates

Moreover, estimates are used to recognize the allowance for impairment of financial assets, amortization and depreciation, employee benefits, Incremental Borrowing Rate (IBR) to measure lease liabilities and allocation of the considerations of recent Business Combinations.

Determining the lease term of contracts with renewal and termination options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension option. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customization to the leased asset). The Group included the renewal period as part of the lease term for leases of main buildings of its branches. The Group considers all relevant factors that create an economic incentive for it to exercise the renewal, including:

- Significant leasehold improvements undertaken, if the Group expect to benefit of these improvements when the option to extend the lease becomes exercisable;
- Importance of that plant to IVS's operations and costs of integrating a new asset into IVS's operations (e.g. if the plant includes call centers, caveaux and other security features required to manage the Vending Business), if replacing the plant with another location will result in significant economical penalties for the group;
- The renewal date is included in the group business plan, if these projections have been elaborated by the management assuming (and confirming) their intention to renew the lease.

Refer to Note 25 for information on leases.

Climate-related matters

The Group considers climate-related matters in estimates and assumptions, where appropriate. The Group believes its business model and products will still be viable after the transition to a low-carbon economy and that climate-related risks might not currently have a significant impact on its financial performance and future cash-flow. The Group is closely monitoring relevant changes and developments, such as new climate-related legislation.

4 - BASIS OF CONSOLIDATION

The Consolidated Financial Statements include the financial statements of IVS Group S.A. and its subsidiaries at December 31st, 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee;
- The ability to use its power over the investee to affect its returns;

Generally, there is a presumption that the majority of voting rights results in control. To support this presumption and when the Group has less than the majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements;
- The Group's voting rights and potential voting rights;

The Group re-assesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognized in profit or loss. Any investment retained is recognized at fair value.

5 - SUMMARY OF THE MAJOR ACCOUNTING POLICIES

The Consolidated Financial Statements at December 31st, 2024 have been drawn up using the accounting policies detailed below.

Business Combinations and goodwill

Business Combinations are accounted for using the acquisition method. The cost of a business combination is given by the sum of the consideration transferred, measured at fair value on the acquisition date, and the amount of non-controlling interest in the acquired company. For each business combination, the Group chooses whether to measure any non-controlling interest in the acquired company at fair value or proportionally to the non-controlling interest's share in the identifiable net assets of the acquired company. Acquisition costs are expensed in the current period and are included among administration costs.

When the Group acquires a business, it classifies or indicates the financial assets or the liabilities acquired under contractual terms, the economic conditions and any other relevant conditions existing on acquisition. This includes an assessment of the need to separate a derivative from the underlying contract.

If the business combination takes place in stages, the previous equity holding is taken back to the fair value on acquisition and any consequent gain or loss is recognized in the income statement.

Any contingent consideration that needs recognizing is carried by the buyer at fair value on acquisition. The change of the fair value of the contingent consideration classified as assets or liabilities, being a financial instrument covered by IFRS 9, should be recognized in the income statement or in the statement of other comprehensive income items. When the contingent consideration is not covered by IFRS 9, it is measured according to the appropriate IFRS. If the contingent consideration is classified in equity, its value is not recalculated, and its subsequent adjustment is recognized in equity.

Goodwill is initially recognized at cost, as given by the excess of the sum of the paid consideration and amount recorded for the non-controlling interests over net identifiable assets acquired and liabilities assumed by the Group. If the consideration is less than the fair value of the net assets of the acquired subsidiary, the difference is recognized in the income statement.

After the initial recognition, goodwill is carried at cost net of accumulated impairment. For the purposes of the annual impairment test, goodwill acquired in Business Combinations is allocated to the cash-generating unit of the Group that is expected to benefit from the synergies of the combination, regardless of whether other assets or liabilities of the acquired entity are allocated to the same unit.

If goodwill was allocated to a cash-generating unit and the entity disposes of a portion of the assets of that unit, goodwill on the disposed assets is included in the carrying amount of the assets to calculate the gain or the loss on the disposal. Goodwill associated with the disposed asset is calculated according to the relative value of the disposed asset and of the portion retained by the cash-generating unit.

Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries.

The Group's investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Group's share of net assets of the associate or joint venture from the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually. The statement of profit or loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognized directly in the equity of the associate or joint venture, the Group recognizes its share of any changes, when applicable, in the statement of changes in equity. Unrealized gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit or loss outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate or joint venture.

After application of the equity method, the Group determines whether it is necessary to recognize an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognizes the loss as 'Share of profit of an associate and a joint venture' in the statement of profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognized in profit or loss.

Fair value measurement

The Group measures financial instruments, such as derivatives, at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Foreign currencies

The Group's Consolidated Financial Statements are presented in euros, which is also the parent functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and has elected to recycle the gain or loss that arises from using this method.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognized in profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognized in other comprehensive income until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on change in fair value of the item (i.e.,

translation differences on items whose fair value gain or loss is recognized in other comprehensive income or profit or loss are also recognized in other comprehensive income or profit or loss, respectively).

Group companies

On consolidation, the assets and liabilities of foreign operations are translated into euros at the rate of exchange prevailing at the reporting date and their income statements are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognized in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognized in profit or loss.

The principal exchange rates used to translate other currencies into Euro were as follows:

	Average 2024	On December 31 st , 2024	Average 2023	On December 31 st , 2023
Swiss Franc	0.9526	0.9412	0.9718	0.9260
Zloty (Poland)	4.3058	4.2750	4.5420	4.3395
GBP	0.8466	0.8292	0.8698	0.8691
HKD	8.4454	8.0686	8.4650	8.6314

Revenue from contracts with customers

Revenue "Vending":

It represents the biggest revenue stream of the group and is connected to sales of products through automated or semi-automated vending machines. The Group applies the five steps model as follow:

- Identify the contract(s) with a customer: the customer is the counterpart that purchases the good from the vending machine. The contract is not written and is based on past industry practice; its content is: providing a product to the client in exchange of a cash amount previously inserted in the vending machine.
- Identify the performance obligations in the contract: the performance obligations implied in the contract is the providing of the selected product to the customer.
- Determine the transaction price: the transaction prices are represented by the cash amount exchanged in the transaction (no other payments or exchanges occur between customer and the Group).
- Allocate the transaction price to the performance obligations in the contract: the contract includes a single performance obligation; therefore, this step does not apply.
- Recognize revenue when (or as) the entity satisfies a performance obligation: the satisfaction of the performance obligation occurs at a point in time (when the vending machine provides to the customer the product that he/she has paid for);

Due to the above-mentioned features, revenue is recognized when the products are purchased by the customer, i.e. the moment when goods are delivered, and the consideration is collected.

Revenue "Coin":

The biggest revenue stream of the Operative Segment "COIN" and is connected to management of "metallic money" (coins), including their collection, packaging and delivery. The Group applies the five steps model as follow:

- Identify the contract(s) with a customer: the customer is represented by the counterpart that expects to have its coins collected, packed and delivered. The contract is written and includes the amount of commission as a percentage of coins managed. Commissions for each kind of activity (e.g. collection, packaging, delivering) are quoted separately.
- Identify the performance obligations in the contract: the performance obligations implied in the contracts is the providing of the selected services to the customer.
- Determine the transaction price: the transaction prices are defined in the agreement and are fixed (no variable consideration or significant financing component) and settled by cash.
- Allocate the transaction price to the performance obligations in the contract: the contract can include more than one performance obligation, but each is priced separately.
- Recognize revenue when (or as) the entity satisfies a performance obligation: the satisfaction of the performance obligation occurs over time and is measured applying commission to the volume of coins managed (consistently with condition defined in the contract).

Due to the above-mentioned features, revenue is recognized when the service is rendered.

In addition, the Operative Segment "COIN" includes revenues connected to the digital payments and systems applied to the vending (credit card payments and CoffeecApp®) and to the operation of the Moneynet S.p.A. business (payment institution). The Group applies the five steps model as follows:

- Identify the contract(s) with a customer: the customer is represented by the counterpart that expects to process digital payments. The contract is written and includes the amount of commission as a percentage of payments processed.
- Identify the performance obligations in the contract: the performance obligations implied in the contracts are the providers of the selected services to the customer.
- Determine the transaction price: the transaction prices are defined in the agreement and are fixed (no variable consideration or significant financing component) and settled by cash.
- Allocate the transaction price to the performance obligations in the contract: the contract can include more than one performance obligation, but each is priced separately.
- Recognize revenue when (or as) the entity satisfies a performance obligation: the satisfaction of the performance obligation occurs over time and is measured by applying commission to the volume of transactions processed (consistently with condition defined in the contract).

With reference to vouchers issued by Moneynet S.p.A. the Group acts as an agent, recognizing only agency commissions, namely:

- commissions received from corporate clients are recognized when vouchers are issued to clients;
- commissions received from partner merchants are recognized upon presentation of the vouchers for reimbursement after use by the beneficiary, including commissions receivable from partner merchants applicable in some countries;
- profits on vouchers that expire without being reimbursed are recognized in income after the expiry date of the reimbursement rights.

Revenue "Food":

This stream represents another revenue stream of the group and is connected to Reselling and Ho.Re.Ca. businesses. The Group applies the five steps model as follow:

- Identify the contract(s) with a customer: the customer is represented by the counterpart that purchases the good. The contract is represented by single purchase orders.
- Identify the performance obligations in the contract: the performance obligations implied in the contracts are the providing of the selected products to the customers.
- Determine the transaction price: the transaction prices are represented by the cash amount exchanged in the transaction (no other payments or exchanges between customer and the group exist).
- Allocate the transaction price to the performance obligations in the contract: the contract includes a single performance obligation; therefore, this step does not apply.
- Recognize revenue when (or as) the entity satisfies a performance obligation: the satisfaction of the performance obligation occurs at a point in time (when the customer obtains the control of the good and (a) IVS has an actual right to payment for the asset, (b) the customer has legal title to the asset, (c) IVS has transferred physical possession of the asset, (d) the customer has the significant risks and rewards of ownership of the asset, (e) the customer has accepted the asset).

Due to the above listed features, revenue is recognized when the products are delivered to the customer.

Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grants relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset by equal annual instalments.

Income taxes

Current taxation

Current tax activities and liabilities of the period are carried for the amount that is expected to be recovered or paid out to the tax authorities. The tax rates and the tax law used to calculate the amount are those enacted, or substantively enacted, at the end of the reporting period in the countries where the Group operates and earns its taxable income.

Current taxes related to items recognized outside the income statement are equally recognized outside the income statement and, therefore, in equity or in the statement of comprehensive income, consistently with the recognition of the item they refer to. The Group periodically reviews the position taken in its tax returns in those cases when tax rules are subject to interpretation and makes provisions, as appropriate.

Deferred taxation

Deferred tax liabilities are calculated applying the liability method to the temporary differences between accounting and taxable value of assets and liabilities at the reporting date.

Deferred tax liabilities are recognized on all temporary taxable differences, except in the following cases:

- deferred tax liabilities result from the initial recognition of goodwill or of an asset or liability in a transaction which does not constitute a business combination and does not impact the result, neither for accounting nor for tax purposes, at the time of the transaction;
- the reversing of temporary taxable differences, on the holdings in subsidiaries, affiliates and joint ventures, is under the control of the Group, and it is not likely to take place in the foreseeable future.

Deferred tax assets are recognized against deductible temporary differences and unused, carried-over net tax credits and losses, to the extent that taxable profit is likely to be available to be recognized against, except in the following cases:

- the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that does not qualify as a business combination and that, at the time of the transaction, does not impact either accounting or taxable results;
- if there are temporary deductible differences associated to holdings in subsidiaries, affiliates and joint ventures, deferred tax assets are recognized only to the extent that they are likely to be reversed in the foreseeable future and that there will be a tax base large enough to allow their recovery.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that enough taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Current taxes related to items recognized outside the income statement are equally recognized outside the income statement and, therefore, in equity or in the statement of comprehensive income, consistently with the recognition of the item they refer to.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and the deferred taxes are levied on the same taxpaying entity by the same tax authority.

Tax benefits acquired as a result of a business combination that do not satisfy the criteria for separate recognition at the date of acquisition may be recognized later, if necessary, when new information is received about changed facts and circumstances. The adjustment is recognized as goodwill impairment (up to of the value of goodwill), if recognized during the measurement period, or in the income statement, if recognized at a later time.

Indirect taxes

Costs, revenues, assets and liabilities are recognized net of indirect taxes, such as value-added tax, with the following exceptions:

- taxes on purchase of goods or services are not deductible; these are recognized as part of the purchase cost of the asset or as part of the cost recognized in the income statement;
- trade payables and receivables include the applicable indirect tax.

The net amount of indirect taxes to recover or to pay to the tax authorities is included in the financial statements as an asset or else as a liability.

Cash dividend

The Company recognizes a liability to pay a dividend when the distribution is authorized, and the distribution is no longer at the discretion of the Company. As per the corporate laws of Italy, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

Property, plant and equipment

Property, plant and equipment are recognized at historical cost, net of accumulated depreciation and impairment losses. Such cost includes the cost to replace parts of plant and equipment at the time it is incurred, if recognition criteria are met. If periodic replacement of significant parts of property, plant and equipment becomes necessary, the Group recognizes such parts as self-contained assets with a specific useful life and a corresponding depreciation. In the same way, after significant adjustments, the cost is included in the carrying amount of the plant or equipment as after replacement, if recognition criteria are met. All other repair and maintenance costs are recognized in the income statement when incurred.

Land and buildings are recognized at historical cost, net of depreciation on buildings and impairment losses.

Depreciation is calculated on a straight-line basis on the basis of the expected useful life of the asset, as follows:

- property: 33 years;
- industrial and commercial equipment: 6-7 years;
- cars and vehicles: 4-5 years.

The Group reviews the estimated residual values and expected useful lives of assets at least annually. In particular, the Group considers the impact of health, safety and environmental legislation in its assessment of expected useful lives and estimated residual values.

An asset is de-recognized at the time of its sale or when no future economic benefits from its use or disposal are expected. Any loss or gain (calculated as the difference between net sale proceeds and carrying amount) is included in the income statement at the time of de-recognition.

The residual value of the asset, its useful life and the methods of depreciation applied are reviewed at the end of each period and adjusted prospectively, as necessary

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (s) Impairment of non-financial assets.

ii) Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments

resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in Current and Non-current financial liabilities.

Cash payments for the interest portion of lease liabilities are presented in the statement of cash flows within Cash flows from operating activities, in the caption "Net financial expense paid".

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expenses on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to the ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. The Group did not capitalize any borrowing costs in these Consolidated Financial Statements.

Investment property

Investment property is property held to earn rent and/or for capital appreciation, rather than to be used in the production or delivery of goods or services. It is initially carried at the cost of purchase, including expenses that can be directly attributed to them. Subsequently they are carried at historical cost, net of accumulated depreciation and impairment losses.

Intangible assets

Intangible assets that have been acquired separately are recognized initially at cost. Those acquired through a business combination are recognized at their fair value on the date of the acquisition. After the initial recognition, intangible assets are recognized at cost, net of accumulated amortization and accumulated impairment losses, if any. With the exception of development costs, internally produced intangible assets are not capitalized, but are immediately recognized in the income statement.

Intangible assets may have a finite or indefinite useful life.

Intangible assets with a finite useful life are amortized over their useful life and are tested for impairment whenever there is indication of impairment. The period and method of amortization used for intangible assets with a finite useful life are reviewed at least at the end of each period. Changes in the expected useful life or in the way future economic benefits from the asset are realized are recognized by changing amortization period or method, according to the case, and are considered changes of accounting estimates. Amortization charges for intangible assets with a finite useful life are recognized in the income statement in the cost category consistent with the function of the intangible asset.

Intangible assets with an indefinite useful life are not amortized, but they are tested for impairment annually, both individually and at the level of cash-generating unit. The assessment of the indefinite useful life is reviewed annually to establish whether such attribution continues to be warranted, and if not, the indefinite useful life is changed prospectively to finite. The Group did not recognize any intangible assets with an indefinite useful in these Consolidated Financial Statements (excluding goodwill).

Gains or losses arising from the disposal of an intangible asset are measured as the difference between the net sale proceeds and the carrying amount of the asset and are recognized in the income statement in the period of disposal.

Research and development expenses

Research expenses are recognized in the income statement when incurred. Development expenses incurred in connection with a specific project are recognized as intangible assets when the Group can prove:

- the technical capacity to complete the intangible asset, so that it will be available for use or sale;
- its intention to complete the development and its capacity to use it or sell the asset;
- how the intangible asset will generate future economic benefits;
- the availability of resources to complete the development;
- its ability to measure reliably the costs to be imputed to the asset during development.

After the initial recognition, the developed assets are carried at cost net of accumulated amortization or impairment losses. Amortization of the asset begins when the development phase has been completed and the asset is available for use. Assets arising from development are amortized over the period during which benefits are expected to accrue and the corresponding amortization charges are included in the cost of sales. During development the asset is tested annually for impairment.

Intangible assets useful life

Amortization of intangible assets is calculated on a straight-line basis on the basis of the expected useful life of the asset, as follows:

- customer list arose from contracts with Grandi Stazioni S.p.A., Centostazioni S.p.A. and Rete Ferroviaria Italiana S.p.A. to place vending machines in Italian railways: 18 years (based on the duration of the contracts);
- customer list arose from business combination with Ibervending: 14 years (based on the attrition rate);
- customer list arose from business combination with S.D.A. 2000 S.r.l.: 15 years (based on the attrition rate);
- customer list arose from the business combination of Ge.S.A., Liomatic and Vendomat: 13 years (based on the attrition rate historically measured);
- customer list arose from the business combination with other vending companies/business units: 10 years (based on the churn rate historically measured);
- brands acquired from the business combination of Ge.S.A., Liomatic and Vendomat: 6 years (based on the expected useful life);
- development expenses: from 3 to 5 years;
- industrial patent and software, intellectual property rights: 3 years;
- concessions, licenses, trademarks and similar rights: 5 years;
- others intangible assets: from 6 to 12 years.

Financial instruments - initial recognition and subsequent measurement

i) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15. Refer to the accounting policies in section Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

1. Financial assets at amortized cost (debt instruments)
2. Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
3. Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
4. Financial assets at fair value through profit or loss

1. Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Group. The Group measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows.

And

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

2. Financial assets at fair value through OCI (debt instruments)

The Group measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling.

And

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the statement of profit or loss and computed in the same manner as for financial assets measured at amortized cost. The remaining fair value changes are recognized in OCI. Upon derecognition, the cumulative fair value change recognized in OCI is recycled to profit or loss.

The Group does not have debt instruments at fair value through OCI.

3. Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

4. Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss.

This category includes derivative instruments and listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are also recognized as other income in the statement of profit or loss when the right of payment has been established.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognized in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired.

Or

- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Group has transferred substantially all the risks and rewards of the asset or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. ECLs are recognized in two stages. For credit exposures, for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

1. Financial liabilities at fair value through profit or loss

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the statement of profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied.

2. Loans and borrowings

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss. This category generally applies to interest-bearing loans and borrowings.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks respectively. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment;
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment;
- Hedges of a net investment in a foreign operation.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument;
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship;
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item

Hedges that meet all the qualifying criteria for hedge accounting are accounted for, as described below:

Fair value hedges

The change in the fair value of a hedging instrument is recognized in the statement of profit or loss as other expense. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognized in the statement of profit or loss as other expense. For fair value hedges relating to items carried at amortized cost, any adjustment to carrying value is amortized through profit or loss over the remaining term of the hedge using the EIR method. The EIR amortization may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognized, the unamortized fair value is recognized immediately in profit or loss.

When an unrecognized firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognized as an asset or liability with a corresponding gain or loss recognized in profit or loss.

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognized in OCI in the cash flow hedge reserve, while any ineffective portion is recognized immediately in the statement of profit or loss. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The Group uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments, as well as forward commodity contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to foreign currency contracts is recognized as other expense and the ineffective portion relating to commodity contracts is recognized in other operating income or expenses.

The Group designates only the spot element of forward contracts as a hedging instrument. The forward element is recognized in OCI and accumulated in a separate component of equity under cost of hedging reserve.

The amounts accumulated in OCI are accounted for, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognized in OCI for the period. This also applies where the hedged forecast transaction of a non-financial asset or non-financial liability subsequently becomes a firm commitment for which fair value hedge accounting is applied.

For any other cash flow hedges, the amount accumulated in OCI is reclassified to profit or loss as a reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in OCI must remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged

cash flow occurs, any amount remaining in accumulated OCI must be accounted for depending on the nature of the underlying transaction as described above.

Inventories

Inventories are measured at the lowest of cost and net realizable value. The cost of inventories comprises all costs incurred in bringing the inventories to their present location and condition and takes into account any write-downs due to obsolescence or slow-moving items.

The cost of acquired finished products and goods is determined using the FIFO method.

Considering the services provided by the Group, the Consolidated Financial Statements do not include semi-finished products.

Impairment losses on non-financial assets

At the end of each reporting period the Group assesses whether there is any indication of asset impairment. In such case, or in those cases when an annual impairment test is required, the Group prepares an estimate of the recoverable amount. The recoverable amount is the greater of the fair value of the cash-generating unit, net of the costs of sale, and its value-in-use. The recoverable amount is assessed for individual assets, except when such assets generate financial flows that are not largely independent from those generated by other assets or asset groups. If the carrying amount of an asset is greater than its recoverable amount, such asset is impaired and is therefore adjusted down to the recoverable amount.

To establish the value-in-use, the Group discounts to the current value the estimated future financial flows using a before-tax discount rate, which shows the market assessment of the current value of money and the specific risks of the asset. To establish the fair value net of sale costs, the Group take into account recent transactions carried out on the market. If it is not possible to identify such transactions, an appropriate valuation model is used. Such calculations are based on appropriate valuation multipliers, quoted stock prices for affiliated companies whose securities are traded on the market, and other available indicators of fair value.

The Group relies on its impairment test on detailed accounts and budget forecasts prepared separately for the individual cash-generating unit individual assets are allocated to. These accounts and budget forecasts usually cover a period of three years. For longer periods, a long-term growth rate is calculated and used to project the future cash flows beyond the third year.

Impairment losses of working assets, including impairment losses of inventories, are recognized in the income statement in the categories of cost consistent with the destination of the impaired asset. This does not apply to previously revalued fixed assets, if the revaluation was recognized in the statement of comprehensive income and classified as revaluation reserve. In these cases, the impairment itself is recognized in the statement of comprehensive income up to the value of the prior revaluation.

For assets other than goodwill, at the end of each reporting period, the Group assesses whether there are indications that previously recognized impairment losses have ceased (or decreased) and, if such indications are found, it estimates the recoverable amount. The value of an asset previously devalued can be restored only if there have been changes in the assumptions upon which the calculation of the recoverable amount was based, after recognition of the last impairment. The recovery of charge-offs cannot exceed the carrying amount that would have been assessed, net of amortization, if no impairment had been recognized in previous periods. This recovery is recognized in the income statement unless the fixed asset is not recognized at its revalued value, in which case the recovery is treated as a revaluation surplus.

Goodwill is tested for impairment at least once a year (on December 31st) and more frequently when circumstances suggest that the recognized value might be impaired.

The impairment of goodwill is established by estimating the recoverable amount of the cash-generating unit (or cash-generating unit group) which goodwill was allocated to. If the recoverable amount of the cash-generating unit is less than the carrying amount of the cash-generating unit, impairment is recognized. The decrease in the value of goodwill cannot be restored in future periods.

The Group assesses where climate risks could have a significant impact, such as the introduction of emission-reduction legislation that may increase operating costs. These risks in relation to climate related matters are included as key assumptions where they materially impact the measure of recoverable amount. The Group concluded that these risks are not material for its businesses.

Cash and short-term deposits

Cash and short-term deposits include cash in hand plus sight and short-term deposits with maturity not beyond three months.

For the purposes of recognition in the consolidated cash flows statement, the cash and cash equivalents are represented by cash as defined above.

Treasury shares

Buy-backs of own equity instruments (treasury shares) are recognized at cost and deducted from equity capital. The purchase, sale, or cancellation of treasury shares does not originate any profit or loss in the income statement. The difference between the purchase value and the consideration is recognized in the share premium reserve. Voting rights for treasury shares as well as the right to receive dividends are revoked. Stock options exercised during the period are allocated treasury shares.

Provisions for risks and charges

Provisions for risk and charge funds are carried out when the Group must meet a current legal or constructive obligation arising from a past event, an outflow of resources to meet such obligation is likely to occur and it is possible to obtain a reliable estimate of its amount. Where a provision for contingent charges is expected to be reimbursed, fully or in part, for example for risks covered by insurance policies, the reimbursement is recognized as a separate asset when, and only when, it becomes virtually certain. In this case, in the income statement, the expense relating to a provision is presented net of the amount recognized for the reimbursement.

Pension funds and other post-employment benefits

The Group has set up a defined-benefit pension plan, as well as contributing to the Italian post-employment benefit plan.

Gains and losses from actuarial calculations for both defined-benefit plans are fully recognized in the statement of comprehensive income in the period they are realized. These actuarial gains and losses are classified immediately as retained earnings and are not reclassified in the income statement in subsequent periods.

Past service costs are recognized as costs on a straight-line basis on the average accrual period of the right to benefits. If the benefits accrue immediately after introducing or changing the plan, past service costs are recognized immediately.

The liability for the defined benefits includes the current value (which uses a discount rate based on high quality bonds) of the defined-benefit obligation, less any costs not recognized for past service, subtracted the fair value of the assets servicing the plan to be used to directly discharge the obligations.

Share-based payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model, further details of which are given in Note 21.

That cost is recognized in cost of services and personnel costs, together with a corresponding increase in equity (other capital reserves), over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit or loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognized for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied. When the terms of an equity-settled award are modified, the

minimum expense recognized is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

6 - GROUP INFORMATION

The Consolidated Financial Statements comprise the financial statements of the Parent Company IVS Group S.A. and those of the companies over which it exercises control, directly and indirectly (through its subsidiary and associated companies). Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The financial statements of the Parent Company (IVS Group S.A.) and of its subsidiaries are prepared as of December 31st, 2024.

The table below lists the companies in which the Parent directly or indirectly holds an investment, indicating the consolidation method adopted.

Name	Parent	Country of incorporation	December 31 st , 2024		Treatment	December 31 st , 2023	
			Investment % direct	Reference %		Reference %	Treatment
IVS Italia S.p.A.	IVS Group S.A.	Italy	100.0%	100.0%	Consolidated	100.0%	Consolidated
S.Italia S.p.A.	IVS Group S.A.	Italy	100.0%	100.0%	Consolidated	100.0%	Consolidated
Eurovending S.r.l.	IVS Italia S.p.A.	Italy	100.0%	100.0%	Consolidated	70.0%	Consolidated
DAV S.L.	IVS Italia S.p.A.	Spain	75.0%	75.0%	Consolidated	75.0%	Consolidated
DAV S.L.	IVS Group S.A.	Spain	25.0%	25.0%	Consolidated	25.0%	Consolidated
Commerciale Distributori S.r.l.	IVS Italia S.p.A.	Italy	100.0%	100.0%	Consolidated	100.0%	Consolidated
IVS France SAS	IVS Italia S.p.A.	France	87.0%	87.0%	Consolidated	87.0%	Consolidated
IVS France SAS	IVS Group S.A.	France	13.0%	13.0%	Consolidated	13.0%	Consolidated
Ciesse Caffè S.r.l.	IVS Italia S.p.A.	Italy	5.0%	5.0%	Not consolidated	5.0%	Not consolidated
Universo Vending S.r.l.	IVS Italia S.p.A.	Italy	33.3%	33.3%	Equity-accounted	33.3%	Equity-accounted
Sci +39	IVS France SAS	France	N.A.	N.A.	N.A.	99.0%	Consolidated
Sci +39	IVS Italia S.p.A.	France	N.A.	N.A.	N.A.	1.0%	Consolidated
Time Vending S.r.l.	IVS Italia S.p.A.	Italy	50.0%	50.0%	Consolidated	50.0%	Consolidated
Time Vending S.r.l.	IVS Group S.A.	Italy	50.0%	50.0%	Consolidated	50.0%	Consolidated
Vending All Inclusive S.p.A.	IVS Italia S.p.A.	Italy	51.5%	51.5%	Consolidated	100.0%	Consolidated
Vending All Inclusive S.p.A.	IVS Group S.A.	Italy	28.5%	28.5%	Consolidated	28.5%	Consolidated
Vending All Inclusive S.p.A.	Ge.O.S. Sardegna S.r.l.	Italy	4.4%	4.4%	Consolidated	4.4%	Consolidated
Vending All Inclusive S.p.A.	Liomatic S.p.A.	Italy	N.A.	N.A.	N.A.	45.4%	Consolidated
Vending All Inclusive S.p.A.	Ge.S.A. S.p.A.	Italy	N.A.	N.A.	N.A.	5.1%	Consolidated
MB WEB S.a.s.	IVS France SAS	France	90.0%	90.0%	Consolidated	80.0%	Consolidated
CSH S.r.l.	IVS Group S.A.	Italy	100.0%	100.0%	Consolidated	100.0%	Consolidated
Venpay S.p.A.	CSH S.r.l.	Italy	60.0%	60.0%	Consolidated	60.0%	Consolidated
Venpay S.p.A.	Vendomat Partecipazioni S.r.l.	Italy	40.0%	40.0%	Consolidated	40.0%	Consolidated
Coin Service S.p.A.	Venpay S.p.A.	Italy	92.7%	92.7%	Consolidated	92.7%	Consolidated
Coin Service S.p.A.	IVS Group S.A.	Italy	7.3%	7.3%	Consolidated	2.1%	Consolidated
Coin Service Nord S.p.A.	Venpay S.p.A.	Italy	44.5%	44.5%	Consolidated	44.4%	Consolidated
Coin Service Nord S.p.A.	Coin Service S.p.A.	Italy	53.3%	53.3%	Consolidated	50.5%	Consolidated
Coin Service Nord S.p.A.	IVS Group S.A.	Italy	2.2%	2.2%	Consolidated	2.2%	Consolidated
Centy S.r.l.	Venpay S.p.A.	Italy	15.0%	15.0%	Not consolidated	15.0%	Not consolidated
Auto-bar S.r.l.	IVS Group S.A.	Italy	100.0%	100.0%	Consolidated	75.2%	Consolidated
Demomatic S.A.	IVS Group S.A.	Switzerland	92.5%	92.5%	Consolidated	92.5%	Consolidated
Wefor S.r.l.	IVS Italia S.p.A.	Italy	100.0%	100.0%	Consolidated	100.0%	Consolidated

Name	Parent	Country of incorporation	December 31 st , 2024			December 31 st , 2023	
			Investment % direct	% Reference	Treatment	% Reference	Treatment
Distribuzione 2003 S.r.l. (ex Roma Distribuzione 2003 S.r.l.)	IVS Italia S.p.A.	Italy	100.0%	100.0%	Consolidated	100.0%	Consolidated
Valor Vending S.L.U. (ex Contratas Rehabilitacion y Servicio S.L.)	DAV S.L.	Spain	100.0%	100.0%	Consolidated	100.0%	Consolidated
A.G. Consulting S.r.l.	IVS Italia S.p.A.	Italy	100.0%	100.0%	Consolidated	100.0%	Consolidated
Money.net S.p.A.	CSH S.r.l.	Italy	75.7%	75.7%	Consolidated	70.5%	Consolidated
Breakcotto S.r.l.	IVS Group S.A.	Italy	20.0%	20.0%	Not consolidated	20.0%	Not consolidated
Coinmat S.r.l.	Coin Service S.p.A.	Italy	100.0%	100.0%	Consolidated	28.0%	Not consolidated
IVS H24 S.r.l.	IVS Italia S.p.A.	Italy	95.0%	95.0%	Consolidated	65.0%	Consolidated
MAN24 S.r.l.	IVS H24 S.r.l.	Italy	100.0%	100.0%	Consolidated	65.0%	Consolidated
Olympos S.r.l.	IVS Italia S.p.A.	Italy	50.0%	50.0%	Equity-accounted	50.0%	Equity-accounted
Aora Vending Sp. z o.o.	IVS Italia S.p.A.	Poland	69.0%	69.0%	Consolidated	69.0%	Consolidated
Breskui S.r.l.	Wefor S.r.l.	Italy	90.0%	90.0%	Consolidated	90.0%	Consolidated
Automatic F. Company S.L.	DAV S.L.	Spain	100.0%	100.0%	Consolidated	100.0%	Consolidated
Immobiliare Santo Spirito S.p.A.	IVS Group S.A.	Italy	N.A.	N.A.	N.A.	100.0%	Consolidated
IVS Rent1 S.r.l.	IVS Group S.A.	Italy	100.0%	100.0%	Consolidated	100.0%	Consolidated
Ge.S.A. S.p.A.	IVS Group S.A.	Italy	N.A.	N.A.	N.A.	100.0%	Consolidated
Cialdamia S.r.l.	Ge.S.A. S.p.A.	Italy	N.A.	N.A.	N.A.	100.0%	Consolidated
MIDA S.r.l.	Vendomat Partecipazioni S.r.l.	Italy	N.A.	N.A.	N.A.	32.6%	Consolidated
Trivending S.p.A.	Vendomat Partecipazioni S.r.l.	Italy	32.0%	24.2%	Equity-accounted	23.8%	Not consolidated
Nova Plast S.r.l.	Vendomat Partecipazioni S.r.l.	Italy	25.0%	18.9%	Equity-accounted	18.6%	Not consolidated
Espressa Coffee & Water S.A.	Vendomat Partecipazioni S.r.l.	Spain	20.8%	15.8%	Consolidated	15.5%	Consolidated
Espressa Coffee & Water S.A.	IVS Italia S.p.A.	Spain	60.9%	60.9%	Consolidated	57.6%	Consolidated
Espressa C&W S.A.	Espressa Coffee & Water S.A.	Portugal	100.0%	76.7%	Consolidated	73.1%	Consolidated
Liomatic S.p.A.	IVS Group S.A.	Italy	N.A.	N.A.	N.A.	81.6%	Consolidated
Liomatic S.p.A.	Ge.S.A. S.p.A.	Italy	N.A.	N.A.	N.A.	12.9%	Consolidated
Modo S.p.A.	Liomatic S.p.A.	Italy	N.A.	N.A.	N.A.	22.1%	Not consolidated
Liomatic San Marino S.r.l.	IVS Italia S.p.A.	San Marino	99.0%	99.0%	Consolidated	93.6%	Consolidated
Express S.r.l.	IVS Italia S.p.A.	Italy	55.0%	55.0%	Consolidated	52.0%	Consolidated
Ediwen Group GmbH	IVS Italia S.p.A.	Germany	76.9%	76.9%	Consolidated	47.4%	Consolidated
Ge.O.S. Sardegna S.r.l.	IVS Italia S.p.A.	Italy	100.0%	100.0%	Consolidated	94.6%	Consolidated
Coffe'n S.r.l.	IVS Italia S.p.A.	Italy	30.0%	29.7%	Consolidated	28.4%	Not consolidated
Self Caffè S.r.l.	IVS Italia S.p.A.	Italy	33.0%	32.7%	Consolidated	31.2%	Not consolidated
C.I.V.	IVS Italia S.p.A.	Italy	42.9%	40.6%	Consolidated	14.3%	Consolidated
C.I.V.	Liomatic S.p.A.	Italy	N.A.	N.A.	N.A.	13.5%	Consolidated
C.I.V.	Vending All Inclusive Italia S.p.A.	Italy	14.3%	14.3%	Consolidated	11.67%	Consolidated
C.I.V.	Ge.S.A. S.p.A.	Italy	N.A.	N.A.	N.A.	14.3%	Consolidated
N-and Group Ltd	CSH S.r.l.	UK	46.0%	46.0%	Consolidated	46.0%	Consolidated

Name	Parent	Country of incorporation	December 31 st , 2024			December 31 st , 2023	
			Investment % direct	% Reference	Treatment	% Reference	Treatment
N-and Group Ltd	Venpay S.p.A.	UK	7.8%	7.8%	Consolidated	7.8%	Consolidated
N-and Technologies Limited	N-and Group Ltd	Hong Kong	100.0%	53.8%	Consolidated	53.8%	Consolidated
N-and Embedded S.r.l.	N-and Group Ltd	Italy	100.0%	53.8%	Consolidated	53.8%	Consolidated
N-and Italia S.r.l.	N-and Group Ltd	Italy	100.0%	53.8%	Consolidated	53.8%	Consolidated
Manta Servizi S.r.l.	N-and Group Ltd	Italy	51.0%	27.4%	Consolidated	27.4%	Consolidated
VAT S.r.l.	N-and Group Ltd	Italy	14.0%	14.0%	Not consolidated	7.5%	Not consolidated
Pergusto GmbH	Ediwen Group GmbH (Ivs Germany GmbH)	Germany	N.A.	N.A.	N.A.	47,40%	Not consolidated
Vendomat Partecipazioni S.r.l.	IVS Group S.A.	Italy	44.6%	44.4%	Consolidated	N.A.	N.A.
Vendomat Partecipazioni S.r.l.	IVS Italia S.p.A.	Italy	31.2%	31.2%	Consolidated	N.A.	N.A.
H24 Italia S.p.A. (ex Toscana H24 S.r.l.)	IVS Group S.A.	Italy	50.8%	50.8%	Consolidated	N.A.	N.A.
Rafago Sp. Z.o.o.	Aora Vending Sp. z o.o.	Poland	100.0%	69.0%	Consolidated	N.A.	N.A.
Ivs Rail S.r.l.	IVS Italia S.p.A.	Italy	60.0%	60.0%	Consolidated	N.A.	N.A.
Fonte Futura S.r.l.	IVS Italia S.p.A.	Italy	40.0%	40.0%	Not consolidated	N.A.	N.A.
Navending S.L.	DAV S.L.	Spain	66.6%	66.6%	Consolidated	N.A.	N.A.
Navending S.L.	Automatic F. Company S.L.	Spain	33.4%	33.4%	Consolidated	N.A.	N.A.
SFB d.o.o.	Vendomat Partecipazioni S.r.l.	Slovenia	25.0%	25.0%	Not consolidated	N.A.	N.A.
BH Partners S.a.S.	IVS Group S.A.	France	65.0%	65.0%	Consolidated	N.A.	N.A.
P-V Sp z.o.o.	Aora Vending Sp. z o.o.	Poland	100.0%	100.0%	Consolidated	N.A.	N.A.
Cafegrà S.L.	DAV S.L.	Spain	100.0%	100.0%	Consolidated	N.A.	N.A.

Companies that are not consolidated are dormant. The carrying amounts of their holdings are reported under "Interests in other entities", for a total value of EUR 417 thousand.

The main changes in the composition of the IVS Group with respect to December 31st, 2023 are:

- With effect from January 1st, 2024 the Italian subsidiaries GE.S.A. S.p.A., Cialdama S.r.l., Time Out Vending S.r.l. (acquired with effect from January 1st, 2024) and Liomatic S.p.A. have been merged into the subsidiary IVS Italia S.p.A..
- In January 2024 the Polish vending subsidiary Aora Vending Sp. z o.o. acquired the 100% of Rafago Sp. z o.o..
- In February 2024 the Italian subsidiary Vendomat Partecipazioni S.r.l. disposed its subsidiary MIDA S.r.l..
- In February 2024 the Italian subsidiary IVS H24 S.r.l. acquired the 70% of Toscana H24 S.r.l. (now H24 Italia S.p.A.).
- In February and in October the Group acquired the residual minorities of Auto-Bar S.r.l..
- In March 2024 IVS France S.a.S. acquired the 10% of MB Web S.a.S. shares.
- In July 2024 the Group acquired the residual minorities of Liomatic S.p.A. (now merged in IVS Italia S.p.A.).
- In July and in October 2024 the Group acquired the residual minorities of Eurovending S.r.l..
- In August 2024 the Polish vending subsidiary Aora Vending Sp. z.o.o. acquired the 100% of Pol-Vending Sp. z.o.o..
- In September 2024 the Spanish vending subsidiary DAV S.L. acquired the 100% of Cafegrà S.L..
- In September 2024 IVS Italia acquired the 30% of IVS H24 S.r.l..
- In September 2024 IVS Group incorporated a new company IVS Rail S.r.l..
- In October 2024 IVS Group acquired the residual minorities of Coin Service S.p.A..
- In December 2024 IVS Group acquired the 65% of BH Partners S.a.S. active in France.
- In December 2024 Vendomat Partecipazioni S.r.l. acquired the 25% of SBF d.o.o..
- In December 2024 IVS Italia S.p.A. acquired the 24.2% of IVS Germany GmbH shares.
- In December 2024, the companies IVS Italia S.p.A., Coin Service S.p.A., Vendomat Partecipazioni S.r.l. demerged their real estate assets in favour of Immobiliare Santo Spirito S.p.A..

- In December 2024 IVS Group incorporated a new company Navending S.L..
- In December 2024 the stakes of the real estate companies S.C.I. +39 were sold and Immobiliare Santo Spirito S.p.A. was sold to IVS Partecipazioni S.p.A..

The holding company

The direct and ultimate parent of IVS Group S.A. is IVS Partecipazioni S.p.A. which is based in Italy.

Associates

The Group has the following associates:

- Universo Vending S.r.l.
- Ciesse Caffè S.r.l.
- Centy S.r.l.
- Breakcotto S.r.l.
- Coffee'n S.r.l.
- Self Caffè S.r.l.
- Trivending S.p.A.
- Nova Plast S.r.l.
- VAT S.r.l.
- SFB d.o.o.
- Fonte Futura S.r.l.

For more details, refer to Note 13.

Joint venture in which the Group is a joint venturer

The Group has a 50% interest in Olympo S.r.l..

For more details, refer to Note 13.

SIGNIFICANT TRANSACTIONS AND EVENTS

7 - BUSINESS COMBINATIONS

During the year 2024, IVS Group finalized the acquisition of the following business and subsidiaries:
All these acquisitions were recorded using the acquisition method of accounting. Therefore, the Consolidated

Acquiree	Acquisition Date	Business Unit/ Subsidiary	Operative Segment	Assessment of fair-value	Consideration transferred	Price paid within December 31 st , 2024	Enterprise value
(in thousands of Euro)							
Time Out Vending S.r.l.	Effect from January 1 st , 2024	Subsidiary	Vending (Italy)	Final	4,123	4,123	3,239
Rafago sp z.o.o.	January 16 th , 2024	Subsidiary	Vending (Poland)	Final	929	929	821
Coffee Service	February 16 th , 2024	Business Unit	Vending (Italy)	Provisional	491	466	491
H24 Italia S.p.A. (stake 70%)	February 29 th , 2024	Subsidiary	H24 (Italy)	Final	175	175	175
Open 366	April 19 th , 2024	Business Unit	H24 (Italy)	Final	60	60	60
D'Aspin	April 22 nd , 2024	Business Unit	Vending (Italy)	Final	150	150	150
Wending Market	May 2 nd , 2024	Business Unit	Vending (Italy)	Provisional	641	641	641
Punto Snack	May 16 th , 2024	Business Unit	H24 (Italy)	Final	75	75	75
Cores Vending	June 3 rd , 2024	Business Unit	Vending (Spain)	Provisional	202	141	202
Pol Vending sp z.o.o.	August 30 th , 2024	Subsidiary	Vending (Poland)	Provisional	2,904	2,904	2,853
Cafegrà S.L.	September 27 th , 2024	Subsidiary	Vending (Spain)	Provisional	3,278	1,967	3,970
Coinmat S.r.l.	October 21 st , 2024	Subsidiary	Coin	Final	12	7	12
Sentil	October 23 rd , 2024	Business Unit	Vending (Spain)	Provisional	6,829	5,804	6,829
Coofee&Snack	October 24 th , 2024	Business Unit	Vending (Switzerland)	Final	84	63	84
BH Partners S.a.S. (stake 65%)	December 29 th , 2024	Subsidiary	Vending (France)	Provisional	10,258	10,258	11,723
Total					30,211	27,763	31,325

Financial Statements as of December 31st, 2024 include the results of the aforementioned business from the date of acquisition of control.

The fair values of the identifiable assets acquired, and liabilities assumed of these companies, as at the date of acquisition were the following:

(in thousands of Euro)	Final assessment of the fair value			Total
	Rafago s.p. z.o.o.	Time Out Vending S.r.l.	Other minor BC	
Net fixed assets	224	1,092	348	1,664
Deferred tax assets	-	-	-	-
Other non-current assets	-	60	-	60
Current assets	310	1,038	182	1,530
Non-current liabilities	(47)	(296)	(56)	(399)
current liabilities	(206)	(330)	(299)	(835)
Non controlling interest	-	-	(75)	(75)
Goodwill	648	2,559	457	3,664
Price	929	4,123	557	5,609
Net cash acquired (included in cash flows from investing activities)	108	884	37	1,029
Contractual price	929	4,123	532	5,584
Stake already own in the acquiree	-	-	5	5
Outstanding amount as of December 31 st , 2024	-	-	-	-
Net cash flow for the acquisition	821	3,239	495	4,555

With reference to the other Business Combination, the assessment of their fair value is still provisional since the Group has not yet completed the final purchase price allocation and the Group has not yet completed the valuation of the consideration transferred, being its calculation linked to the performance of the targets after the acquisition date.

(in thousands of Euro)	Provisional assessment of the fair value					Total
	Pol Vending sp	Sentil	Cafegrà S.L.	BH Partners S.a.S.	Other minor BC	
Net fixed assets	691	6,000	1,337	3,834	611	12,473
Deferred tax assets	-	-	109	-	-	109
Other non-current assets	-	-	-	250	-	250
Current assets	253	-	297	3,593	-	4,143
Non-current liabilities	(164)	-	(531)	(1,619)	(61)	(2,375)
Current liabilities	(120)	-	(681)	(1,820)	-	(2,621)
Non controlling interest	-	-	-	(948)	-	(948)
Goodwill / (Gain)	2,244	829	2,747	6,968	784	13,572
Price	2,904	6,829	3,278	10,258	1,334	24,603
Analysis of cash flows of the acquisition:						
Net cash acquired (included in cash flows from investing activities)	51	-	13	1,283	-	1,347
Contractual price	2,904	6,829	3,278	10,258	1,334	24,603
Outstanding amount as of December 31 st , 2024	-	1,024	1,311	-	86	2,421
Net cash flow for the acquisition	2,853	5,805	1,954	8,975	1,248	20,835

The aim of the business segments acquisition is to acquire business in strategic locations that improve the vending machine density and integrating them into Company's network to achieve operating and pricing synergies. The Group obtained the controls of these business segments acquiring from competitors a portion of their enterprise mainly composed from vending machines installed and active on customer's locations. The consideration transferred is paid through cash. The goodwill acquired in these acquisitions consists largely of the synergies and economies of scale expected from combining the operations of IVS and these subject business segments. In particular, the synergies and economies of scale are connected to increase density of vending machines operating and pricing synergies (small competitors lack economies of scale and are hindered by limited pricing power and margin pressure).

In all the above-mentioned business combinations the Group acquired receivables whose fair value is equal to EUR 1,807 thousand.

The related goodwill is not expected to be deductible for tax purposes.

Any difference between the provisional consideration transferred and the correspondent amount at the end of its measurement period, will be recorded as adjustment to the correspondent goodwill (and any difference between the estimate of the fair value of the business combination calculated at the expiration of twelve months from the date of the closing and the final fair value calculated on the basis of the contractual clauses is recognized in the income statement of the period).

The main asset recognized in connection to these Business Combinations is:

- "Customer list" (EUR 4,658 thousand, included in "Fixed Assets" in the table above), which fair-value has been estimated through a statistical approach based on the Multi Period Excess Earnings Method, that it has been deemed as the most appropriate methodology as it reflects the present value of the operating incomes generated by the customer portfolio over their term (10 years).

All these acquisitions were recorded using the acquisition method of accounting. Therefore, Consolidated Financial Statements as of December 31st, 2024 include the following results of the business from the date of acquisition of control:

(in thousands of Euro)	Rafago s.p. z.o.o.	Cafegra S.L.	Sentil	BH Partners S.a.S.	Pol Vending sp z.o.o.	Other minor BC
Revenues	740	1,052	1,316	575	564	1,289
Gross Margin	333	690	869	365	340	895

The amounts of profit or loss of minor Business Combination before the acquisition date are not provided, those operations carried out-before the acquisition through separate legal entities and are not significant.

For the other Business Combination, except Time out Vending and Rafago s.p. z.o.o. of which contribution to the annual reporting period started as of January 1st, 2024, the table below summarizes revenue, EBITDA and profit or loss before the acquisition date

(in thousands of Euro)	Cafegra S.L.	Sentil	BH Partners S.a.S.	Pol Vending sp z.o.o.	Total
Revenues	2,959	6,250	7,655	1,516	18,380
Ebitda	42	N.A.	1,128	91	1,261
Profit or loss	(139)	2,278	834	61	3,034

7.1 Information on acquisition carried out in previous year

The Group recorded in the prior year the following business combinations, which assessments of fair values were still provisional in the consolidated financial statement as of December 31st, 2023 and have been finalized in these financial statements:

(in thousands of Euro)	Final assessment of the fair value		
	Brasil Moka	Time Vending S.r.l.	Other minor BC
Net fixed assets	699	3,263	497
Deferred tax assets	-	-	-
Other non-current assets	-	350	-
Current assets	-	1,712	-
Non-current liabilities	(182)	(910)	(20)
Current liabilities	(12)	(879)	-
Non controlling interest	-	-	-
Goodwill	1,373	11,234	350
Price	1,878	14,770	827
Net cash acquired (included in cash flows from investing activities)	-	756	-
Contractual price	1,878	14,770	827
Consideration in kind (IVS Group Treasury)	-	(7,385)	-
Step up fair value of stake already owned in the acquiree	-	(5,923)	-
Stake already owned in the acquiree	-	(1,462)	-
Outstanding amount as of December 31 st , 2024	227	-	170
Net cash flow for the acquisition	1,425	(756)	647

7.2 Disposal of a subsidiary

On February 28th, 2024 Vendomat Partecipazioni S.r.l. sold the shares of the subsidiary MIDA S.r.l. for a final consideration of EUR 7 thousand. The loss registered in the financial statement is summarized as follow:

Description	Value (in thousands of Euro)
Non-current assets	(925)
Current assets	(2,380)
Non-current liabilities	997
Current liabilities	2,382
Net assets directly associated with disposed subsidiary (A)	74
Non-controlling interests	(677)
Disposal price	7
Result in profit/(loss)	(596)

7.3 Merger with Grey S.à.r.l.

On April 22nd, 2024, Grey S.à.r.l. launched a voluntary totalitarian tender offer to delist the Company from the Milan Stock Exchange. By June 7th, 2024, the Company reduced its share capital and sold remaining treasury shares. On September 25th, 2024, Grey S.à.r.l. crossed the 95% threshold of share capital and voting rights, leading to the exercise of the Take-Over Squeeze-out. The delisting was completed on October 30th, 2024. On December 18th, 2024, the Company merged with Grey S.à.r.l. and in the same day the ordinary shareholders general meeting, elected a new board of director. The reverse merger between IVS Group S.A. and Grey S.à.r.l. was treated as a recapitalisation of IVS Group S.A., due to Grey S.à.r.l. not being a business operations (as defined in IFRS 3) and control of IVS Group S.A. being retained by IVS Partecipazioni S.p.A. before and after the transaction. The net effect of this transaction on the consolidated shareholders' equity was negligible, as the financial resources provided to Grey S.à.r.l. were fully utilised in the voluntary totalitarian tender offer.

7.4 Spin-off of land and buildings and disposal of Immobiliare Santo Spirito S.r.l. and S.C.I. +39

On December 31st 2024, as previewed in the document on the totalitarian tender offer, IVS Group sold to the main shareholder IVS Partecipazioni S.p.A. its equity interest in Immobiliare Santo Spirito S.r.l. and SCI+39, that holds 53 real estate assets, previously owned by various IVS Group controlled companies, and then leases that real estate back. The sale price, determined according to the real estate appraisal (made by an independent advisor), net of the existing debt mostly related to financial lease contracts on some properties, is equal to Euro 60.6 million.

The table below summarises the effect of this transaction as of December 31st 2024 (excluding the portion of the sale of the real-estate still held in Spain):

Description	Value (in thousands of Euro)
Net fixed assets ⁽¹⁾	80,127
Current assets	1,055
Non-current liabilities	(11,888)
Current liabilities	(4,664)
Non controlling interest	(2,002)
Net cash outflow	551
Loss recognised	(2,605)
Net cash inflow for the disposal	60,574

⁽¹⁾ Of which EUR 17,084 for disposal of leases right of use

Given that in this transaction an entity sells its equity interest in a subsidiary that holds only a real estate asset and then leases that real estate back and that resulted in a loss of EUR 2,605 thousand, the Group recognize in full the loss and the Right of Use (and lease liability) resulting from the transaction of EUR 40,510 thousand.

Other information

It should be noted that as of December 31st, 2024, the outstanding amount for the acquisition of such investments and business units (and for the acquisitions carried out in previous years) amounted to EUR 2,879 thousand in total, broken down as follows:

- Coffee Service (EUR 25 thousand)
- Cores Vending (EUR 61 thousand)
- Cooffee&Snack (EUR 21 thousand)
- Sentil S.L. (EUR 1,024 thousand)
- Cafegrà S.L. (EUR 1,311 thousand)
- Other for a total amount of EUR 437 thousand related business units acquired in previous years.

Transaction costs arising from these transactions were charged to the income statement under the caption "Cost of service" and were included in the cash flows from operating activities in the statement of cash flows.

8 - OTHER TRANSACTIONS

Acquisition and disposal of non-controlling interests in subsidiary

From the beginning of 2024, IVS Group finalized the following acquisition of non-controlling interest in subsidiary companies:

- on February and on October acquired the residual minorities of Auto-Bar S.r.l., for a consideration equal to EUR 1,117 thousand, fully paid within December 31st, 2024;
- on March 2024 IVS France S.a.S. acquired the 10% of MB Web S.a.S. shares, for a consideration equal to EUR 10 thousand;
- on July 2024 acquired the residual minorities of Liomatic S.p.A. (now merged in IVS ITALIA S.p.A.), for a consideration equal to EUR 4,278 thousand, already paid for EUR 3,672 thousand within December 31st, 2024;
- on July and on October acquired the residual minorities of Eurovending S.r.l., for a consideration equal to EUR 3,421 thousand, already paid for EUR 3,284 thousand within December 31st, 2024;
- on September acquired the 30% of IVS H24 S.r.l. for a consideration transferred of EUR 2,397 thousand, fully paid within December 31st, 2024;
- on October acquired the residual minorities of Coin Service S.p.A., for a consideration equal to EUR 1,995 thousand, already paid for EUR 1,532 thousand within December 31st, 2024;
- on December 2024 IVS Italia S.p.A. acquired the 24.2% of IVS Germany GmbH shares, for a consideration equal to EUR 863 thousand.

The table below summarizes the effect on shareholders' equity related these equity transactions:

(in thousands of Euro)	Purchase of MB Web S.a.S.	Purchase of Auto-Bar S.r.l.	Purchase of Liomatic S.p.A.	Purchase of Coin Service S.p.A.	Purchase of Eurovending S.r.l.	Purchase of IVS H24S.r.l.	Purchase of IVS Germany GmbH
Value of equity attributable to non-controlling interests at the date of acquisition/transfer	35	52	4,831	615	876	560	299
Price paid / Contingent Consideration	(10)	(1,117)	(4,278)	(1,995)	(3,421)	(2,397)	(863)
Exercised put option derecognized against parent equity (see Note 13)	-	-	500	-	-	874	863
Effect on shareholders' equity attributable to the parent as of December 31st, 2024	25	(1,065)	1,053	(1,380)	(2,545)	(963)	299

9 - OPERATING SEGMENTS

Following the acquisitions of new and additional businesses carried out during the year 2024, IVS Group has integrated its reporting segments in accordance with the provisions of IFRS 8.

- The Vending division. For operating purposes, the vending division is organized in business units based on supplied products and services and has five operating segments, described below:
 - the Italy segment, which comprises the sale and supply of goods, food and beverages via automated and semiautomated vending machines in Italy;
 - the France segment, which comprises the sale and supply of goods, food and beverages via automated and semiautomated vending machines in France;
 - the Spain segment, which comprises the sale and supply of goods, food and beverages via automated and semiautomated vending machines in Spain;
 - the Other countries segment, which comprises the sale and supply of goods, food and beverages via automated and semiautomated vending machines in Switzerland, San Marino, Poland, Germany and Portugal.
- The Coin segment, which comprises metal coins business (the collection and distribution of coins, counting of coins for third parties and cash-in-transit services), digital money business and the digital payments business.
- The Reselling segment related to resale of products, vending machines and other equipments mainly to other vending operators.
- The Ho.Re.Ca. segment dedicated to selling products through the specific distribution channel of the hotel, restaurant and catering/café.

The directors examine the results achieved by each business unit separately when making decisions on the allocation of resources and assessment of performance. Assessment of the performance of a segment is based on its net operating income which, as explained in the table below, is measured differently from the net operating income in the Consolidated Financial Statements. The Group's financial activities (such as costs and revenues on loans) and income taxes are managed at Group level and are not allocated to operating segments.

Transfer prices between operating segments are negotiated internally, using a procedure similar to transactions with independent parties.

The table below shows segment figures for revenue, net income and other items as of December 31st, 2024 and 2023:

December 31 st , 2024 (in thousands of Euro)	Vending Italy	Vending France	Vending Spain	Vending Others	Reselling	Ho.Re.Ca.	Coin	Eliminations	Consolidated
Revenue from third parties	460,753	56,416	42,108	15,168	100,293	28,068	29,971	-	732,777
Inter-segment revenue	8,345	1,517	311	2	3,212	792	11,442	(25,621)	-
Total revenue	469,098	57,933	42,419	15,170	103,505	28,860	41,413	(25,621)	732,777
Depreciation charge	(59,678)	(5,806)	(4,709)	(1,486)	(3,138)	(2,928)	(3,342)	-	(81,087)
Share of profit or loss of associates	122	-	-	-	(151)	-	-	-	(29)
Segment result	17,580	(593)	(801)	(1,927)	3,060	1,507	3,676	56	22,558
Operating assets	848,494	72,888	54,691	19,255	90,433	39,556	101,502	18,085	1,244,904
Operating liabilities	138,119	13,164	17,217	5,320	14,166	3,570	20,606	(18,285)	193,877

December 31 st , 2023 (in thousands of Euro)	Vending Italy	Vending France	Vending Spain	Vending Other	Reselling	Ho.Re.Ca.	Coin	Eliminations	Consolidated
Revenue from third parties	453,882	49,839	37,310	11,751	126,408	20,340	26,684	-	726,214
Inter-segment revenue	9,501	69	6	3	5,226	1,331	13,641	(29,777)	-
Total revenue	463,383	49,908	37,316	11,754	131,634	21,671	40,325	(29,777)	726,214
Depreciation charge	(60,907)	(5,239)	(4,116)	(1,381)	(3,131)	(2,810)	(2,698)	-	(80,282)
Share of profit or loss of associates	(470)	-	-	-	802	-	-	-	333
Segment result	20,063	1,204	(255)	(806)	6,311	1,587	5,136	7	33,246
Operating assets	931,435	55,440	40,389	12,462	104,899	36,884	99,404	(16,946)	1,263,967
Operating liabilities	149,390	9,739	12,409	4,263	22,179	2,828	18,304	(16,916)	202,196

Adjustments and eliminations

Financial income and expenses, changes in the fair value of financial assets are not allocated to any individual segment given that the underlying instruments are managed and administered at Group level.

Income tax and certain other financial assets and liabilities are also not allocated to the individual segments as these too are managed centrally at Group level.

Reconciliation of profit	December 31 st , 2024	December 31 st , 2023
Segment profit	22,558	33,247
Adjustments to value of financial assets	195	5,873
Financial income	2,574	3,169
Financial expenses	(24,147)	(22,692)
Net exchange differences and variations in fair value of derivatives	421	(76)
Result of companies valued at net equity	(29)	98
Inter-segment eliminations	(427)	(586)
Group profit before tax	1,145	19,033

Reconciliation of Assets	December 31 st , 2024	December 31 st , 2023
Segment operating assets	1,244,904	1,263,967
Equity investments	3,019	4,501
Loans and receivables	15,928	9,944
Deferred tax assets	1,746	2,070
Tax assets	20,125	14,626
Current financial assets	76,847	72,815
Inter-segment eliminations	(90,894)	(77,097)
Group Operating Assets	1,271,675	1,290,826

Reconciliation of Liabilities	December 31 st , 2024	December 31 st , 2023
Segment operating liabilities	193,877	202,196
Medium/long term loans payable	125,396	169,335
Deferred tax liabilities	-	8,974
Due to bondholders	300,740	300,189
Short-term loans payable	226,990	168,384
Derivatives	-	-
Tax liabilities	5	2,587
Inter-segment eliminations	(99,867)	(75,454)
Group Operating Liabilities	747,141	776,211

In terms of revenues earned from major customers, considering the nature of its business, IVS Group has no customers in the years ended December 31st, 2024 and 2023 who accounted for over 10% of consolidated Revenue from third parties.

NOTES TO THE MAIN CAPTIONS OF THE STATEMENT OF FINANCIAL POSITION

10 - INTANGIBLE ASSETS

The table below shows the movements in historical cost and in accumulated amortization of intangible assets during the period:

(in thousands of Euro)	Development expenses	Industrial patent and soft./ intellectual property rights	Concessions, licences, trademarks and similar rights	Customer list	Other intangible assets	Intangible under construction	Total
Cost at January 1st, 2024	5,150	12,619	17,558	163,974	908	476	200,685
Purchases	2,605	922	100	-	157	5	3,789
Disposals	(3)	(98)	(2)	-	(230)	(20)	(353)
Business combination ⁽¹⁾	(0)	14	22	4,658	22	-	4,716
Exchange rate difference movements	112	1	7	(7)	-	-	113
Devaluation	-	-	-	-	-	-	-
Reclassification	(37)	228	(222)	(248)	15	-	(265)
Cost at December 31st, 2024	7,827	13,686	17,463	168,377	872	460	208,685
Accumulated Amortization at January 1st, 2024	(2,006)	(12,289)	(5,393)	(76,249)	(800)	-	(96,737)
Amortization	(1,551)	(422)	(2,550)	(10,861)	(65)	-	(15,448)
Disposals	3	4	-	-	189	-	195
Business combination ⁽¹⁾	-	-	(20)	-	-	-	(20)
Exchange rate difference movements	(17)	1	(3)	7	-	-	(12)
Devaluation	-	-	-	-	-	-	-
Reclassification	(12)	22	4	249	13	-	277
Accumulated Amortization at December 31st, 2024	(3,583)	(12,684)	(7,962)	(86,853)	(663)	-	(111,745)
Carrying amount							
At January 1st, 2024	3,106	576	11,943	87,725	108	476	103,934
At December 31st, 2024	4,244	1,002	9,501	81,524	209	460	96,940

⁽¹⁾ Please refer to Note 7-Business combination

The increase of the Customer list is due to business combinations made during the year which as of December 31st, 2024 was accounted for as a net increase of EUR 4,658 thousand.

The following table summarizes the changes arising from the aforementioned transactions:

(in thousands of Euro)	Customer List
Transaction	
Acquisition of BH Partners S.a.S.	2,039
Acquisition of Cafegrà S.L.	804
Acquisition of Time Out Vending S.r.l.	713
Acquisition of Pol Vending. Z.o.o.	657
Acquisition of Rafago Z.o.o.	190
Acquisition of other minor business unit	255
Total	4,658

11 - GOODWILL AND IMPAIRMENT TEST

The following table shows variations in goodwill at December 31st, 2024 compared to the previous year:

(in thousands of Euro)	December 31 st , 2024	December 31 st , 2023
Gross Amount before restatement at January 1st	567,039	553,818
Restatement	-	2,145
Gross Amount after restatement at January 1st	567,039	551,673
Additions	-	-
Disposals	-	-
Write-downs	(190)	(288)
Reclassification	-	-
Exchange rate difference movements	(20)	194
Business combinations	17,236	13,315
Gross Amount at December 31st	584,065	567,039
Accumulated Impairment Losses at January 1st	(18,821)	(18,821)
Impairment Losses	-	-
Accumulated Impairment Losses at December 31st	(18,821)	(18,821)
Net book value at January 1st	548,218	534,997
Net book value at December 31st	565,244	548,218

The item "Business Combinations" for an amount of EUR 17,236 thousand refers to operations described in Note 7 above.

The goodwill acquired through Business Combinations was allocated for impairment test purposes to seven cash generating units ('CGU'), which coincide with the operating segments for which disclosure is provided, as follows:

- Vending CGUs by geography:
 - Italy
 - France
 - Spain
 - Other European countries
- CGU Coin
- CGU Reselling
- CGU Ho.Re.Ca.

The goodwill recognized from the acquisition of new subsidiaries is attributable to the synergies and other economic benefits resulting from the combination of assets and commercial transactions with those of the Group and was allocated to the respective CGU.

Goodwill allocated to each CGU is detailed below:

(in thousands of Euro)	December 31 st , 2024	December 31 st , 2023
Transaction		
CGU Vending - Italy	475,570	471,997
CGU Vending - France	27,170	20,202
CGU Vending - Spain	11,265	7,689
CGU Vending - Other European Countries	7,628	4,719
CGU Coin	11,435	11,435
CGU Reselling	18,871	18,953
CGU HoReCA	13,305	13,223
Total	565,244	548,218

The recoverable amounts of the CGUs were determined considering their value in use, from the point of view of the entity that carries out the business, for which it assumes a value consistent with the expected cash flows

arising from its continued use in an indefinite useful life. The Group engaged an external expert to undertake impairment assessments, who used the projected cash flows included in the IVS Group business plan 2025-2027, approved by the Company's Board of Directors on March 27th, 2025, to calculate the value in use of the seven CGUs. The cash flows for the perpetuity have been extrapolated assuming cash flows in line with those of the business plan's third year.

For the CGUs Spain, Other Countries, Coin, Ho.Re.Ca. and Reselling, these flows were the sum of:

- (i) adjusted forecast NOPLAT (net operating profit less adjusted taxes) for 2025 (adjusted by considering the Group's scheduled depreciation plan),
 - (ii) investments equal to the maintenance amortization (including renewal in perpetuity of operating leases).
- No changes in working capital were foreseen in the calculation of the Terminal Value. The resulting cash flow was projected to grow by factor g equal to the expected medium-term inflation rate for each Country.

No changes in working capital were foreseen in the calculation of the *Terminal Value*, considering that the resulting cash flow was projected to grow by factor g equal to the expected medium-term inflation rate for each Country.

For the CGUs Italy and France, the Group considered that, due to the transaction described in note 7.4, the expiration of a significant portion of its lease liabilities is 2032, which extends beyond the business plan years. Consequently, since the cash flow at the end of year 3 does not represent a sustainable cash flow going forward, the external expert developed inertial projections from 2025 to 2032 and estimated the terminal value as the sum of:

- (i) adjusted forecast NOPLAT (net operating profit less adjusted taxes) for 2032 (adjusted by considering the Group's scheduled depreciation plan),
- (ii) investments equal to the maintenance amortization (including renewal in perpetuity of operating leases).

The discount rate applied to the projected cash flows has been estimated separately for each CGU, considering the specific country and business risk of the CGU. The discount rates are reported in the table below:

	December 31 st , 2024							
	Italy	France	Spain	Other countries	Coin	Ho.Re.Ca.	Reselling	Consolidated
risk-free rate	3.5%	3.0%	3.0%	2.8%	3.5%	3.2%	3.4%	3.4%
Market Risk Premium	5.5%	5.6%	6.4%	5.6%	5.5%	6.0%	5.6%	5.6%
Unlevered Beta	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Size Premium	0.0%	0.0%	0.0%	0.0%	2.4%	0.0%	0.0%	0.1%
Execution Premium	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
ke	9.8%	9.4%	10.2%	9.2%	12.8%	10.0%	10.0%	9.9%
Kd (after tax)	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%
Weight D/(D+E)	37.6%	37.6%	37.6%	37.6%	37.3%	37.6%	37.6%	37.6%
Weight E/(D+E)	62.4%	62.4%	62.4%	62.4%	62.7%	62.7%	62.7%	62.7%
WACC	7.4%	7.2%	7.6%	6.9%	9.3%	7.6%	7.4%	7.5%
g rate	1.9%	2.0%	1.9%	2.1%	1.9%	1.9%	1.9%	1.9%

	December 31 st , 2023							
	Italy	France	Spain	Other countries	Coin	Ho.Re.Ca.	Reselling	Consolidated
risk-free rate	4.2%	3.1%	3.6%	2.8%	4.2%	3.8%	4.2%	4.1%
Market Risk Premium	5.5%	5.7%	6.4%	5.6%	5.5%	6.1%	5.6%	5.7%
Unlevered Beta	0.7	0.7	0.7	0.7	0.8	0.7	0.7	0.8
Size Premium	0.0%	0.0%	0.0%	0.0%	2.3%	0.0%	0.0%	0.1%
Execution Premium	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%
ke	10.4%	9.5%	10.6%	9.0%	13.7%	10.5%	10.4%	11.3%
Kd (after tax)	3.5%	3.4%	3.4%	3.4%	3.5%	3.4%	3.5%	3.5%
Weight D/(D+E)	33.3%	33.3%	33.3%	33.3%	36.4%	33.3%	33.3%	35.3%
Weight E/(D+E)	66.7%	66.7%	66.7%	66.7%	63.7%	66.7%	66.7%	64.7%
WACC	8.1%	7.5%	8.2%	7.1%	10.0%	8.2%	8.1%	8.5%
g rate	1.8%	2.0%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%

Risk Free has been calculated based on the Unconditional approach, as the average of the yields on the government bonds of the reference country with a ten-year maturity, observed in the six months preceding the Valuation Date (source: S&P Capital IQ). For countries whose government bonds are illiquid or no data was available regarding government bonds yields, the average yield on ten-year US government bonds (in the six months preceding the valuation) was used, adjusted for excluding the expected US inflation (source: EIU) and incorporating prospective inflation for the Euro area (source: EIU). For CGUs in Other countries, Reselling and Ho.Re.Ca., a weighted average of the average Risk-free yields for the various countries was calculated.

Unlevered Beta has been estimated based on the average value recorded by a panel of publicly traded companies in the reference sector, observed in the five years preceding (with monthly readings) the valuation Date. In order to adequately consider the different degree of systematic risk of the CGUs, 4 panels of comparable companies were selected: Vending (CGUs in Italy, Spain, France, and Other countries), Ho.Re.Ca., Reselling and Coin.

A market risk premium, which is the difference between the expected return on a market portfolio and the risk-free rate, was applied to each Country.

An additional risk factor relating to the size of IVS and an execution risk were used to estimate the cost of equity.

The cost of debt has been calculated as the implied yield in the market price of the Company's latest bond issuance.

The business plan assumptions include an increase in turnover over the three years from 2025 - 2027 and take into consideration the management estimation of effects on sales and costs relating to 2024 acquisitions. These projections show:

- a substantially stable Adjusted EBITDA Margin for the CGUs France, Coin, Reselling and Ho.Re.Ca.,
- the improvement of the Adjusted EBITDA Margin for the CGU Italy, Spain and Other Countries, arising by the progressive efficiency on the costs and integration of new business acquired and contracts awarded.

The Group constantly monitors the latest government legislation in relation to climate-related matters. At the current time, no legislation has been passed that will impact the Group. The Group will adjust the key assumptions used in value-in-use calculations and sensitivity to changes in assumptions should a change be required.

The Group determined the recoverable amount using the Unlevered Discounted Cash Flow model. For goodwill impairment test purposes, the recoverable amount was assumed to be equal to the relevant enterprise value, which is the mathematical sum of the present value of the cash flows generated by ordinary operations ("operating value").

No need for the recognition of impairment losses has emerged from the comparison of the carrying and recoverable amounts for all the CGUs, that show the following excess of recoverable amount over correspondent carrying amount:

(in million of Euro)	December 31 st , 2024	December 31 st , 2023	December 31 st , 2022
CGU Spain	38.1	24.1	13.1
CGU France	56.1	35.6	15.9
CGU Italy	134.5	55.9	30.1
CHU Other countries	18.7	2.8	3.0
CGU Reselling	18.4	7.1	7.3
CGU Ho.Re.Ca.	41.3	30.0	6.2
CGU Coin	37.6	25.2	19.7

Sensitivity analysis

The Group performed a sensitivity analysis of the estimated recoverable amount considering the current and forecast economic situation and the results of the impairment tests for 2024. In particular, the Group developed sensitivity analyses based on an increase of 0.5% in WACC and a decrease of 0.5% in "g" rate. As a consequence of these changes none of the CGU would report an excess of the carrying amount over the recoverable amount.

The discount rates that make the CGUs' recoverable amounts equal to their carrying amounts are set out in the following table:

	December 31 st , 2024	December 31 st , 2023
CGU Spain	15.8%	15.3%
CGU France	16.4%	9.8%
CGU Italy	8.6%	8.6%
CGU Other countries	11.9%	8.3%
CGU Ho.Re.Ca.	29.0%	20.5%
CGU Reselling	8.6%	8.6%
CGU Coin	20.3%	17.7%

The IVS Group's is closely monitoring, based on available information, the potential impact of these sensitivities.

12 - PROPERTY, PLANT AND EQUIPMENT

The table below shows the movements in historical cost and in accumulated depreciation during the period:

(in thousands of Euro)	Land and buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Assets under construction	Investment Property	Total
Cost at January 1st, 2024	212,462	24,426	771,100	137,729	1,478	1,407	1,148,602
Purchases	295	710	47,759	11,302	995	-	61,061
Additions, net (IFRS 16)	37,984	-	-	4,617	-	-	42,601
Disposals	(98,593)	(2,700)	(23,520)	(12,601)	(3)	(1,481)	(138,899)
Business combination ⁽¹⁾	6	274	16,236	1,565	-	-	18,081
Exchange rate difference movements	-	4	(83)	(5)	5	-	(80)
Devaluation	-	-	-	-	-	-	-
Reclassification	0	224	-	131	(570)	-	(215)
Cost at December 31st, 2024	152,155	22,938	811,492	142,737	1,905	(74)	1,131,152
Depreciation at January 1st, 2024	(85,714)	(19,144)	(638,280)	(112,165)	-	(706)	(856,009)
Depreciation	(14,701)	(1,061)	(40,220)	(9,431)	-	(36)	(65,448)
Disposals	36,400	2,489	22,226	10,644	-	816	72,575
Business combination ⁽¹⁾	-	(135)	(8,705)	(1,023)	-	-	(9,862)
Exchange rate difference movements	-	(1)	76	5	-	-	79
Devaluation	-	-	-	-	-	-	-
Reclassification	(0)	185	(87)	-	-	-	98
Depreciation at December 31st, 2024	(64,014)	(17,667)	(664,991)	(111,971)	-	74	(858,568)
Net carrying amount							-
At January 1st, 2024	126,748	5,282	132,820	25,564	1,478	701	292,593
of which leased	66,379	-	-	2,050	-	-	68,429
At December 31st, 2024	88,140	5,271	146,501	30,767	1,905	0	272,584
of which leased	83,198	2,006	-	3,407	-	-	88,611

⁽¹⁾ Please refer to Note 7-Business combination

In the year ended December 31st, 2024 capital expenditure mainly involved industrial and commercial equipment, in which category all purchases of automated vending machines are classified. This expenditure is part of the Group's normal renewal of its machines, an increase in its business and part of the vending activity.

The net carrying amount of property, plant and equipment under finance lease or rented, under leases that qualify as finance leases as per IFRS, is EUR 88,611 thousand. Such assets are mainly property, industrial and commercial equipment and other assets.

"Other assets" include vehicles, cars, office electronic equipment and furnishings and fittings.

Capitalized internal costs as part of revamping activities (for automatic vending machines) totaled EUR 19,841 thousand (EUR 15,130 thousand in prior year).

Set out below are the carrying amounts of the Group's right-of-use assets and lease liabilities and the movements during the period:

(in thousands of Euro)	Right-of-use assets Lease		Lease Liabilities	
	Plant and liabilities Machinery	Motor Vehicles and other equipment	Total	
As at January 1st, 2024	53,568	1,793	55,361	55,365
Additions, net	52,572	4,805	57,376	62,446
Depreciation expense	(12,031)	(998)	(13,029)	-
Interest expense	-	-	-	3,031
Payments	-	-	-	(22,477)
Business combination	-	-	-	-
Write off spin off immobiliare (see note 7)	(17,084)	(24)	(17,108)	(11,888)
Reasurements	2,496	(161)	2,309	747
As at December 31st, 2024⁽¹⁾	79,521	5,413	84,934	87,224

⁽¹⁾ Excluding leases held by the Group before the application of IFRS 16

13 - EQUITY INVESTMENTS

This caption includes the Group's share of equity (including goodwill) of the equity-accounted associated of joint ventures. The following table provides a list of the main investments:

(in thousands of Euro)	December 31 st , 2023						December 31 st , 2024	
	Consolidated carrying amount	Share or profit (loss)	Distribution received	Reclassification	Additions / Disposal	Devaluation	Business Combination	Consolidated carrying amount
Universo vending S.r.l.	957	147	-	-	-	-	-	1,104
Time Vending S.r.l.	-	-	-	-	-	-	-	0
Olympos S.r.l.	(15)	(30)	-	45	-	-	-	0
Novaplast	489	(15)	-	-	-	-	-	474
Trivending	1,119	(136)	-	-	-	-	-	983
Modo	327	-	-	-	(327)	-	-	0
Coffee'N S.r.l.	12	-	-	-	-	-	-	12
Self Caffè	24	5	-	-	-	-	-	29
Total	2,913	(29)	-	45	(327)	-	-	2,602
Interests in other minor entities carried at cost	480	-	-	(37)	6	-	(32)	417
Total	3,393	(29)	-	8	(321)	-	(32)	3,019

(in thousands of Euro)	December 31 st , 2022						December 31 st , 2023	
	Consolidated carrying amount	Share or profit (loss)	Distribution received	Reclassification	Additions / Disposal	Devaluation	Business Combination	Consolidated carrying amount
Universo vending S.r.l.	1,176	71	(333)	43	-	-	-	957
Time Vending S.r.l.	1,737	234	(465)	(43)	-	-	(1,463)	-
Olympos S.r.l.	9	(24)	-	-	-	-	-	(15)
Novaplast	617	(128)	-	-	-	-	-	489
Trivending	188	931	-	-	-	-	-	1,119
Modo	1,250	(673)	-	-	-	(250)	-	327
Coffee'N S.r.l.	32	(21)	-	-	-	-	-	12
Self Caffè	65	(41)	-	-	-	-	-	24
Total	5,074	351	(798)	-	-	(250)	(1,463)	2,913
Interests in other minor entities carried at cost	587	-	-	-	(107)	-	-	480
Total	5,661	351	(798)	-	(107)	(250)	(1,463)	3,393

The share of profit included in the equity investments derives from the most recent financial statements available of these entities (December 31st, 2024 or December 31st, 2023).

The following table gives details of the main financial highlights of the companies consolidated with the equity method:

(in thousands of Euro)	Total assets		Revenue		Profit (loss)	
	December 31 st , 2024	December 31 st , 2023	December 31 st , 2024	December 31 st , 2023	December 31 st , 2024	December 31 st , 2023
Universo vending S.r.l.(**)	7,780	7,469	21,768	16,211	439	175
Olympos S.r.l.(**)	236	259	37	34	(59)	(50)
Novaplast (*)	6,348	6,232	2,863	3,159	23	300
Trivending (*)	12,588	-	17,813	-	(570)	-
Modo	-	7,611	-	6,532	-	2
Coffee'N S.r.l.(**)	-	1,113	-	1,882	-	11
Self Caffè(**)	398	400	596	536	13	-
Total	27,350	23,084	43,077	28,354	(154)	438

* most recent financial statements available at December 31st, 2024, not yet authorized for issue.

(**) not available

14 - CURRENT AND NON-CURRENT FINANCIAL ASSETS

Non-current financial assets are mainly composed of:

- receivable for a life insurance policy for one of the former directors of Fast Service Italia S.p.A. (now merged into IVS Italia S.p.A.) to be paid to the Company, totaling EUR 544 thousand.
- receivable for an insurance policy signed by Coin Service S.p.A to be paid to the Company, totaling EUR 350 thousand.
- securities held for sale by BH Partners S.a.S., totaling EUR 1,105 thousand.

Current financial assets are principally composed of financial receivables totaling EUR 102 thousand, for coins delivered to customers whose value at the reporting date had not been collected by Coin Group companies and EUR 10,988 for financial assets by Moneynet.

15 - INVENTORIES

The following table shows inventories at December 31st, 2024 and 2023:

(in thousands of Euro)	December 31 st , 2024	December 31 st , 2023	Variation
Raw materials, supplies and consumables	124	125	(1)
New automated vending machine	27,551	27,755	(204)
Devaluation on vending machine	(185)	(185)	-
Food products	50,692	45,232	5,460
Spare parts	11,697	11,099	598
Devaluation on spare parts	-	(133)	133
Total	89,879	83,893	5,986

No provision for inventory write-down has been made as the obsolescence risk is zero, given the high turnover rate of the goods and ongoing monitoring of the shelf life of products in the warehouse as per the Group's plan which complies with Hazard analysis and critical control points (HACCP) requirements.

The increase in Food products is mainly attributable to the increase in sales.

16 - TRADE RECEIVABLES

The following table gives a breakdown of trade receivables and the related allowance for impairment at December 31st, 2024 and 2023:

(in thousands of Euro)	December 31 st , 2024	December 31 st , 2023	Variation
Customers	69,699	68,388	1,311
Associates	634	2,031	(1,397)
Parent	100	79	21
Allowance for doubtful accounts	(4,322)	(4,198)	(124)
Total	66,111	66,300	(189)

The group companies do not have significant risk concentration at the reporting date. Trade receivables, due within one year, do not usually bear interest and are generally paid after 30 to 60 days.

The receivables are reported net of an allowance for impairment, totaling EUR 4,322 thousand; annual allowances are made by each Group company identifying in detail the receivables to write down and thus reflect a specific impairment.

In terms of ageing of trade receivables at December 31st, 2024 and 2023, the following should be noted:

(in thousands of Euro)	December 31 st , 2024	Inc %	December 31 st , 2023	Inc %
Customers				
Current	51,773	74%	50,551	74%
Less than 30 days	3,207	5%	5,016	7%
Overdue by 30 to 60 days	3,141	4%	2,916	4%
Overdue by 61 to 90 days	1,388	2%	1,453	2%
Overdue by more than 91 days	10,190	15%	8,452	12%
Total	69,699	100%	68,388	100%

17 - TAX ASSETS AND LIABILITIES

Tax assets are amounts due to the group companies by the tax authorities of the countries in which they reside for direct taxes which should be recovered in a reasonable timeframe. They amount to EUR 7,529 thousand at the reporting date (EUR 12,031 thousand at December 31st, 2023) and include the tax credit on new investment for the period 2020-2024 (EUR 5,294 thousand).

Tax liabilities relate to unpaid current taxes for the year due by the group companies to tax authorities and amount to EUR 5 thousand at the reporting date. They are calculated using the rates enacted or substantially enacted in the respective countries in which the companies reside (EUR 12 thousand at December 31st, 2023).

18 - OTHER CURRENT ASSETS

The following table shows other current assets at December 31st, 2024 and 2023:

(in thousands of Euro)	December 31 st , 2024	December 31 st , 2023	Variation
Receivables from others due within one year	10,042	9,303	739
Accrued income	345	100	245
Prepayments	7,622	9,139	(1,517)
Financial activities at fair value	194	574	(380)
Tax assets unrelated to income taxes	12,095	11,643	452
Total	30,298	30,759	(461)

Prepayments and accrued income refer to costs incurred in advance, such as bank fees, maintenance instalments, utilities, sundry services, insurance, lease, automated vending machine location and slotting fees for automated vending machines, etc.

Tax assets unrelated to income taxes mostly consist of VAT receivables which do not bear interest until their reimbursement has been formally claimed. They are usually settled on a quarterly basis with the relevant tax authorities. It is possible that reimbursements by the tax authorities take even more than 365 days from the day on which the respective claim is filed.

19 - CASH AND CASH EQUIVALENTS

The following table shows cash and cash equivalents at December 31st, 2024 and 2023:

(in thousands of Euro)	December 31 st , 2024	December 31 st , 2023	Variation
Ordinary bank and postal accounts	72,267	81,176	(8,909)
Cash-in-hand and cash equivalents	24,108	24,865	(757)
Current accounts - Coin Group Coin Clearing	114	3,155	(3,041)
Coin Group coin deposit	21,902	24,023	(2,121)
Restricted Cash	4,318	3,923	395
Total	122,709	137,142	(14,433)

Ordinary bank deposits are mainly available on sight and bear interest at floating rates.

Cash-in-hand and cash equivalents are composed of cash collected from the sale of food and beverages from vending machines not yet deposited at banks at the reporting date.

Clearing current accounts totaling EUR 144 thousand are composed of current accounts used by the Coin Group to pay and collect the corresponding number of pick-ups and deliveries of coins to customers.

The coin deposit totaling EUR 21,902 thousand is represented by coins stored in the vault of the Coin Group companies which as of the reporting date, based on pick-ups from customers, was completely available to the Group.

Restricted cash (EUR 4,318 thousand) is related to cash held by Moneynet on behalf of account holders.

20 - NET FINANCIAL INDEBTEDNESS

The Group's net financial indebtedness at December 31st, 2024 and 2023 is as follows:

(in thousands of Euro)	December 31 st , 2024	December 31 st , 2023
Cash ^(*)	76,699	88,254
Cash equivalents	46,010	48,888
Other current financial assets	11,938	7,506
Liquidity	134,647	144,648
Current financial debt	(73,673)	(69,676)
Current portion of financial debt	(91,783)	(36,409)
Current financial indebtedness	(165,456)	(106,085)
Net current financial indebtedness	(30,809)	38,563
Non-current financial debt	(99,547)	(153,128)
Debt instruments	(299,509)	(298,940)
Non-current trade and other payables	(15,273)	(10,263)
Non-current financial indebtedness	(414,329)	(462,331)
Total financial indebtedness^(**)	(445,138)	(423,768)
Non-current Financial Assets (Investments - fixed income)	544	544
Non-current Financial Assets (Other)	1,995	1,143
Other non-current assets (financing)	1,140	946
Net financial position	(441,459)	(421,135)

(*) as of December 31st, 2024 cash includes EUR 4,318 thousand of restricted cash (EUR 3,923 thousand as of December 31st, 2023)

(**) Pursuant to ESMA 32-382-1138 ON "Guidelines on disclosure requirements under the Prospectus Regulation dated March 4th, 2021".

The change in the Net Financial Position as of December 31st, 2024 is mainly affected by the enterprise value paid for the business combination finalized EUR 31,325 thousand, for minority interests EUR 14,081 thousand (see Note 8), and a negative change in working capital for EUR 11,681 thousand.

The amount of debt related to lease according to IFRS 16 is equal to EUR 88,845 thousand. This debt increase for EUR 26,432 thousand, mainly due to the effect of the spin-off of lands and buildings (see note 7 for more details). By this operation, the Group recognized a loss of EUR 2,605 thousand (without the effect of the reversal of deferred tax assets/liabilities). As of December 31st, 2024, the Group signed with Immobiliare Santo Spirito S.r.l. various lease agreements in connection with the buildings sold for a total amount of EUR 40,510 thousand.

Non-current financial debt includes EUR 15,273 thousand for trade and other payables concerning the put agreements explain in note 26 Financial Instruments, and the outstanding amount to the acquisition of non-controlling interest for EUR 5,592 thousand.

For details about liabilities included in Group's net financial indebtedness please see Note 25.

21 - SHAREHOLDERS' EQUITY

Share Capital

The table below shows the composition of the capital underwritten and paid up and a reconciliation of the number of shares outstanding at December 31st, 2024 and 2023:

(in thousands of Euro)	December 31 st , 2024	December 31 st , 2023
Ordinary shares issued	90,673,803	91,121,099
Treasury shares	-	(671,296)
Total shares outstanding	90,673,803	90,449,803

These shares, without par value, amount to a total of EUR 872,511.

Dividend rights

Shares all enjoy equal dividend rights.

Voting rights

The extraordinary operation foreseen by the Articles having been completed, ordinary shares all enjoy equal voting rights.

Dividends paid and proposed

The table below gives details of dividends declared and paid by Parent:

(in thousands of Euro)	2024	2023
Dividends on ordinary shares declared and paid:	-	9,805
Final dividend for 2023: 0.11 (dividend for 2022:0.11)	-	9,805

Share premium reserve

This comprises mainly the share premium reserve present in Italy1 Investment S.A. at January 1st, 2012, increased by EUR 219,788 thousand for the effects present in the separate financial statements of the Parent following the merger by absorption of fiscal year 2012 of IVS Group Holding S.p.A., as company ceasing to exist and Italy1 Investment S.A., as absorbing company. Share premium reserves also includes 2022 capital increase.

Other capital reserves

These comprise the other capital reserves, relative to the impact on shareholders' equity of operations not reflected in the changes in share capital and in share premium reserve. At December 31st, 2024 this reserve shows a positive balance of EUR 10,617 thousand.

Details of the composition of and variations in shareholders' equity are shown in the relative Statement of changes in Shareholders' equity.

Shareholders' equity attributable to non-controlling interests

The shareholders' equity attributable to non-controlling interests decreased from EUR 24,848 thousand at December 31st, 2023 to EUR 17,010 thousand at December 31st, 2024 mainly as a result of the following:

- decrease for the total result of the period for EUR 966 thousand;
- decrease for amount of acquisition of non-controlling interest in connection to Liomatic Group, Eurovending S.r.l., AutoBar S.r.l., IVS H24 S.r.l. and Coin Service Empoli S.p.A for EUR 6,934 thousand;
- decrease for amount of acquisition of non-controlling interest in connection to the spin-off of lands and buildings S.p.A. for EUR 2,002 thousand;
- increase for EUR 677 thousand related to the deconsolidation of MIDA S.r.l. and for EUR 948 thousand for the acquisition of BH Partners S.a.s..

Total non-controlling interest at December 31st, 2024 primarily related to the interest held in VAI S.p.A., Espresso Coffee & Water S.A. and Vendomat Partecipazioni S.r.l.

Share-based payments

On June 2022 the annual shareholders' meeting of IVS Group S.A. approved a share-based incentive plan for the period 2022-2024 (SOP) up to 500,000 share options. Out of these, 224,000 share options were granted to senior executives. The exercise price of the options of EUR 4.5827 was equal to the market price of the shares on the month before the date of grant. The options vest if the senior executive is still employed as of December 31st, 2024. The fair value at grant date is estimated using a binomial pricing model, taking into account the terms and conditions upon which the options were granted. The contractual life of each option granted is three years. There is no cash settlement of the options.

The fair value of options granted during the year ended December 31st, 2022 was estimated on the date of grant using the following assumptions:

- Dividend yield: 5.088%
- Expected volatility: 33.517%
- Risk-free interest rate: 1.920%
- Expected life of share options (years): 3.5 years
- Weighted average share price: EUR 4.57 EUR

The cumulated cost of the share-based incentive plan over the period 2022-2024 is equal to EUR 178 thousand.

For the year ended 31 December 2024, the Group has recognized EUR 68 thousand of share-based payment expense in the income statement (pursuant to the Incentive Plan Regulation, the start date of the option exercise windows has been shortened at the OPA's announcement).

22 - EMPLOYEE BENEFITS

This caption amounts to EUR 15,406 thousand at the reporting date (EUR 15,991 thousand in 2023).

As disclosed in the section on the accounting policies, the Group has defined contribution and defined benefit plans for its Italian, French, German and Spanish employees.

(in thousands of Euro)	December 31 st , 2024	December 31 st , 2023
Italian plan	14,554	15,265
French plan	612	492
Other countries	241	235
Total	15,406	15,991

Italian employee severance indemnity (TFR)

Italian employee severance indemnity or *Trattamento di fine rapporto*, abbreviated to "TFR", relates to the amounts that employees in Italy are entitled to receive when they leave the Company and is calculated based on the period of employment and the taxable earnings of each employee.

Under certain conditions the entitlement may be partially advanced to an employee during the employee's working life.

The Italian legislation regarding this scheme was amended by Law 296 of December 27th, 2006 and subsequent decrees and regulations issued in the first part of 2007. Under these amendments, companies with at least 50 employees are obliged to transfer the TFR to the "Treasury fund" managed by INPS (Italian Social Security Institution) or to supplementary pension funds. Prior to the amendments, accruing TFR for employees of all Italian companies could be managed by the Company itself. Consequently, the Italian companies' obligation to INPS and the contributions to supplementary pension funds take the form, under IAS 19, of "Defined contribution plans" whereas the amounts recorded in the provision for employee severance pay retain the nature of "Defined benefit plans". Accordingly, the provision for employee severance indemnity in Italy consists of the residual obligation for TFR until December 31st, 2006. This is an unfunded defined benefit plan as the benefits have already been almost entirely earned, with the sole exception of future revaluations.

Since 2007 the scheme has been classified as a defined contribution plan, and the Group recognizes the associated cost over the period in which the employee renders service.

The assumptions used to calculate the Group's obligations in respect of the long-term benefits are set out below:

Calculation date	December 31 st , 2024	December 31 st , 2023
Mortality rate	RG48 charts	RG48 charts
Invalidity rate	INPS charts	INPS charts
Personnel turnover rate	3.00%	3.00%
Discount rate	3.38%	3.17%
Management salary increase rate	1.00%	1.00%
Junior management salary increase rate	1.00%	1.00%
White collar salary increase rate	1.00%	1.00%
Blue collar wage increase rate	1.00%	1.00%
Advance rate	2.00%	2.00%
Inflation rate	2.00%	2.00%

The discount rates used for the measurement of the Italian TFR obligation are based on yields of high-quality (AA rated) fixed income securities for which the timing and amounts of payments match the timing and amounts of the projected benefit payments.

Changes in the present value of defined benefit obligations are as follows:

(in thousands of Euro)	December 31 st , 2024	December 31 st , 2023
Initial defined benefit obligations	15,991	15,951
Post-employment benefits acquired from other companies	-	-
Service cost	827	708
Interest cost	424	544
Paid out/advanced	(1,474)	(1,623)
Actuarial gain/losses	(362)	411
Final defined benefit obligations	15,406	15,991

Sensitivity Analysis

Sensitivity analysis of the main evaluation parameters on the Italian plan as of December 31st, 2024:

(in thousands of Euro)	Turnover		Inflation		Discount rate		Inflation		Discount rate	
	1%	-1%	1/4%	-1/4%	1/4%	-1/4%	1/2%	-1/2%	1/2%	-1/2%
Variation of the assumptions	16,050	15,929	16,218	15,773	15,677	16,321	16,440	15,559	15,372	16,663

The expected benefit payments for defined benefit obligations are as follows:

(in thousands of Euro)	Amount
2025	1,878
2026	1,039
2027	1,230
2028	852
2029	1,371

The average duration of the Italian TFR is approximately 13 years.

The expected contributions to the plan for the next annual reporting period are EUR 1,878 thousand.

23 - PROVISIONS FOR RISKS AND CHARGES

This caption relates to the provisions for risks and charges and comprises:

(in thousands of Euro)	December 31 st , 2023	Reclassification	Payments	Increase/ (Decrease)	Business Combination	December 31 st , 2024
Tax	311	-	-	-	-	311
Provision for loss replenishment in associate/joint venture companies	-	-	-	-	-	-
Legal contingencies	-	-	-	-	-	-
Others	457	-	-	(40)	-	415
Total Provision - Non current	768	-	-	(40)	-	726
Legal contingencies	15	-	-	9	-	24
Total Provision - Current	15	-	-	9	-	24

The other provisions mainly include the estimated or probable liabilities, related to civil and/or labor pending disputes, accruals for contractual penalties, while provision for taxes includes accruals for a tax inspection related to direct and indirect taxes with reference to previous fiscal years.

Disclosure on potential liabilities at the reporting date is provided on Note 28.

There are no other potential liabilities at the reporting date other than those provided for in this caption, considering their respective risk level.

24 - DEFERRED TAX ASSETS AND LIABILITIES

The following table provides a breakdown of the temporary differences giving rise to deferred tax assets and liabilities:

(in thousands of Euro)	December 31 st , 2023	Result	Other changes	December 31 st , 2024
Untaxed provisions	877	109	-	986
Carry forward of tax losses	23,019	1,614	250	24,883
Carry forward of interest expense	94	-	-	94
Carry forward of ACE	3,817	(1,995)	-	1,822
Fixed assets	720	1,055	-	1,775
Customer list	(31,004)	5,889	(1,121)	(26,236)
Employee benefits	169	(204)	-	(35)
Leased assets	(4,178)	4,178	-	-
Other	(1,930)	387	-	(1,543)
Consolidation adjustments	1,513	(1,513)	-	-
Net amount	(6,903)	9,520	(871)	1,746
Reflected in the statement of financial position as follows:				
Deferred tax assets	2,092	-	-	1,746
Deferred tax liabilities	(8,995)	-	-	-

Deferred tax liabilities total EUR 0 (EUR 8,995 thousand at December 31st, 2023), while deferred tax assets amounted to EUR 1,746 thousand (EUR 2,092 thousand at December 31st, 2023).

Deferred tax assets are recognized when their recoverability is deemed probable based on the business plan approved by the Parent's board of directors on March 27th, 2025. The Group recognize in full the deferred tax assets on its tax losses that, accordingly to applicable tax legislation don't have an expire day (unlimited carry-forward).

On December 30th, 2024, the Company and IVS Partecipazioni S.p.A. carried out the Real-Estate Spin-off by executing an agreement regarding the sale and transfer to IVS Partecipazioni S.p.A. of a Real-Estate portfolio of the group: in particular has been executed the sale of the total shareholding in Immobiliare Santo Spirito S.r.l. and SCI+39, including the initial n.53 properties (part of the 60 properties promised for sale) used by various IVS Group controlled companies. The total consideration transferred, determined according to the Real-Estate appraisal (made by an independent advisor) net of the existing debt - mostly related to financial debt and property financial lease contracts - was equal to EUR 60.6 million. Following the Real-Estate Spin-off IVS Group a reversal of DTL booked according to accounting principles adopted by the Company.

No deferred tax liabilities were recognized at the reporting date for taxes on undistributed profit of the subsidiaries, associates or joint ventures. The Group evaluated that undistributed profit of its subsidiaries, associates or joint ventures will not be distributed in the foreseeable future.

25 - FINANCIAL LIABILITIES

The following table gives a breakdown of financial liabilities split between current and non-current and by category:

(in thousands of Euro)	December 31 st , 2024			December 31 st , 2023		
	Non-current	Current	Total	Non-current	Current	Total
Due towards banks for loans	29,710	100,133	129,843	108,299	42,409	150,708
Due towards leasing companies (ex financial lease)	68,705	20,140	88,845	42,193	20,219	62,412
Due towards other providers of finance	1,132	4,166	5,298	2,636	2,035	4,671
Due towards other providers of finance (Coin Division)	-	38,418	38,418	-	39,991	39,991
Non-current trade and other payables	15,273	-	15,273	10,263	-	10,263
Liabilities towards debenture holders	299,509	1,231	300,740	298,940	1,249	300,189
Current account overdrafts	-	1,368	1,368	-	182	182
Total	414,329	165,456	579,785	462,331	106,085	568,416

The financial liabilities for bank loans are mainly related to the facility agreement organized by BNP Paribas as Global Coordinator and Bookrunner for a total amount of EUR 70 million. This credit line was totally drawn as of December 31st, 2022, and the outstanding amount as of December 31st, 2024 is 53.2 million. Last installments are due on December 23rd, 2025, with the repayment of all the outstanding amounts.

In 2023 the Group also signed two new loan agreements respectively with BNL for EUR 35 million and with Credit Agricole for EUR 15 million; the outstanding amounts as of December 31st, 2024 are EUR 24.4 million and EUR 15 million.

These loan agreements requires to comply with some financial covenants and the obligation for the Group to meet certain financial ratio levels. If the covenants are not met, the lenders can request early repayment of the loan. On December 31st, 2024 these financial covenants were met.

These financial liabilities for bank loans also include:

- EUR 1,624 thousand for the loan agreement signed by French subsidiary
- EUR 8,145 thousand for different loan agreements of Coin Service S.p.A.
- EUR 4,470 thousand for different loans agreements of Vai S.p.A.
- EUR 298 thousand for different loans agreements of N-And Group.

The liabilities include non-current trade and other payables (EUR 15,273 thousand) mainly related to put/call over non-controlling interest for a total amount of EUR 9,681 thousand and the liabilities for non-controlling interests for EUR 5,592 thousand.

The liabilities due towards other providers of finance (Coin Division) for EUR 38,418 thousand mainly includes:

- liabilities to customers totaling EUR 21,999 thousand, from coins picked up and lodged with the Company's coin counting rooms and banks whose value as of the reporting date had not been returned to the customer;
- EUR 16,368 thousand mainly related to the face value of all gift card in circulation (called "Monny Card") sold by subsidiary Moneynet S.p.A. but not yet used by third parties; the liability corresponds to the amount that will be reimbursed to the merchants with respect to the Monny Card used by the beneficiaries.

As of December 31st, 2024, the liabilities toward debenture holders are related to the EUR 300 million of Senior Unsecured Notes due 2026 issued on October 7th, 2019 by IVS Group S.A. and indexed to 3.0% annual fix rate payable annually in arrears on October 18th of each year beginning on October 18th, 2020; the Notes will mature on October 18th, 2026. Terms of these Notes and applicable covenants can be found in the Prospectus dated September 19th, 2019 prepared in connection with the issue of the 3% senior unsecured notes issued on October 7th, 2019 and available at Company's premises upon request as well as at the following internet address: www.ivsgroup.lu.

These Terms and Conditions include financial covenants and negative pledge covenants which do not represent an event of default, but, if breached, would prohibit the Group from incurring additional debt. On December 31st, 2024 these financial covenants were met.

The financial liabilities also include EUR 88.8 million of future payments related to operating leases in accordance with IFRS 16. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew and considers the conclusion reached by the IFRIC in its agenda decisions. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal, including:

- Significant leasehold improvements undertaken, if the Group expect to benefit of these improvements when the option to extend the lease becomes exercisable;
- Importance of that plant to IVS's operations and costs of integrating a new asset into IVS's operations (e.g. if the plant includes call centers, caveaux and other security features required to manage the Vending Business), if replacing the plant with another location will result in significant economical penalties for the Group;
- The renewal date included in the Group business plan, if these projections have been elaborated from the management assuming (and confirming) their intention to renew the lease.

After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy). The undiscounted lease payments connected to renewal expect to occur after December 31st, 2024, represent a marginal part of the total undiscounted lease payments at December 31st, 2024, while in the year ended December 31st, 2024 there are no significant exercise of options that were not included in the measurement of lease liabilities at December 31st, 2023.

A breakdown of liabilities (excluding fair value of derivatives instruments, put/call over Non-Controlling Interest, non-current trade and other payables and current financial liabilities connected to the Coin business) is as follows:

(in thousands of Euro)

Type of Liabilities	Subsidiary	Rate	Outstanding Amount as of December 31 st , 2024	Original Amount	2025	2026	2027	2028	2029	2030	Beyond	Total Non-current
Loan - BNL Facility Agreement new 2021	IVS Group S.A.	Floating	53,200	70,000	53,200	-	-	-	-	-	-	-
Loan - Credem	Coin Service S.p.A.	Floating	2,000	2,000	2,000	-	-	-	-	-	-	-
Loan - CRV	Coin Service S.p.A.	Fix	145	280	95	49	-	-	-	-	-	49
Loan - MPS	Coin Service S.p.A.	Fix	6,000	6,000	6,000	-	-	-	-	-	-	-
Loan - BNP	IVS France	Fix	1,624	4,291	1,081	544	-	-	-	-	-	544
Leasing - Banco Sabadel	Navending S.L.	Floating	1,417	3,500	198	204	210	216	223	229	137	1,219
Loan - Banca Santa Giulia	IVS Italia S.p.A.	Floating	1,273	3,000	613	660	-	-	-	-	-	660
Loan - Deutsche Bank (Hot Money)	IVS Italia S.p.A.	Floating	3,507	3,500	3,507	-	-	-	-	-	-	-
Varios Loans	Automatic Campaign	Floating	583	900	131	135	139	100	57	20	-	452
Varios Loans	Cafegrà S.L.	Floating	363	764	169	101	72	21	-	-	-	194
Other providers of finance and leasing companies	Various subsidiaries	Floating	204	N.A.	152	52	-	-	-	-	-	52
Loan - CA Facility Agreement new 2023	IVS Group S.A.	Floating	15,000	15,000	15,000	-	-	-	-	-	-	-
Loan - BNL Facility Agreement new 2023	IVS Group S.A.	Floating	24,483	35,000	7,000	17,483	-	-	-	-	-	17,483
Senior Unsecured Notes 3% due 2026	IVS Group S.A.	Fix 3%	300,740	300,000	1,231	299,509	-	-	-	-	-	299,509
Loan - N-and Italia Srl	N-and Italia Srl	Floating	83	185	47	36	-	-	-	-	-	36
Loan - N-And Embedded Srl	N-And Embedded Srl	Floating	215	500	85	87	43	-	-	-	-	130
Bank Overdraft (Other)	Various subsidiaries	Floating	1,368	N.A.	1,368	-	-	-	-	-	-	-
Loan UNICREDIT SPA	IVS Italia S.p.A.	Floating	2,131	7,000	1,052	1,079	-	-	-	-	-	1,079
Loan MPS	IVS Italia S.p.A.	Fix	3,116	6,250	1,527	1,590	-	-	-	-	-	1,590
Loan MPS SACE	IVS Italia S.p.A.	Floating	2,009	4,000	1,010	999	-	-	-	-	-	999
Loan INTESA SAN PAOLO SPA SACE	IVS Italia S.p.A.	Floating	2,503	5,000	1,250	1,253	-	-	-	-	-	1,253
Loan BANCO BPM SPA SACE	IVS Italia S.p.A.	Floating	1,325	2,650	530	530	265	-	-	-	-	795
Loan UNICREDIT SACE	IVS Italia S.p.A.	Floating	2,499	5,000	1,250	1,249	-	-	-	-	-	1,249
Loan COFINCAF	IVS Italia S.p.A.	Fix	15	4,607	15	-	-	-	-	-	-	-
Loan CGD - Invest Covid	Espressa C.&W. S.A.	Floating	67	150	36	32	-	-	-	-	-	32
Loan CGD Fundo maneio	Espressa C.&W. S.A.	Floating	157	250	71	71	14	-	-	-	-	86
Loan BPI - FEI	Espressa C.&W. S.A.	Floating	75	250	50	25	-	-	-	-	-	25
Loan CREDEM	Geos Sardegna Spa	Fix	94	300	59	35	-	-	-	-	-	35
Loan CARIGE	Geos Sardegna Spa	Fix	27	320	27	-	-	-	-	-	-	-
Loan COFINCAF	Geos Sardegna Spa	Fix	57	706	45	12	-	-	-	-	-	12

(in thousands of Euro)

Type of Liabilities	Subsidiary	Rate	Outstanding Amount as of December 31 st , 2024	Original Amount	2025	2026	2027	2028	2029	2030	Beyond	Total Non-current
Loans KfW - Darlehen	Ediwen Gmbh	Floating	169	300	75	75	19	-	-	-	-	94
Loans KfW - Darlehen	Ediwen Gmbh	Floating	406	500	63	63	63	63	63	63	31	344
Various minor Loans	Ediwen Gmbh	Floating	26	47	19	7	-	-	-	-	-	7
Loans Renault/ Mercedes Bank	Ediwen Gmbh	Floating	131	207	45	75	11	-	-	-	-	86
Loan Cofincaf	Vai SpA	Fix	4,470	6,119	2,012	1,464	882	112	-	-	-	2,458
Loan Cofincaf	Espressa C&W S.A.	Fix	1,105	1,803	437	388	225	55	-	-	-	668
Various minor Loans	Espressa C&W S.A.	Floating	361	2,002	175	90	72	25	-	-	-	187
Various minor Loans	Express Srl	Fix	136	690	81	55	-	-	-	-	-	55
MPS Loan Hot Money	IVS Group S.A.	Floating	5,000	5,000	5,000	-	-	-	-	-	-	-
Various Loans	BH Partners S.a.S.	Fix	947	1,964	542	277	90	38	-	-	-	405
IFRS 16 Liabilities			87,062	N.A.	19,790	17,117	15,750	11,159	10,075	9,171	4,000	67,272
Total			526,095	500,035	127,038	345,344	17,855	11,789	10,418	9,482	4,168	399,056

The floating interest rate is linked to Euribor 3M/6M plus spread.

26 - FINANCIAL INSTRUMENTS

Carrying amounts and fair values of financial instruments as of December 31st, 2024 are shown below:

(in thousands of Euro)	Carrying amount	Fair value	Level 1	Level 2	Level 3
Financial assets at fair value through profit or loss:					
Corporate Bond	-	-	-	-	-
Amortized cost					
Other financial assets (current and non-current)	13,372	13,372	-	-	-
Trade receivables	66,111	66,111	-	-	-
Other non-current assets	1,140	1,140	-	-	-
Other current assets	30,104	30,104	-	-	-
Derivatives	194	194	-	194	-
Available-for-sale financial assets	1,105	1,105	-	1,105	-
Total	112,026	112,026	-	1,299	-
Financial liabilities at fair value through profit or loss:					
Put-option over NCI (Contingent Consideration)	9,681	9,681	-	-	9,681
Other financial liabilities:					
Senior Unsecured Notes 3.00% (current and non-current)	300,740	296,310	296,310	-	-
Interest bearing loans and borrowings (current and non-current)	264,411	264,411	-	264,411	-
Other non-current liabilities	123,737	123,737	-	-	-
Trade payables	49,301	49,031	-	-	-
Other current liabilities	4,953	4,953	-	-	-
Total	752,553	748,123	296,310	264,411	9,681

The Group uses the following fair value hierarchy based on different valuation techniques to determine and document the fair value of financial instruments:

- level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- level 3: inputs for the asset or liability that are not based on observable market data.

Cash, trade receivables, trade payables, other payables and receivables have been measured at their carrying amounts, inasmuch as this is believed to approximate fair values.

The following methods and assumptions were used to estimate the fair values:

- quoted bonds and derivatives based on price quotations at the reporting date;
- contingent considerations are determined using DCF method, significant valuation inputs of the undiscounted amount are linked - among other - to profitability of the entity and its net financial position.

No transfers from level 1 to level 2 or vice versa took place during the period.

With reference to the financial instruments measured at amortized costs the level of fair values above, refers to the fair-value reported in this Note for disclosure purposes.

The table below summarizes a reconciliation of fair value measurements as of December 31st, 2024 of the put option over non-controlling interest that the Group recorded (fair value level 3):

(in thousands of Euro)	IVS H24 S.r.l.	Liomatic Business Combination	Demomatic	BH Partners
Opening balance as at January 1st, 2024	(856)	(3,711)	(253)	-
Fair value of the put option over NCI	-	-	-	(7,161)
Fair Value changes recognized in profit or loss	(18)	(76)	181	(24)
Exercise of the put option	874	1,363	-	-
Put option expired	-	-	-	-
Closing balance as at December 31st, 2024	-	(2,424)	(72)	(7,185)

The terms of these non-controlling interests' puts mean that they do not give IVS Group a present ownership interest in the underlying securities, accordingly this business combination was accounted for on the basis that the underlying shares subject to the put option have not been acquired. Thus, IVS Group recognized both non-controlling interests and these liabilities for shareholders under put option.

NCI	Carrying Amount	Valuation Technique	Significant unobservable inputs	Range (weight average)	Sensitivity to the input to fair value
Demomatic S.A.	(72)	EBITDA (multiple) - CDF	Long term operating margin	5% - 10% (7.5%)	10% increase (decrease) in the margin would result in increase (decrease) in fair value by EUR 20 thousand
BH Partners	(7,185)	EBITDA (multiple) - PFN	Long term operating margin	10% - 20% (10%)	20% increase (decrease) in the margin would result in increase (decrease) in fair value by EUR 1.5 million
Liomatic Business Combination	(2,424)	Revenues (multiple) - Net Working Capital - Net Financial Position	Long term operating margin	5% - 10% (7.5%)	10% increase (decrease) in the margin would result in increase (decrease) in fair value by EUR 356 thousand

In determining fair value measurement, the impact of potential climate-related matters, including legislation, which may affect the fair value measurement of assets and liabilities in the financial statements has been considered. These risks in respect of climate-related matters are included as key assumptions where they materially impact the measure of recoverable amount. These assumptions have been included in the cash-flow forecasts in assessing value-in-use amounts. At present, the impact of climate-related matters is not material to the Group's financial statements.

27 - OTHER CURRENT LIABILITIES

The following table shows other current liabilities at December 31st, 2024 and 2023:

(in thousands of Euro)	December 31 st , 2024	December 31 st , 2023	Variation
Other liabilities	29,646	26,922	2,724
Accrued expenses	3,555	5,876	(2,321)
Deferred income	1,482	2,107	(625)
Social security charges payable	10,274	8,782	1,492
Tax liabilities (excluding income taxes)	4,074	4,052	22
Total Other current liabilities	49,031	47,739	1,292

The change in other current liabilities is mainly due to the increase in other liabilities as per the effect of the business combinations. The caption other liabilities mainly includes the amounts to be paid to employees for December 2024 remuneration paid in January 2025, unpaid accrued holidays, leave and deposit received from holders of charge keys used to purchase food and beverages from the vending machines.

Social security and charges payable include amount to the relevant institutions for the annual contributions in line with the different legislation ruling in the countries in which the Group is based (Italy, France, Spain and other European countries).

28 - CONTINGENCIES, COMMITMENTS AND RESTRICTIONS ON THE DISTRIBUTION OF PROFITS

Fiscal contingencies

The claim of the Italian Tax Authority concerning the offset by S.Italia S.p.A. (Company) of a VAT credit led in the year 2011 regarding fiscal year 2010 is still in progress: in March 2016, the Italian Second Degree Tax Judge (Commissione Tributaria Regionale-CTR) partly upheld the Italian Tax Authority opposition against the decision of the First Degree Tax Judge (Commissione Tributaria Provinciale-CTP) that was totally in favor of S.Italia S.p.A., and therefore confirmed that no VAT was due but nonetheless condemned the Company to pay the penalties solely (EUR 154 thousand). On October 20th, 2016 the Company appealed against the CTR decision in front of the Italian Supreme Court (Corte di Cassazione). Meanwhile, on October 7th, 2016 the arbitrators, appointed to decide the claim for indemnification filed by IVS Group against Selecta AG, based on the purchase agreement of S.Italia S.p.A., issued a partial decision: the arbitrators (i) have held that Selecta AG has breached the Sellers's representations and warranties under the share purchase agreement and therefore is responsible of the losses already suffered by the Company, i.e. EUR 82 thousand, (ii) has reduced by the same amount the contractual basket of EUR 250 thousand, (iii) has adjourned the arbitral proceeding until the end of the tax proceeding in order to definitively assess the losses suffered by the Company and possibly condemn Selecta AG to indemnify the Company for the sum exceeding the basket. An application of the Company to the Italian Ombudsman for taxation (Garante del Contribuente) for relief from the penalty of EUR 154 thousand was rejected on November 11th, 2016. On October 31st, 2016 the Company paid the penalty of EUR 154 thousand without prejudice of the ongoing appeal proceedings. With the judgment published on 12-7-2023 the Corte di Cassazione, in acceptance of the appeal by S.Italia, (i) annulled the judgment issued by the Regional Tax Commission of Milan, section 27, no, 1773/2016 in the case between S.Italia S.p.A. and the Revenue Agency Provincial Directorate I of Milan, which declared the legitimacy of the payment notice no, 01920140003387181 (concerning the VAT/2011 declaration) limited to the amounts charged to the taxpayer as penalties, (ii) referred the case to the second-degree Tax Court of Lombardy in a different composition.

On 2-2-2024, S.Italia resumed the case before the second-degree Tax Court of Lombardy, where at the date of this report it is pending.

With reference to CSH S.r.l., the management has booked a tax provision of EUR 250 thousand relating to tax inspections of fiscal years 2014 and 2015, that corresponds to the amount claimed by the authority (including penalties).

As of December 31st 2024, the provision is partially paid.

Guarantees

Existing guarantees at the reporting date were mostly given for loans granted by third parties to Group companies or for their participation in public tenders.

The following should be noted:

- at December 31st, 2024 the vaults of the Coin Group contained coins belonging to third parties for a total of EUR 21,902 thousand, for which the Company has underwritten specific insurance contracts;
- the subsidiary IVS Italia S.p.A. has declared guarantor for Ge.O.S, Sardegna S.p.A. in favour of BNL Bank for a total amount of EUR 480 thousand;
- the subsidiary IVS Italia S.p.A. has declared guarantor for Immobiliare Santo Spirito S.p.A in favour of Intesa San Paolo Bank for a total amount of EUR 587 thousand;
- the subsidiary IVS Italia S.p.A. has declared guarantor for Ge.O.S, Sardegna S.p.A. in favour of Intesa San Paolo Bank for a total amount of EUR 913 thousand;
- the subsidiary IVS Italia S.p.A. has pledged to Credito Valtellinese the policies stipulated with La Venezia Assicurazioni and Allianz Subalpina for a total insured capital of EUR 544 thousand corresponding to premiums paid and recorded in the financial statements under the heading "Non-current financial assets";
- IVS Group S.A., has declared guarantor for Moneynet S.p.A. in relation to some financial loans towards the employees of the Group for a total amount of EUR 7 thousand;
- IVS Group S.A., has declared guarantor for Ediwen Group GmbH (IVS Germany GmbH) in favour of Arval Deutschland GmbH through an issuance of a bank guarantee by BNL of EUR 349 thousand.

Restrictions on the distribution of profits

As of December 31st, 2024, equity as defined under Luxembourg law and regulations consisted of:

(in thousands of Euro)	Amount
Share capital	873
Share Premium	485,897
Legal Reserve	-
Other Reserve	995
Treasury shares reserve	-
Retained earnings including net result for the year ended December 31 st , 2024	5,502
Total	493,267

At least 5% of the Company's net income per year, as calculated in accordance with Luxembourg law and regulations, must be allocated to the creation of a legal reserve equivalent to 10% of the Company's share capital. As of December 31st, 2024, this reserve is equal to 0, following the reverse merger with Grey S.a.r.l.

Dividends may not be paid out of the legal reserve.

Among other conditions, the Company may pay dividends to the extent, that it has distributable retained earnings calculated in accordance with Luxembourg law and regulations and covenants described in the Indenture of its Senior Secured Notes.

At December 31st, 2024, distributable amount under Luxembourg law totals EUR 492,307 thousand, as detailed below:

(in thousands of Euro)	Amount
Retained earnings at December 31st, 2024 under Luxembourg law	5,502
Share Premium	485,897
Other Reserve	995
Legal Reserve (in deficit respect the 10% of Share Capital)	(87)
Distributable amount at December 31st, 2024 under Luxembourg law	492,307

NOTES TO THE MAIN INCOME STATEMENT CAPTIONS

29 - REVENUE FROM SALES AND SERVICES

The following table shows changes in this caption and a breakdown by geographical segment:

(in thousands of Euro)	December 31 st , 2024	December 31 st , 2023	Variation	Var %
Vending Italy Operating Segment	434,709	429,811	4,898	1.14%
Vending France Operating Segment	50,916	45,380	5,536	12.20%
Vending Spain Operating Segment	38,198	33,843	4,355	12.87%
Vending Other European countries Operating Segment	14,372	11,544	2,828	24.50%
Coin Operating Segment	28,335	25,321	3,014	11.90%
Reselling Operating Segment	99,193	123,847	(24,654)	(19.91%)
Ho.Re.Ca. Operating Segment	27,838	19,638	8,200	41.76%
Revenue from sales and services	693,561	689,384	4,177	84.46%

In terms of the vending Italy, France, Spain and Other countries operating segments, revenue is earned on "supplies", i.e. amounts collected for sales of food and beverages directly from the automated vending machines, "sales with invoices", i.e., revenue from the sale of products delivered directly to customers and revenue from the sale of automated vending machines.

Revenue from the Coin segment regards revenue for providing pick-up, delivery, transport, counting and blister packing of coins.

Revenue of the Reselling business comprises the sales of vending machines, equipment and food to companies operating in the vending business.

Revenues from Ho.Re.Ca. sector, comprises sales of coffee and vending machines and foods to companies selling food and beverages for immediate consumption.

30 - OTHER REVENUE AND INCOME

The following table shows variations in this caption:

(in thousands of Euro)	December 31 st , 2024	December 31 st , 2023	Variation	Var %
Other operating revenue and income	39,216	36,830	2,386	6.5%

The caption includes revenue mainly from the Italy segment and from the sale of goods, spare parts, equipment and material to third parties, revenue related to the provision of technical assistance performed on vending machines owned by third parties.

It also comprises income from the refund of costs, compensation for damages and government's grants (including, since 2021, iper and super depreciation).

31 - COST OF RAW MATERIALS, SUPPLIES AND CONSUMABLES

The cost of procuring raw materials, consumables, supplies and goods, related to different types of food and beverages, underwent the following changes from 2024 to 2023:

(in thousands of Euro)	December 31 st , 2024	December 31 st , 2023	Variation	Var %
Raw materials, consumables	263,667	266,960	(3,293)	(1.2%)
Change in inventories	(5,961)	(4,865)	(1,096)	22.5%
Total	257,706	262,095	(4,389)	(1.7%)

This caption is shown net of premiums, discounts and rebates granted by the key suppliers on special deliveries or when set turnover levels and/or total quantities purchased are met.

32 - COST OF SERVICES

The following table shows changes in this caption:

(in thousands of Euro)	December 31 st , 2024	December 31 st , 2023	Variation	Var %
Cost of services	72,771	69,744	3,027	4.3%
Use of third-party assets	2,725	2,729	(4)	(0.1%)
Total	75,496	72,473	3,023	4.2%

This caption includes directors' fees (see note 45), maintenance services, electricity and utilities (e.g., water, telephone, etc.), transportation, administrative, legal and commercial services.

The increase is mainly due to the increase in costs of transport for EUR 213 thousand, legal advice for EUR 894 thousand and IT consulting for EUR 533 thousand.

The expenses relating to short-terms, low-value assets and variable lease payments not included in the measurement of lease liabilities are included in the caption use of third-party assets and are equal to EUR 2,725 thousand. These expenses mainly relate to short-term rental or low value assets for the remaining portion.

33 - PERSONNEL COSTS

This caption of EUR 193,939 thousand includes the cost of filling the vending machines by third party personnel for Group companies of EUR 15,700 thousand (the cost of which can thus be considered as normal personnel expenses).

(in thousands of Euro)	December 31 st , 2024	December 31 st , 2023	Variation	Var %
Wages and salaries	128,886	119,787	9,099	7.6%
Social security contributions	37,157	35,044	2,113	6.0%
Employee benefits	6,561	5,760	801	13.9%
Other personnel expenses	5,635	3,832	1,803	47.1%
Third parties personnel costs	15,700	19,117	(3,417)	(17.9%)
Total	193,939	183,540	10,399	5.7%

The increase of EUR 10,399 thousand is related to the salary increase of CCNL and to the increase in number of employees mostly in France and Spain.

The table below shows the number of employees at December 31st, 2024 compared to the previous year:

(numbers of employees)	December 31 st , 2024	December 31 st , 2023
Executives	15	13
Managers	122	123
Employees	1,090	1,073
Workers	3,357	2,974
Trainees	21	17
Total	4,605	4,199

The increase compared to 2023 is mainly due to the direct hiring of third-party personnel who were used in the previous year to fill the vending machine.

34 - OTHER OPERATING INCOME AND EXPENSES

This caption may be analyzed as follows:

(in thousands of Euro)	December 31 st , 2024	December 31 st , 2023	Variation	Var %
Impairment losses on current assets and provision for risks	970	936	34	3.6%
Relevances	64,129	61,464	2,665	4.3%
Fuel cost	9,578	9,779	(201)	(2.1%)
Other operating costs, net	24,675	22,115	2,560	11.6%
Total other operating costs	99,352	94,294	5,058	5.4%

The variation is largely due to the increase on vending machines positioning fees (redevance) for EUR 2,665 thousand.

The caption "Other operating costs, net" mainly includes:

- costs for spare parts of EUR 9,704 thousand;
- costs for various materials and consumables and other operating costs of EUR 10,562 thousand;
- other miscellaneous tax (excluding income taxes) of EUR 3,250 thousand.

35 - NET GAINS ON THE SALE OF ASSETS

The following table gives a breakdown of non-recurring income and expenses, showing those arising on the sale of non-current assets:

The caption losses on the sales of assets includes the loss of EUR 2,605 related to the sale of Real-Estate owned

(in thousands of Euro)	December 31 st , 2024	December 31 st , 2023	Variation	Var %
Gains on the sale of assets	1,092	1,201	(109)	(9.1%)
Losses on the sale of assets	(3,731)	(1,485)	(2,246)	151.2%
Net gains on the sale of assets	(2,639)	(284)	(2,355)	829.2%

by S.C.I. + 39 and Immobiliare Santo Spirito S.r.l.in connection to the spin-off of land and buildings (See Note 7.3).

36 - DEPRECIATION, AMORTIZATION AND IMPAIRMENT

The following table gives a breakdown of depreciation, amortization and impairment as of December 31st, 2024, equal to EUR 81,087 thousand (EUR 80,281 thousand as of December 31st, 2023):

(in thousands of Euro)	December 31 st , 2024	December 31 st , 2023	Variation	Var %
Amortization	15,448	15,082	366	2.4%
Depreciation	65,449	64,911	538	0.8%
Impairment	190	288	(98)	(34.0%)
Total depreciation, amortization and impairment	81,087	80,281	806	1.0%

37 - FINANCIAL INCOME AND EXPENSES

The table below shows the breakdown of financial income and expenses:

(in thousands of Euro)	December 31 st , 2024		December 31 st , 2023	
	Income	Expenses	Income	Expenses
Bank interest	377	(58)	829	(123)
Interest on financial lease	-	(413)	-	(339)
Interest on bank loans	-	(5,596)	-	(7,029)
Interest on bonds	-	(9,551)	-	(9,534)
Interest on IFRS16 contracts	-	(2,618)	-	(2,526)
Other interest	712	(3,816)	681	(1,550)
Financial income/expenses for IAS 19	-	(416)	-	(566)
Total financial income (expense)	1,089	(22,468)	1,510	(21,667)
Net loss on interest rate speculative derivatives (flows)	-	-	-	-
Net loss on interest rate hedging derivatives (flows)	-	-	-	-
Other Financial charges	-	-	-	-
Foreign exchange difference	150	(582)	141	(219)
Net fair value gains on interest rate speculative derivatives (Δ MTM)	427	-	-	-
Net gains(losses) on derivatives	-	-	-	-
Net financial income (expense) and net loss on derivatives	577	(582)	141	(219)
Foreign exchange differences and variations in derivatives fair value, net	(5)	-	(78)	-
Step up fair value of stake already owned in the acquiree of Time Vending	-	-	-	5,923
Total financial income (expenses)	1,666	(23,050)	1,651	(15,963)

As of December 31st, 2024 net finance costs amounted to EUR 21,384 thousand, against EUR 14,312 thousand in the corresponding period of the previous year.

The variation is mainly due to the positive effect registered in 2023 of EUR 5,923 thousand referred to the greater fair value of the investment already owned in Time Vending before the business combination and higher interest rates in 2024 compared to the previous period.

38 - RESULT OF COMPANIES VALUED AT NET EQUITY

The total of the caption is negative for EUR 29 thousand (positive for EUR 98 thousand in 2023). For further details please refer to Notes 13.

39 - INCOME TAXES

This is comprised as follows:

(in thousands of Euro)	December 31 st , 2024	December 31 st , 2023	Variation	Var %
Current taxation	(4,969)	(5,895)	926	(15.7%)
Deferred tax liability	10,335	509	9,826	1930.5%
Deferred tax assets	(815)	3,959	(4,774)	(120.6%)
Total	4,551	(1,427)	5,978	(418.9%)

It should be noted that IVS Group S.A. has its registered offices in Luxembourg, while its administrative and main operations are located in Italy. Consequently, for 2024, as well as for the previous years, the Company is resident for fiscal purposes in Italy, and taxes were calculated accordingly.

Note 24 provides details of the captions that lead to the recognition of deferred tax assets and liabilities.

The percentage of tax on the profit for the year before taxes is equal to -397% (7% in 2023) from applying the rates required by tax laws of Italy 24% (IRES), Spain 25% (ISS), France 25% (IS) and Switzerland 18% (F/C/C-T).

The table below shows the difference between the statutory and effective tax rates for the compared periods:

(in thousands of Euro)	December 31 st , 2024		December 31 st , 2023	
Profit / (loss) before tax	1,145	-	19,033	-
Theoretical tax	(274)	24.00%	(4,568)	24.00%
Permanent differences	(714)	62.4%	(561)	3.0%
Foreign countries tax effect	(595)	52%	25	(0.1)%
Tax losses permanent	(717)	62.6%	(556)	2.9%
Goodwill and PPA	(599)	52.3%	1,157	3.9%
Tax Incentive (iper/super depreciation and tax credit)	3,321	(290.2%)	4,439	(23.3%)
Tax Incentive (ACE)	(1,358)	118.7%	418	(2.2%)
Other tax incentive	-	-	65	(0.3%)
PPA and goodwill DTA recognized and DTL reversal due to real estate spin-off	6,911	(603.8%)	300	(1.6%)
Write down of equity investment and trade receivables	921	(80.5%)	(188)	1.0%
IRAP (Italian regional production tax)	(2,344)	204.8%	(1,958)	10.0%
Total tax burden	4,551	(397.6%)	(1,427)	7.0%

The increase in the effective tax rate is mainly due to:

- the benefit arising from the "Industry 4.0" decree. For the year ended December 31st, 2024, the effect amounts to EUR 3,321 thousand;
- the effect in terms of write down of DTL due to the Real-Estate Spin-off on December 30th, 2024 by executing an agreement regarding the sale and transfer to IVS Partecipazioni S.p.A. of a Real-Estate portfolio of the group. For the year ended December 31st, 2024, the effect amounts to EUR 6,911 thousand;
- the abrogation of the mechanism of the Italian tax incentive "ACE" (Aid to Economic Growth), that allowed a deduction calculated by applying a notional rate to the equity of entity (and therefore a fixed deduction not proportional to the profit before tax). On December 31st, 2024, the effect amounts to EUR - 1,358 thousand.

40 - EARNINGS PER SHARE

Base earnings per share

Base earnings per share at December 31st, 2024 were calculated on a net profit attributable to the Group of EUR 6,662 thousand (net profit of EUR 16,226 thousand at December 31st, 2023) and on an average number of outstanding shares during the period of 90,517,737 (89,151,168 at December 31st, 2023), calculated as follows:

(in thousands of Euro)	December 31 st , 2024	December 31 st , 2023
Number of Share in existence as of 1 st January (net of treasury share)	90,449,803	89,140,406
Acquisition from a director	-	-
Capital increase	-	-
Own shares sold	-	1,309,397
SOP	224,000	-
Number of Share in existence as of 31 st December (net of treasury share)	90,673,803	90,449,803
Weighted average shares in circulation as of 31 st December (net of treasury share)	90,517,737	89,151,168

Diluted earnings per share

In September 2024, IVS Group converted 224 thousand treasury shares into shares, which subsequently paid to the beneficiaries of the share base payment at a price of 4.58 euros per share.

OTHER INFORMATION

41 - CASH FLOW DISCLOSURES

(in thousands of Euro)

December 31st, 2024 December 31st, 2023

Cash flows from interests received and paid		
Interest received	1,089	1,510
Interest paid	(20,974)	(19,694)
Total	(19,885)	(18,184)
Changes in working capital		
Inventories	(5,201)	(11,530)
Trade receivables	(2,138)	(3,442)
Other current assets	1,196	1,401
Other liabilities	1,974	4,121
Trade payables	(7,512)	1,406
Total	(11,681)	(8,044)

Cash flows from interests received and paid

During the year, the Group has registered cash outflow of interest for a total amount of EUR 20,974 thousand (of which EUR 3,031 thousand related to leases) and cash inflow for EUR 1,089 thousand.

Changes in liabilities arising from financing activities:

	Cash flows from financing activities										December 31 st , 2024
	January 1 st , 2024	IFRS 16 Impact	New long-term loan	Reimbursement of long-term loan	Current liabilities variation	Business combination	Variation of debt for NCI	Write off spin off	Dividend paid	Other	
Due to bond holder (non-current)	298,940	-	-	-	-	-	-	-	-	569	299,509
Non-current financial liabilities	121,198	-	28,656	-	-	-	1,407	-	-	(105,146)	46,115
Non-current financial liabilities IFRS 16	42,193	61,224	-	-	-	-	-	-	-	(34,713)	68,705
Current financial liabilities	84,617	-	-	(53,958)	1,643	2,865	-	(11,888)	(140)	120,947	144,085
Current financial liabilities IFRS 16	20,219	-	-	(19,446)	-	-	-	-	-	19,367	20,140
Due to bondholder (current)	1,249	-	-	-	-	-	-	-	-	(18)	1,231
Total	568,416	61,224	28,656	(73,404)	1,643	2,865	1,407	(11,888)	(140)	1,006	579,785

The 'Other' column includes the effect of reclassification of non-current portion of interest-bearing loans and borrowings and the effect of accrued but not yet paid interest on interest-bearing loans and borrowings. The Group classifies interest paid as cash flows from operating activities.

42 - CAPITAL MANAGEMENT

The Group manages its capital using the "Net Financial Position/Total shareholders' equity ratio" (gearing), The net financial position consists of financial debts less cash and other financial credits as indicated in Note 20. Equity includes all items presented in the statement of financial position.

(in thousands of Euro)	December 31 st , 2024	December 31 st , 2023
Net financial position	(441,459)	(421,135)
Total Shareholders' Equity	502,961	514,614
Gearing	88%	82%

The Group's strategy is aimed at increasing its gearing ratio in the medium term, by reducing the financial leverage used when the Group was created and, therefore, reaching a level that would allow it to continue its ordinary operations, meets its investment commitments and enhance the investment value for its Shareholders.

The Group keeps or changes its capital structure by issuing new shares or, subject to clearance by creditor banks or bondholders, increasing or decreasing its investments in subsidiaries and acquiring/disposing of investments.

43 - RISK MANAGEMENT POLICY

Risk management activities

The Group is exposed to financial risks in the course of its normal business activities: market risks (related mainly to interest rates), credit risk and liquidity risk.

The Group's financial and accounting department ensures financing is available by carefully analyzing interest rate fluctuations on an ongoing basis in relation to its financial exposure.

Market risk

Interest rate risk

The Group's interest risk management policy has a two-pronged objective: to minimize the cost of funding and to decrease its exposure to interest rate fluctuations, as changes in interest rates affect both the fair value of variable rate financial assets and liabilities and the Group's future results of operations.

At the reporting date, around the 72% of the Group's financial liabilities (excluding current liabilities of Coin Division to customers for coins picked-up and lodged in the Company's coin counting rooms) is subject to fix rate (or hedged with derivatives instruments); the remaining percentage of financial liabilities bear interest at floating or indexed rates.

A sensitivity analysis is provided below to illustrate the effects of a change in interest rates of +/- 50 base points compared to the rates at December 31st, 2024 with other variables held constant. The potential impacts were calculated on the variable-rate financial liabilities at December 31st, 2024. Taking into account that most of the Group's indebtedness is indexed at a fixed rate, an increase in interest rates would result a higher cost of interest on the Consolidated Financial Statements amounting to EUR +/- 615 thousand.

Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates, The Group's exposure to the risk of changes in foreign exchange rates mainly relates to the Group's investments in IVS Group Swiss S,A,, Demomatic S,A,, Aora Vending, N-And Group Ltd and N-And Technologies Limited. Due to size of this investment, Group's exposure to foreign currency is not material (total asset denominated in CHF 4,035 thousand, total liabilities denominated in CHF 1,762 thousand, total asset denominated in Zloty 23,634 thousand, total liabilities denominated in Zloty 29,122 thousand, total asset denominated in GBP 9,250 thousand, total liabilities denominated in GBP 1,044 thousand, total asset denominated in HKD 32,630 thousand, total liabilities denominated in HKD 15,228 thousand).

Credit risk

We are exposed to credit risk related to our customers who may cause us to make larger allowances for doubtful trade receivables or incur write-offs related to impaired receivables.

While many customers pay their receivables within 30 to 60 days, we experienced an increase of 2.26% of trade receivables that are overdue by 91 days from 2023 to 2024, following a decrease of 5.74% from 2022 to 2023. Our allowance for impairment was EUR 4,322 thousand as of December 31st, 2024, representing approximately 6.20% of our gross trade receivables. The amount of our provision for bad debts is based on our assessment of historical collection trends, business and economic conditions and other collection indicators.

If the macroeconomic conditions in Italy, France, Spain and Europe in general deteriorate, we cannot assure that we will not have to increase our provisions for impaired debts relating to debts owed to us, which could have a material adverse effect on our business, financial condition and results of operations.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Group does not hold security as collateral.

In addition, as of December 31st, 2024, the Group had approximately EUR 3,967 thousand in unpaid Italian VAT refunds due from the Italian government. Pursuant to applicable law, the Italian government refunds this credit however VAT refunds sometimes took as long as two years and we have no way of knowing if such payment periods will be extended further in the future.

Liquidity risk

This is the risk that the Group will not be able to generate enough cash flows from its operations to cover investments and third-party debt. Each group company is free to negotiate credit facilities (in accordance with corporate management) and to agree diversified sources of funding (e.g., loans, finance leases, bank credit facilities, etc.) as long as the maintenance covenants of the 3.0% Senior Unsecured Notes and Credit Facilities Loan are respected.

As of December 31st, 2024, unused bank credit facilities amount to EUR 31.0 million.

44 - RELATED PARTY TRANSACTIONS

As of December 31st, 2024, IVS Partecipazioni S.p.A. directly owned 46,243,640 shares in IVS Group S.A., representing 51,0% of the IVS Group's capital.

Transactions and balances disclosed as with "Associated" companies are those with companies over which IVS Group exerts significant influence or joint control in accordance with IFRS, but does not have control. All other transactions and balances with related parties which are not Associates and which are not consolidated are disclosed as "Other". These transactions are detailed as below:

(in thousands of Euro)	December 31 st , 2024	December 31 st , 2023
A) Costs and Revenues		
A1. Sales of goods and services		
Sales of good to the Parent	-	-
Sales of good to associated parties	1,461	349
Sales of good to other related parties	184	9
Sales of services to the Parent	10	10
Sales of services to associated parties	39	6
Sales of services to other related parties	211	45
Total Sales of goods and services	1,905	419
A2. Purchases of goods and services		
Purchases of good from the Parent	-	-
Purchases of good from associated parties	(11,540)	(9,318)
Purchases of good from other related parties	(28,391)	(3,790)
Purchases of services from the Parent	(21)	(64)
Purchases of services from associated parties	(500)	(274)
Purchases of services from other related parties	(2,092)	(1,734)
Total Purchases of goods and services	(42,544)	(15,180)
B) Receivables and Payables		
B1. Arising from sales /purchases of goods/services		
Receivables from the Parent	100	79
Receivables from associated parties	641	264
Receivables from other related parties	351	(510)
Payables to the Parent	(17)	(80)
Payables to associated parties	(929)	(990)
Payables to other related parties	(5,869)	(1,401)
Total Receivables/(Payables) net from sales/purchases of good/services	(5,723)	(2,638)
B2. Financial Debt/Assets		
Receivables from the Parent	-	-
Receivables from associated	373	100
Receivables from other related parties	-	-
Borrowing/Lease from the Parent	-	-
Borrowing/Lease from associated parties	(10)	(7)
Borrowing/Lease from other related parties	(58,356)	(7,123)
Total Financial Debt/Assets net	(57,993)	(7,030)

The primary changes are referred to the following extraordinary transactions finalized during the year 2024:

- the supplier Lavazza Group reached a significant influence on the Group due to the agreements and transaction finalized since April 22nd, 2024 when Grey S.à.r.l., a newly incorporated company fully owned by E-Coffee S.r.l., in the context of a wider transaction between ECS, Torino 1895 Investimenti S.p.A. - both companies referred to the Lavazza Group - and IVS Partecipazioni S.p.A., launched a voluntary totalitarian tender offer over the ordinary shares of the Company listed in Italy on Euronext Milan (STAR segment) for a consideration of EUR 7.15 per share aimed at obtaining delisting of the Company (the "Transaction");

- On November 22nd, 2024 IVS Group S.A. signed the deed of adherence to the shareholders' agreement executed on April 22nd, 2024 in the contest of the Transaction, between E-Coffee Solutions S.r.l. and IVS Partecipazioni S.p.A. and aimed, among other things, at defining (a) the rules of transfer of the Company's shares, and (b) ECS's rights of governance aimed to protect its investment in the Company, including in particular: (i) the right to appoint two non-executive director, and (ii) certain veto rights, both in the shareholders' meeting as well as in the board of directors meeting, for the adoption of certain resolutions. On September 4th, 2024, the independent directors of the Company issued their positive opinion pursuant to Article 39-bis of the Issuers Regulation based on the fairness opinion issued by Lazard S.r.l., as financial advisor of the independent directors for the purpose of their assessment;
- in the contest of the Transaction the sales and lease back of the whole real estate property to major shareholder IVS Partecipazioni S.p.A.: the real-estate spin-off have been validated by the Related Parties Transaction Committee.

The acquisition of non-controlling interests finalized during the year 2024, were not considered related parties transactions due to the sellers, albeit in their dual role of shareholders and directors of the subsidiary acquired, had no influence within the board of directors of the acquirer companies or their parent company.

45 - DIRECTOR AND INDEPENDENT AUDITOR FEES

Directors' compensation

During the 2024 and 2023 the cash compensation of Directors (excluding the amounts arising from any targets achieved in connection with the incentive plan 2022-2024) of IVS Group S.A. amounted to EUR 1,515 thousand and EUR 1,509 thousand respectively.

The table below shows the details of the total amount of fees for the Parent's directors and independent auditors:

(in thousands of Euro)	December 31 st , 2024	December 31 st , 2023	Variation	Var %
Directors' emoluments	1,515	1,509	6	0%
Audit Costs	793	711	82	12%
Audit related activities	-	-	-	-
Non-audit services charged by the primary auditor and its network	228	171	57	33%
Total	2,535	2,391	144	6%

46 - SUBSEQUENT EVENTS

With effect from January 2nd, 2025, the Group acquired the reselling business unit of DAIMA S.A.S. di Calestani Vittorio & C. for a final consideration transferred of EUR 100 thousand.

On January 31st, 2025 the Group, signed the preliminary agreement for the sale of the entire stakes of Moneynet S.p.A.

On February 5th, 2025 the Group acquired the non controlling interests of Express S.r.l., for a consideration equal to EUR 4,297 thousand.

On February 21st, 2025, through the Italian subsidiary Vendomat Partecipazioni S.r.l., the Group acquired the 34% of the share capital of Trivending S.p.A. (reaching a stake of 66% of share capital), for a provisional consideration of EUR 1,200 thousand.

On February 28th, 2025, through its Italian subsidiary IVS Italia S.p.A., the Group acquired the 100% of Italian Vending S.r.l., a vending company active in Calabria and Lazio regions, for a provisional consideration of EUR 4,968 thousand.

On March 5th, 2025 the final price adjustments for the acquisition of 65% of BH Partners has been defined in EUR 11,243 thousand with the payment of the residual amount of EUR 985 thousand.

On March 13th, 2025, through its Italian subsidiary IVS Italia S.p.A., the Group acquired the 12.34% of Espresso Coffee & Water S.A., for a consideration of EUR 3,783 thousand.

The first months of 2025 are confirming a delay in like for like volumes compared to the same period of 2024, confirming an increasingly complicated trend oriented towards price increases. We are constantly looking for targets to acquire in the vending market to increase our customer base and vending services in those areas and branches, which would allow an increase in volumes against a relatively lower increase in the respective costs.

Luxembourg, March 27th, 2025

On behalf of the Board of Directors,

Mr. Paolo Covre
Chairman





ANNUAL ACCOUNTS OF IVS GROUP

as of December 31st, 2024

Independent
Auditor's Report
on Annual Accounts



**Shape the future
with confidence**

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Independent auditor's report

To the Shareholders of
IVS Group S.A.
2A Rue Jean-Baptiste Esch
L-2449 Luxembourg

Opinion

We have audited the annual accounts of IVS Group S.A. (the "Company"), which comprise the balance sheet as at 31 December 2024, and the profit and loss account for the year then ended, and the notes to the annual accounts, including a summary of significant accounting policies.

In our opinion, the accompanying annual accounts give a true and fair view of the financial position of the Company as at 31 December 2024, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts.

Basis for opinion

We conducted our audit in accordance with EU Regulation N° 537/2014, the Law of 23 July 2016 on the audit profession ("Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under the EU Regulation N° 537/2014, the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the "réviseur d'entreprises agréé" for the audit of the annual accounts" section of our report. We are also independent of the Company in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the annual accounts, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts of the current period. These matters were addressed in the context of the audit of the annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Recoverability of financial fixed assets

Risk Identified

As disclosed in Company's accounting policies outlined in Note 1 as well in Note 4 and Note 5 of the annual accounts, the financial fixed assets representing shares in and loans to affiliated undertakings amounted to EUR 831.5 million which represents 83% of Company's total assets. As detailed in Note 4 of the annual accounts, the financial fixed assets are valued at purchase price and value adjustments are made in case of a durable depreciation in value. An impairment analysis is performed at year end by the Management in order to assess whether a durable depreciation exists on financial fixed assets. As at 31 December 2024, the analysis done confirmed the recoverability of the financial assets.

Given the significance of financial fixed assets and the important judgment involved regarding the assessment of whether there is any durable depreciation in their value, the recoverability of financial fixed assets is a key audit matter.

Our response

Our audit procedures over financial fixed assets included, amongst others:

- considering management's impairment assessment based on our understanding of the investments and existing market conditions;
- comparing the carrying value of the individual investments to the net assets of the entities in which the Company holds the shares or loans based on their most recent available financial information;
- analyzing the methods and assumptions retained by management in their recoverability analysis;
- assessing management's conclusions of whether any identified potential impairment losses were of permanent nature or, either, whether a reversal of previously recognized impairment existed.

We also assessed the adequacy of the Company's disclosures in respect of the accounting policies on impairment as disclosed in Notes 1, Note 4 and Note 5 of the annual accounts.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the management report and the corporate governance statement but does not include the annual accounts and our report of "réviseur d'entreprises agréé" thereon.

Our opinion on the annual accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the annual accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.



Responsibilities of the Board of Directors and of those charged with governance for the annual accounts

The Board of Directors is responsible for the preparation and fair presentation of the annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts, and for such internal control as the Board of Directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

The Board of Directors is also responsible for presenting the annual accounts in compliance with the requirements set out in the Delegated Regulation 2019/815 on European Single Electronic Format, as amended (“ESEF Regulation”).

In preparing the annual accounts, the Board of Directors is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company’s financial reporting process.

Responsibilities of the “réviseur d’entreprises agréé” for the audit of the annual accounts

The objectives of our audit are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the “réviseur d’entreprises agréé” that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with EU Regulation N° 537/2014, the Law of 23 July 2016 and with the ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual account.

As part of an audit in accordance with EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.



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with confidence**

- Conclude on the appropriateness of Board 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "réviseur d'entreprises agréé" to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Assess whether the annual accounts have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.

We communicate with those charged with governance 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual accounts of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter.

Report on other legal and regulatory requirements

We have been appointed as "réviseur d'entreprises agréé" by the General Meeting of the Shareholders on 21 May 2021 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is 13 years.

The management report is consistent with the annual accounts and has been prepared in accordance with applicable legal requirements.

The corporate governance statement, included in the management report, is the responsibility of the Board of Directors. The information required by article 68ter paragraph (1) letters c) and d) of the law of 19 December 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings, as amended, is consistent with the annual accounts and has been prepared in accordance with applicable legal requirements.



We have checked the compliance of the annual accounts of the Company as at 31 December 2024 with relevant statutory requirements set out in the ESEF Regulation that are applicable to the annual accounts.

For the Company, it relates to:

- Annual accounts prepared in valid xHTML format;

In our opinion, the annual accounts of the Company as at 31 December 2024, identified as 2221001SWMFR4N4VBK57-2024-12-31-en, have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.

We confirm that the audit opinion is consistent with the additional report to the audit committee or equivalent.

We confirm that the prohibited non-audit services referred to in EU Regulation No 537/2014 were not provided and that we remained independent of the Company in conducting the audit.

Ernst & Young
Société anonyme
Cabinet de révision agréé

A rectangular box containing a handwritten signature in black ink, which appears to be 'Olivier Lemaire'.

Olivier Lemaire

Luxembourg, 27 March 2025

Financial Statements Schedules

Financial Statements Schedules

BALANCE SHEET AS OF DECEMBER 31ST, 2024

(expressed in Euro)	Notes	December 31 st , 2024	December 31 st , 2023
ASSETS			
B. Formation expenses			
	2	895,831	1,343,747
C. Fixed assets			
I. Intangible fixed assets			
2. Concessions, patents, licenses, trademarks and similar rights and assets	3	1,476,957	2,565,434
4. Payments on account and intangible fixed assets under developments		-	-
II. Tangible fixed assets			
3. Other fixtures and fittings, tools and equipment	3	90,239,787	84,306,133
4. Payments on account and tangible fixed assets in the course of construction	3	2,813,842	428,044
III. Financial fixed assets			
1. Share in affiliated undertakings	4	451,398,458	474,735,744
2. Loans to affiliated undertakings	5	380,134,041	388,941,826
4. Amounts owed by undertakings with which the company is linked by virtue of participating interests		-	-
5. Investments held as fixed assets		-	-
		926,063,085	950,977,181
D. Current assets			
II. Debtors			
2. Amounts owed by affiliated undertakings			
a) becoming due and payable within one year	7	40,847,478	42,999,233
4. Other receivables			
a) becoming due and payable within one year	8	13,127,259	12,433,916
III. Investments			
1. Shares in affiliated undertakings		-	-
2. Own shares or corporate units	6	-	3,665,249
3. Other investements		-	-
IV. Cash at bank, cash in postal cheque accounts, cheques and cash in hand			
		22,499,299	18,472,296
		76,474,037	77,570,694
E. Deferred charges			
		1,143,206	1,342,079
Total Assets		1,004,576,159	1,031,233,701
LIABILITIES			
A. Capital and reserves			
I. Subscribed capital			
	9	872,512	876,816
II. Share premium			
	9	485,897,410	501,254,505
IV. Reserves			
1. Legal reserve	9	-	38,689
2. Reserve for own shares or corporate units	9	-	6,789,737
4. Other reserves		995,135	-
V. Results brought forward			
	9	-	(25,160,950)
VI. Result for the financial year			
	9	5,502,023	7,249,503
		493,267,080	491,048,300
B. Provisions			
1. Provisions for pensions and similar obligations	10	687,915	411,573
2. Provisions for taxation		-	-
3. Other provisions	10	29,001	29,001
		716,916	440,574
C. Creditors			
1. Bonds			
b) Non-Convertible bonds			
(i) becoming due and payable within one year	11	1,800,000	1,800,000
(i) becoming due and payable after more than one year	11	300,000,000	300,000,000
2. Amounts owed to credit institutions			
a) becoming due and payable within one year	12	80,344,619	15,400,000
b) becoming due and payable after more than one year	12	17,555,841	92,872,845
4. Amounts due to trade creditors			
a) becoming due and payable within one year	13	4,169,471	3,126,007
6. Amounts owed to affiliated undertakings			
a) becoming due and payable within one year	14	96,539,388	115,956,083
b) becoming due and payable after more than one year	14	-	-
8. Tax and social security debts			
a) Other taxes	15	315,619	347,702
b) Social security debts	15	808,908	554,495
9. Other creditors			
(i) becoming due and payable within one year	16	5,875,194	4,911,488
		507,409,040	534,968,620
D. Deferred income			
		3,183,123	4,776,208
Total Liabilities		1,004,576,159	1,031,233,701

The accompanying notes form an integral part of the annual accounts.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED DECEMBER 31ST, 2024

(expressed in Euro)	Notes	December 31 st , 2024	December 31 st , 2023
Profit and Loss account			
1. Net turnover	17	55,556,465	49,943,873
4. Other operating income	18	5,357,135	4,823,741
5. Raw Materials and consumables			
a) Raw Materials and consumables			
b) Other external charges	19	(12,368,350)	(10,716,564)
6. Staff costs			
a) Wages and salaries	20	(9,074,651)	(6,312,702)
b) Social security costs	20	(3,525,731)	(2,436,819)
c) Other staff costs	20	(297,278)	(274,710)
7. Value adjustments			
a) in respect of formation expenses and tangible and intangible fixed assets	2,3	(26,682,644)	(27,383,437)
b) in respect of current assets	6	1,885,392	3,781,106
8. Other operating expenses		(3,253,211)	(2,051,711)
10. Income from other investments, other securities and loans forming part of the fixed assets			
a) from affiliated undertakings	21	12,395,326	12,378,835
b) other income not shown under a)			
11. Other interest receivables and other financial income			
a) from affiliated undertakings			
b) other interest and financial income	21	570,916	242,630
12. Share in the results of the undertakings to which the equity method has been applied			
13. Value adjustments in respect of financial assets and investments held as current assets	6	-	-
14. Interest payable and other financial expenses			
a) relating to affiliated undertakings	21	(1,179,028)	(930,902)
b) other interest and financial expenses	21	(16,139,748)	(14,365,950)
15. Tax on results	22	2,257,430	552,113
16. Results after taxation		5,502,023	7,249,503
17. Other taxes not shown under items 1. to 16.			
18. Results for the financial year		5,502,023	7,249,503

The accompanying notes form an integral part of the annual accounts.

Explanatory Notes to the
annual accounts as of
December 31st, 2024

Notes to the Annual Accounts as of December 31st, 2024

GENERAL INFORMATION

IVS Group S.A. is a Luxembourg company incorporated as a "société anonyme" (public limited liability company) subject to the laws of Luxembourg for a limited period of time and more precisely until December 31st, 2049 which can be extended by resolution of an extraordinary general meeting of shareholders at any time. The current registered office is at 18 Rue de l'Eau, L-1449 Luxembourg and it is registered with the RCSL under number B 155 294.

The IVS Group S.A. resulted from the merger by absorption of IVS Group Holding S.p.A. into Italy1 Investment S.A., a "société anonyme" (public limited liability company) governed by the laws of Luxembourg, incorporated on August 26th, 2010 and registered with the RCSL under number B 155 294 ("Italy1"). Italy Investment S.A. was the first SPAC (acronym of Special Purpose Acquisition Company) to be listed on the Italian Stock Exchange. The merger operation was approved and the Articles was amended on April 12th, 2012 by the shareholders. On May 16th, 2012 the merger finally came into force and the Company assumed the corporate name of IVS Group S.A., proceeding, in the meantime, as per the Articles and regulations, to the buy-back of the shares held by those shareholders who exercised the redemption option in view of the realization of the Business Combination.

On April 22nd, 2024 Grey S.à.r.l. ("Grey"), a newly incorporated company fully owned by E-Coffee S.r.l. ("ECS"), in the context of a wider transaction between ECS, Torino 1895 Investimenti S.p.A. ("Toro") - both companies referred to the Lavazza Group - and IVS Partecipazioni S.p.A., launched a voluntary totalitarian tender offer (the "Offer") over the ordinary shares of the Company listed in Italy on Euronext Milan (STAR segment) for a consideration of EUR 7.15 per share (the "Offer Price") aimed at obtaining delisting of the Company ("Transaction").

On October 30th, 2024, upon conclusion of the Offer and exercise of the Take-Over Squeeze-out IVS Group's shares were delisted from Euronext Milano, STAR segment, and on December 18th, 2024 the Company merged by absorption with Grey as absorbed company

In particular, the conclusion of the Transaction is passed through a series of formalities that may occur following:

- i. the execution of an option agreement (the "Option Agreement"), governed by Luxembourg law and concerning the granting, respectively, by IVS Partecipazioni S.p.A. in favour of ECS of a call option, and by ECS in favour of IVS Partecipazioni S.p.A., of a put option, concerning any and all of the Company's shares held by IVS Partecipazioni S.p.A. after the completion of the Offer, to be reciprocally exercised following the approval of Company's consolidated financial statements as of December 2026 (also in several tranches).
- ii. the execution of a shareholders' agreement (the "Shareholders' Agreement"), governed by Luxembourg law and aimed, among other things, at defining (a) the rules of transfer of the Company's shares, and (b) ECS's rights of governance aimed to protect its investment in the Company, including in particular: (i) the right to appoint two non-executive director, and (ii) certain veto rights, both in the shareholders' meeting as well as in the board of directors meeting, for the adoption of certain resolutions.
- iii. IVS Partecipazioni S.p.A. tendered to the Offer a number of the Company's shares equal to the difference between the percentage of voting rights held by IVS Partecipazioni S.p.A. on the payment date of the Offer and 51%;
- iv. on September 4th, 2024, the independent directors of the Company issued their positive opinion pursuant to Article 39-bis of the Issuers Regulation based on the fairness opinion issued by Lazard S.r.l., as financial advisor of the independent directors for the purpose of their assessment;
- v. on December 18th, 2024, the Company entered a merger by absorption with Grey, with the Company as absorbing company and Grey as absorbed company.

IVS Group S.A. controls, directly and indirectly, a number of companies that operate in the vending market, i.e., in the sale of products through automated and semi-automated vending machines installed at unattended points of sale (businesses, schools, hospitals, railway stations and other public places). These machines operate 24 hours a day and consumers purchase products through the introduction of coins, banknotes, prepaid cards and other means of payment. The Group also controls the Coin Group, whose core business is the counting of coins for third parties, cash-in-transit services, collection and distribution of coins (coin management). The extraordinary shareholders meeting held on January 12th, 2015 has amended the corporate object of the Company; besides the holding of participations, the Company may now engage in the trade, management and renting of automatic and semiautomatic vending machines, their spare parts and accessories. Following this amendment the Company had purchased the vending machines of its Italian subsidiaries and then leased back them to the same entities. The aim of this transaction is to make more efficient the handling and management of such vending machines.

The accounting year for the Company begins on the first day of January and terminates on the last days of December of each year.

The Company also prepares Consolidated Financial Statements under IFRS; reports which are published according to the provision of the Luxembourg law of 10th August 1915 on commercial companies.

1 - SIGNIFICANT ACCOUNTING POLICIES

The Company maintains its accounting records in Euro ("EUR") and the balance sheet and the profit and loss account are expressed in this currency.

Basis of preparation

The annual accounts of the Company are prepared in accordance with current Luxembourg legal and regulatory requirements under the historical cost convention.

Accounting policies and valuation rules are, besides the ones laid down by the modified Law of December 19th, 2002, determined and applied by the Board of Directors of the Company.

The preparation of annual accounts requires the use of certain critical accounting estimates. It also requires the Board of Directors of the Company to exercise its judgment in the process of applying the accounting policies. Changes in assumptions may have a significant impact on the annual accounts in the period in which the assumptions changed. The Board of Directors of the Company believes that the underlying assumptions are appropriate and that the annual accounts therefore fairly present the financial position and results.

The Board of Directors of the Company makes estimates and assumptions that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The annual accounts have been prepared in accordance with the valuation rules and accounting policies described below.

The Company's working capital is negative, due mainly to the fact that the Company is the principal of the group cash pool and the Group's results are positive. The Company's main activity is the lease of vending machines to group companies and this business is stable and profitable. Based on these assumptions, the Company's financial statements are prepared under the going concern basis. Even though the current liabilities exceed the current assets by EUR 114,1 thousand, the business plan as approved by management sufficiently substantiates the going concern basis of accounting.

Basis of conversion for items originally expressed in foreign currency

The share capital is denominated in Euro ("EUR") and the annual accounts are expressed in this currency.

Financial fixed assets denominated in other currencies are translated into EUR at the historical exchange rates.

Other assets and liabilities denominated in other currencies are translated into EUR at the rates prevailing at the balance sheet date. Realized exchange gains and losses and unrealized exchange losses are recognized in the profit and loss account.

Income and expenses denominated in foreign currencies are recorded at the rates prevailing on the transaction date.

Formation expenses

Formation expenses are valued at purchasing price, less accumulated amortization, written off within a period of five years.

Intangible fixed assets

Intangible fixed assets are valued at purchase price including the expenses incidental thereto, less accumulated amortization, determined on a straight-line basis over the estimated remaining useful lives of the assets.

Tangible fixed assets

Tangible fixed assets are valued at purchase price including the expenses incidental thereto. Tangible fixed assets are depreciated over their estimated useful economic lives.

Industrial and commercial equipment are depreciated on a straight line basis over a period between one and seven years.

Other fixtures and fittings, tools and equipment are amortized over three years on a straight line basis.

Where the Board of Directors of the Company considers that a tangible fixed asset has suffered a durable depreciation in value, an additional value adjustment is recorded to reflect this loss. Such value adjustment is not continued if the reasons for which it was made have ceased to apply.

Financial fixed assets

Financial fixed assets are valued at purchase price.

Value adjustments are recognized in respect of financial fixed assets, if, in the opinion of the Board of Directors, a lower value is to be attributed to them at the balance sheet date. This valuation at a lower value may not be continued if the reasons for which the value adjustments were made ceased to apply

Investments in own shares

Investments in own shares are recorded at the lower of cost or market, using the weighted average method. In accordance with Luxembourg Corporate Law, an undistributable reserve is maintained for a similar amount.

Current debtors

Debtors are stated at their nominal value. Value adjustments are recorded at the end of the financial year if the net realizable value is lower than the book value. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

Deferred charges

Deferred charges include expenditure incurred during the financial year but relating to a subsequent financial year.

Provisions

Provisions are intended to cover losses or debts the nature of which is clearly defined and which, at balance sheet date are either likely to be incurred or certain to be incurred but uncertain as to their amount or as to the date on which they will arise.

Debts

Debts are recorded at their reimbursement value.

Derivatives

Debts are recorded at their reimbursement value.

Deferred income

Deferred income received during the financial year but relating to a subsequent financial year.

2 - FORMATION EXPENSES

The caption comprises expenses arising from the capital increase proposed during 2024. The movements for the year are as follows:

Formation expenses	Capital increase
Cost at January 1 st , 2024	2,239,579
Addition	-
Disposals	-
Reclassification	-
Cost at December 31 st , 2024	2,239,579
Accumulated Amortization at January 1 st , 2024	(895,831)
Amortization	(447,917)
Disposals	-
Reclassification	-
Accumulated Amortization at December 31 st , 2024	(1,343,748)
Net Carrying Amount	-
At January 1 st , 2024	-
At December 31 st , 2024	895,831

3 - INTANGIBLE AND TANGIBLE FIXED ASSETS

The movements of intangible fixed assets for the financial year ended December 31st, 2024 are as follows:

Tangible fixed assets	Industrial patent and soft./ intellectual property rights	Other intangible assets	Payments on account and intangible fixed assets under developments	Total
Cost at January 1 st , 2024	2,399,849	12,690,521	-	15,090,370
Addition	23,500	-	-	23,500
Disposals	-	-	-	-
Reclassification	-	-	-	-
Cost at December 31 st , 2024	2,423,349	12,690,521	-	15,113,870
Accumulated Amortization at January 1 st , 2024	(2,228,444)	(10,296,493)	-	(12,524,936)
Amortization	(159,253)	(952,723)	-	(1,111,977)
Disposals	-	-	-	-
Reclassification	-	-	-	-
Accumulated Amortization at December 31 st , 2024	(2,387,697)	(11,249,216)	-	(13,636,913)
Net Carrying Amount	-	-	-	-
At January 1 st , 2024	171,406	2,394,028	-	2,565,434
At December 31 st , 2024	35,652	1,441,305	-	1,476,957

The Other intangible assets category includes transaction costs incurred in connection to the issuance of Bonds described in Note 10, that have been capitalized and amortized over the bond term.

The movements of tangible fixed assets for the financial year ended December 31st, 2024 are as follows:

Tangible fixed assets	Plant and machinery	Industrial and commercial equipment	Other assets	Total	Payments on account and tangible assets in the course of construction
Cost at January 1 st , 2024	2,874,343	258,632,344	3,161,007	264,667,694	428,044
Addition	-	33,069,528	126,144	33,195,672	2,385,798
Disposals	-	(7,952,981)	(21,750)	(7,974,731)	-
Reclassification	-	73	(73)	-	-
Cost at December 31 st , 2024	2,874,343	283,748,964	3,265,328	289,888,635	2,813,842
Accumulated Amortization at January 1 st , 2024	(977,908)	(178,540,661)	(842,992)	(180,361,561)	-
Amortization	(238)	(24,645,046)	(477,469)	(25,122,753)	-
Disposals	-	5,835,465	-	5,835,465	-
Reclassification	-	-	-	-	-
Accumulated Amortization at December 31 st , 2024	(978,146)	(197,350,242)	(1,320,460)	(199,648,849)	-
Net Carrying Amount	-	-	-	-	-
At January 1 st , 2024	1,896,435	80,091,683	2,318,016	84,306,133	428,044
At December 31 st , 2024	1,896,197	86,398,722	1,944,867	90,239,787	2,813,842

Caption "Other assets" includes the acquisition of a new server and several handheld.

Caption "Payments on account and tangible assets in the course of construction" includes an anticipation on the purchase of vending machines.

4 - SHARES IN AFFILIATED UNDERTAKINGS

The movements for the financial year ended December 31st, 2024 are as follows:

	December 31 st , 2023	Provisions December 31 st , 2024	Additions of the financial year	Reclassification due to demergers	Merger	Disposal of the financial year	December 31 st , 2024
IVS Italia S.p.A.	223,114,654	-	-	(38,555,798)	193,741,352	-	378,300,207
IVS France S.a.S.	2,395,693	-	-	-	-	-	2,395,693
DAV S.L.	1,765,000	-	1,650,000	-	-	-	3,415,000
CSH S.r.l.	10,298,909	-	-	-	-	-	10,298,909
S.Italia S.p.A.	5,089,057	-	-	-	-	-	5,089,057
Demomatic S.A.	3,207,973	-	-	-	-	-	3,207,973
Auto-Bar S.r.l.	750,500	-	1,119,695	-	-	-	1,870,195
Breakcotto S.r.l. I.S.	2,000	-	-	-	-	-	2,000
Coin Service S.p.A.	515,113	-	1,995,000	-	-	-	2,510,113
Coin Service Nord S.p.A.	339,144	-	-	(61,970)	-	-	277,174
Liomatic S.p.A.	71,870,520	-	3,520,491	-	(75,391,011)	-	-
GE.S.A. S.p.A.	116,300,341	-	2,050,000	-	(118,350,341)	-	-
Vending All Inclusive Italia S.p.A. (VAI)	17,970,808	-	-	-	-	-	17,970,808
Immobiliare Santo Spirito S.p.A.	6,455,491	-	-	39,651,298	-	(46,106,789)	-
IVS Rent1 S.r.l.	10,000	-	2,000,000	-	-	-	2,010,000
Time Vending S.r.l.	7,385,000	-	-	-	-	-	7,385,000
Vendomat Partecipazioni S.r.l.	7,265,208	-	-	(1,033,529)	-	-	6,231,679
BH Partners S.a.S.	-	-	10,257,975	-	-	-	10,257,975
H24 ITALIA S.p.A.	-	-	176,343	-	-	-	176,343
Others	333	-	-	-	-	-	333
Rounding	-	-	-	-	-	(1)	(1)
Total	474,735,744	-	22,769,504	-	-	(46,106,790)	451,398,458

On February and on October acquired the residual minorities of Auto-Bar S.r.l, for a consideration equal to EUR 1,119 thousand, fully paid within December 31st, 2024;

On February 29th, 2024, through its Italian subsidiary IVS H24 S.r.l., the Group acquired the 70% of Toscana H24 S.r.l. (now H24 Italia S.p.A.) active in Toscana region, for a final consideration of EUR 176 thousand, fully paid within December 31st, 2024; the company is active in the H24 vending business.

On April 29th, 2024 IVS Group S.A. waives loan agreement for the total amount to recapitalize IVS Rent1 S.r.l..

In July 2024 acquired the residual minorities of Liomatic S.p.A. (now merged in IVS ITALIA S.p.A.), for a consideration equal to EUR 4,278 thousand (the increase shown in the table equal to EUR 3,520 thousand is net of the reimbursement value received from former Liomatic shareholders for disputes pending as of the business combination date), already paid for EUR 3,672 thousand within December 31st, 2024;

In October acquired the residual minorities of Coin Service S.p.A., for a consideration equal to EUR 1,995 thousand, already paid for EUR 1,532 thousand within December 31st, 2024;

In December 2024 IVS Group converted cashpooling credits toward DAV S.L. into capital for an amount of EUR 1,650.

On December 29th, 2024, IVS Group acquired the 65% of BH Partners S.a.S. active in France, for a provisional consideration of EUR 10,258 thousand, fully paid within December 31st, 2024.

In 2024 IVS Group paid the earn-out stipulated in the contract with GE.S.A. S.p.A.

With effect from January 1st, 2024 the Italian subsidiaries GE.S.A. S.p.A. and Liomatic S.p.A. have been merged into the subsidiary IVS Italia S.p.A.. As a consequence of the merger, the value of the shares of GE.S.A. S.p.A. and Liomatic S.p.A., respectively equal to EUR 75,391 thousand and EUR 118,350 thousand has been reclassified on the value of the shares of IVS Italia S.p.A..

On December 30th, 2024, IVS Group S.p.A. sold its shareholding in Immobiliare Santo Spirito S.r.l. to IVS Partecipazioni S.p.A. for a price of EUR 46,564 thousand. This transaction is part of the Real-Estate Spin-off following the completion of the Voluntary Totalitarian Tender Offer. This transfer took place after the partial proportional demergers completed earlier in the year by IVS Italia S.p.A., Coin Service Nord S.p.A., and Vendomat Partecipazioni S.r.l. (the "Demerged Companies") to transfer their real estates to Immobiliare Santo Spirito S.r.l. (the "Beneficiary Company"). These demergers resulted in the reclassification of the value held in the Demerged Companies to the Beneficiary Company.

Details relating to the undertakings in which the Company holds at least 20% in their share capital are as follows:

Name	Registered Office	Proportion of the capital held	Carrying amount as at December 31 st , 2024	Capital and reserves result as at December 31 st , 2024* in local currency	Result for the financial year ended December 31 st , 2024* in local currency	Currency
IVS Italia S.p.A.	Italy	100%	377,204,708	187,888,369	2,248,308	EUR
IVS France S.a.S.**	France	13%	2,395,693	13,908,529	5,949,353	EUR
DAV S.L.	Spain	25%	3,415,000	8,264,703	(530,246)	EUR
CSH S.r.l.	Italy	100%	10,298,909	8,170,069	(29,676)	EUR
S.Italia S.p.A.	Italy	100%	5,089,057	7,522,458	(785,938)	EUR
Demomatic S.A.	Switzerland	93%	3,207,973	1,209,608	(115,803)	CHF
Auto-Bar S.r.l.	Italy	100%	1,870,195	39,575	107,852	EUR
Breakcotto S.r.l. I.S.	Italy	20%	2,000	33,689	(18,689)	EUR
Vending All Inclusive Italia S.p.A. (VAI)**	Italy	29%	17,970,808	31,448,435	1,648,122	EUR
IVS Rent1 S.r.l.	Italy	100%	2,010,000	1,961,163	(257,776)	EUR
Time Vending S.r.l.**	Italy	50%	7,385,000	1,185,324	883,640	EUR
Vendomat Partecipazioni S.r.l.**	Italy	45%	7,265,208	3,619,773	(712,338)	EUR
BH Partners S.a.S.	Italy	65%	10,257,975	2,708,690	150,962	EUR
H24 ITALIA S.p.A.	Italy	51%	176,343	408,000	(30,752)	EUR
Coin Service S.p.A.**	Italy	7%	2,510,113	8,663,356	1,521,199	EUR
Coin Service Nord S.p.A. **	Italy	2%	339,144	8,451,013	1,464,061	EUR

*Based on unaudited accounts

**The Company owned indirectly the remaining stake

The financial statements of the IVS Group S.A. and of its subsidiaries are drawn up as of December 31st, 2024.

Investments in subsidiaries or associated companies are tested for impairment if there are indications that they may have suffered a loss in value, comparing the carrying amount with the recoverable amount. The Company engaged an external expert, that undertake impairment assessments for the investments in IVS Italia S.p.A., IVS France S.a.S. and DAV S.L., Vending All Inclusive Italia S.p.A. ("VAI S.p.A"), Vendomat Partecipazioni S.r.l. and BH Partners S.a.S.. From this analysis no impairment loss has been identified.

In the year 2020 the investment in DAV S.L. has been fully impaired.

5 - LOANS TO AFFILIATED UNDERTAKINGS AND BY UNDERTAKINGS WITH WHICH THE COMPANY IS LINKED BY VIRTUE OF PARTICIPATING INTERESTS

The details relating loans granted by IVS Group S.A. to Group companies in order to finance the development of their activities and the variations for the year are as follows:

	December 31 st , 2023	Additions of the financial year	Merger	Disposal of the financial year	December 31 st , 2024
IVS Italia S.p.A.	304,919,802	-	-	-	304,919,802
Immobiliare Santo Spirito S.p.A.	3,784,110	-	-	(3,784,110)	-
Ivs Rent1 S.r.l.	2,000,000	-	-	(2,000,000)	-
Cash pooling	78,237,914	(3,058,675)	-	-	75,179,239
Other	-	35,000	-	-	35,000
Total	388,941,826	(3,023,675)	-	(5,784,110)	380,134,041

The loan granted by IVS Group S.A. to IVS Italia S.p.A. bears interest on 3.2% and it's due on October 2026.

In connection with the refinancing transaction completed in 2019, IVS Group S.A. billed to IVS Italia S.p.A. certain commissions linked to the new financing. Being these commissions linked to the new financing in place between IVS Group S.A. and IVS Italia S.p.A. (founded with the proceeds of the new senior unsecured notes due 2026), the Company is amortizing the related income over the duration of the loan and presenting the item as "deferred income". The cash-pooling balances and transactions refer to notional cash-pooling arrangements with subsidiaries to the extent they are possible and justifiable in the relevant legal and tax situation.

On October 1st, 2022 IVS Group financed Immobiliare Santo Spirito S.p.A. signing a loan agreement for a total amount of EUR 4,500 thousand at an interest rate of 3.2% splitting in more tranche and during 2024 Immobiliare Santo Spirito S.p.A. repaid an amount of EUR 3,784,100 in relation to the sale of the Immobiliare Santo Spirito S.p.A.. For further details see table 4.

On January 9th, 2023 IVS Group financed IVS Rent1 S.r.l. signed a loan agreement for an amount of EUR 2 million, which bears interest on 3% and on April 29th, 2024 IVS Group S.A. converted the loan agreement into capital.

6 - OWN SHARES OR OWN CORPORATE UNITS

On June 7th, 2024, after the beneficiaries of the Company's Stock Option Plan 2022-2024 had exercised the option granted to them, the Company's EGM resolved to reduce the amount of the share capital of the Company to EUR 872,511.99 by the annulment of the remaining n. 447,296 shares held in treasury: as a result, the beneficiaries of the Company's Stock Option Plan 2022-2024 tendered to the Offer their 224.000 IVS'S shares acquired by the Company (such event represented an acceleration event of the Stock Option Plan 2022-2024).

	December 31 st , 2023	Cancellation of treasury shares	Disposal of the financial year	Reversal of Provision	Cash received by the disposal	December 31 st , 2024
Number	671,296	(447,296)	(224,000)	-	-	-
Gross Amount	6,789,737	(4,524,116)	(2,265,621)	-	-	-
Provision	(3,124,488)	-	-	3,124,488	-	-
Net Amount	3,665,247	(4,524,116)	(2,265,621)	3,124,488	-	-

The total amount of the loss on the treasury shares sold to the beneficiaries of the Plan payments is equal to EUR 1,239 thousand. As a consequence of the cancellation and the disposal of the remaining treasury shares the company reversed the provision of EUR 3,124 thousand and release the connected undistributable reserve.

7 - AMOUNTS OWED BY AFFILIATED UNDERTAKINGS BECOMING DUE AND PAYABLE WITHIN ONE YEAR

Details of this caption are as follows:

	December 31 st , 2024	December 31 st , 2023
Amount receivable from affiliated	14,290,580	19,137,668
Other accounts receivables with affiliated (Group Fiscal Unit)	26,556,898	23,861,565
Total	40,847,478	42,999,233

Receivables and Payables under the Group Fiscal Unit

The approval by the Italian tax authority of the Group's fiscal unity was granted, since 2021 fiscal charges are based on the Group fiscal unity assumption. The Group fiscal unit includes the following entities: IVS Group S.A. - the Parent; IVS Italia S.p.A.; S. Italia S.p.A.; CSH S.r.l.; Eurovending S.r.l.; Commerciale Distributori S.r.l.; Venpay S.p.A.; Wefor S.r.l.; Breskui S.r.l.; Vending All Inclusive Italia S.p.A.; Distribuzione 2003 S.r.l.; AG Consulting S.r.l.; Coin Service Nord S.p.A.; Coin Service S.p.A.;

8 - OTHER RECEIVABLES BECOMING DUE AND PAYABLE WITHIN ONE YEAR

Details of this caption are as follows:

	December 31 st , 2024	December 31 st , 2023
Trade Receivables	473,591	366,004
Other amounts receivable from affiliated for consolidation VAT	3,922,307	1,455,146
Credit Italian VAT	286,233	285,600
Credit Italian Taxes (IRAP, IRES)	7,988,867	10,081,343
Other receivables	456,261	245,823
Total	13,127,259	12,433,916

A consolidated VAT regime between the Company and its Italian subsidiaries is active since the beginning of the year 2014. According to such regime, the Company collects the credit and debit positions of its subsidiaries on a monthly basis performing the VAT consolidation and liquidation.

The Credit Italian Taxes include an IRES receivables of EUR 2,963 thousand, an IRAP receivables of EUR 138 thousand and the remaining unused portion of the 4.0 tax credit amounting to EUR 4,888 thousand.

The net balance of the position as of December 31st, 2024 is an asset equal to EUR 3,922,307 while the net balance as of December 31st, 2023 was equal to EUR 1,455,146.

9 - CAPITAL AND RESERVES

Changes in equity are as follows:

	Class A	Class B1	Class B2	Class B3	TOTAL Subscribed capital	Share premium	Warrants	Total Share premium	Legal reserve	Reserve for own shares or own corporate units	Profit or loss brought forward	Other Reserve	Profit or loss for the financial year	Total capital and reserves
Closing balance at December 31st, 2023	876,816	-	-	-	876,816	501,254,504	-	501,254,504	38,689	6,789,737	(25,160,950)	-	7,249,503	491,048,300
Allocation of prior year result	-	-	-	-	-	-	-	-	-	-	(7,249,503)	-	(7,249,503)	-
Share capital increase	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share capital decrease (see Note 6)	(4,304)	-	-	-	(4,304)	4,304	-	4,304	-	(4,524,116)	-	-	-	(4,524,116)
Reserve reclassification for own shares disposal / addition	-	-	-	-	-	2,265,621	-	2,265,621	-	(2,265,621)	-	-	-	-
Incorporation of Grey S.à.r.l. (see below for further details)	-	-	-	-	-	(17,627,019)	-	(17,627,019)	(38,689)	-	17,911,447	995,135	-	1,240,873
Dividend distributed	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Result for the financial year	-	-	-	-	-	-	-	-	-	-	-	-	5,502,023	5,502,023
Rounding	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance at December 31st, 2024	872,512	-	-	-	872,512	485,897,410	-	485,897,410	-	-	-	995,135	5,502,023	493,267,080

On December 18th, 2024, IVS Group entered a merger by absorption with Grey S.à.r.l. resulting in a change in shareholders' equity.

Below are the changes in shareholders' equity resulting from the merger:

	December 31 st , 2024
Shares of IVS Group S.A. held by Grey S.à.r.l.	648,096,443
Equity IVS Group S.A. before reverse merger	486,524,184
Merger Deficit (A)	161,572,259
Equity Grey S.à.r.l. (B)	649,337,316
Equity IVS Group S.A. after reverse merger (B) - (A)	487,765,057
Result for the financial year IVS Group S.A.	5,502,023
Total Equity as of December 31st, 2024	493,267,080

The merger deficit has been deducted from the shareholders' equity. As a result of the retroactive effect of the merger, the negative result of Grey S.à.r.l. from the incorporation date to date of the merger, amounting to EUR 1.2 million, has been recorded in the income statement of IVS Group.

Subscribed Capital

The share capital underwritten and paid up as of December 31st, 2024 is comprised of 90,673,803 shares (as of December 31st, 2024 there aren't treasury shares).

Dividend rights

Shares all enjoy equal dividend rights.

Voting rights

The extraordinary operation foreseen by the Articles having been completed, ordinary shares all enjoy equal voting rights.

Dividends paid and proposed

The table below gives details of dividends declared and paid by Parent:

(in thousands of Euro)	December 31 st , 2024	December 31 st , 2023
Dividends on ordinary shares declared and paid during the twelve-months period:	-	9,803
Final dividend for 2023: 0.11 EUR (2022: 0.11)	-	9,803

Share premium reserve

As of the reporting date, the share premium reserve has decreased by EUR 17,627,019 as compared to December 31st, 2023 figures due to the merger by absorption with Grey S.à.r.l. occurred on 18th December, 2024. Additionally, the reserve has increased by EUR 2,265,621 during the year as a result of the sale of the treasury shares (see Note 6).

Legal reserve

Under Luxembourg law, 5% of the net profit of the year, net of any losses brought forward, must be allocated to a legal reserve until such reserve equals 10% of the issued share capital. This reserve is not available for dividend distribution.

10 - PROVISIONS FOR PENSIONS AND OTHER PROVISIONS

	December 31 st , 2024	December 31 st , 2023
Provisions for pensions and similar obligations	687,915	411,573
Provision for taxed	-	-
Other provisions	29,001	29,001
Provision for treasury shares	-	-
Total provisions	716,916	440,574

The other provisions include other estimated probable liabilities, mainly related to civil and/or labor pending disputes. Disclosure on potential liabilities at the reporting date is provided on Note 23.

There are no other potential liabilities at the reporting date other than those provided for in this caption, considering their respective risk level.

11 - NON-CONVERTIBLE BONDS

On September 30th, 2019 IVS Group S.A. closed the offering of its senior unsecured notes due 2026. The aggregate principal amount of the Notes issued is EUR 300,000 thousand at an issue price of 100%, consisting of 300,000 Notes having a nominal value of EUR 1,000 each (ISIN XS2049317808), and the rate of interest is 3.00% per annum. The date of the beginning of trading of the Notes on the Mercato Telematico delle Obbligazioni, organized and managed by Borsa Italiana S.p.A. has been October 7th, 2019, which corresponds to each of the issue date of the notes, the date on which investors will pay the issue price of the notes and the date on which interest on the notes will begin to accrue. The amount becoming due and payable within one year equal to EUR 1,800 thousand is related to interest expenses. The transaction costs of the new bond totaled EUR 3,746 thousand and are amortized over the bond term (see Note 3).

12 - AMOUNTS OWED TO CREDIT INSTITUTIONS

The amounts owned to credit institutions are mainly related to the facility agreement organized by BNP Paribas as Global Coordinator and Bookrunner for a total amount of EUR 70 million. This credit line was totally drawn as of December 31st, 2022, and the outstanding amount as of December 31st, 2024 is 53.2 million. Last instalments are due on December 23rd, 2025, with the repayment of the all the outstanding amounts.

In 2023 the Group also signed two new loan agreements respectively with BNL for EUR 35 million and with Credit Agricole for EUR 15 million; the outstanding amounts as of December 31st, 2024 are EUR 24.4 million and EUR 15 million.

These loan agreements requires to comply with some financial covenants and the obligation for the Group to meet certain financial ratio levels. If the covenants are not met, the lenders can request early repayment of the loan. On December 31st, 2024 these financial covenants were met.

On August 28th, 2024 IVS Group signed a new loan agreement with Banca Monte dei Paschi di Siena S.p.A. for EUR 5 million, completely drawn at December 31st, 2024.

13 - TRADE CREDITORS

This caption includes payables to suppliers and for accrued charges for invoices received after balance sheet date regarding expenses incurred during the financial year ended December 31st, 2024 becoming due and payable within one year.

Details of this caption are as follows:

	December 31 st , 2024	December 31 st , 2023
Suppliers invoices payable	600,877	997,832
Accrued charges for other external charges	3,568,594	2,128,175
Total	4,169,471	3,126,007

14 - AMOUNTS OWED TO AFFILIATED UNDERTAKINGS

Details of this caption are as follows:

	December 31 st , 2024	December 31 st , 2023
Trade creditors - amounts owned to affiliated undertakings	844,841	142,928
Cash pooling	69,258,065	102,443,254
Other amounts payables to affiliated undertakings	26,436,482	13,369,901
Total	96,539,388	115,956,083

Other amounts payables to affiliated undertakings includes VAT liabilities for IVS Group S.A. deriving from the VAT consolidation regime adopted (Note 7).

15 - TAX AND SOCIAL SECURITY DEBTS

Details of this caption are as follows:

	December 31 st , 2024	December 31 st , 2023
Tax payables	315,619	347,702
Social security debts	808,908	554,493
Total	1,124,527	902,195

16 - OTHERS CREDITORS

Details of this caption are as follows:

	December 31 st , 2024	December 31 st , 2023
Debts towards employees	1,713,750	1,312,888
Dividends to paid	-	-
Other amounts	4,161,444	3,598,600
Total	5,875,194	4,911,488

17 - NET TURNOVER

Net turnover related to:

- corporate activities rendered to Group subsidiaries during the year ended December 31st, 2024 for EUR 18,042 thousand (EUR 12,519 thousand during the year ended December 31st, 2023);
- operating leases of vending machines to the Italian subsidiaries for EUR 37,515 thousand for year ended December 31st, 2024 (EUR 37,424 thousand for the year ended December 31st, 2023).

18 - OTHER OPERATING INCOME

The caption includes mainly EUR 300 thousand of rental income paid by the subsidiaries for the year ended December 31st, 2024 (no change compared to the year 2023), EUR 1,504 thousand of capital gain on selling of fixed asset (EUR 1,345 thousand during the year ended December 31st, 2023), EUR 1,419 thousand of benefit arising Industria 4.0 decree (EUR 2,036 thousand during the year ended December 31st, 2023).

19 - OTHER EXTERNAL CHARGES

Details of this caption are as follows:

	December 31 st , 2024	December 31 st , 2023
Service fees	575,129	521,103
External advisory services	1,503,109	1,192,596
Legal and consultancy fees	433,357	282,525
Audit fees	137,641	140,498
Directors' fees	394,863	390,460
Administrative services provided by affiliated company	139,879	235,786
Administrative services provided by IVS F. S.p.A.	-	5,634
Software support	2,829,639	1,248,025
Rent charges	2,892,897	2,885,132
Insurance premiums	91,266	84,277
Other sundry charges	3,370,570	3,730,528
Total	12,368,350	10,716,564

The item "Rent charges" mainly includes the rental fee for Ge.S.A. S.p.A. Vending Machines (merged in Ivs Italia during 2024).

The item "Other sundry charges" mainly includes the costs of maintenance of subsidiaries and the costs of use "CoffeecApp" invoiced from N-And Group LTD to IVS Group S.A..

20 - STAFF COSTS

Details of this caption are as follows:

	December 31 st , 2024	December 31 st , 2023
Wages and salaries	9,074,651	6,312,702
Social security costs	3,525,731	2,436,819
Other staff costs	297,278	274,710
Total	12,897,660	9,024,231

The number of staff employed by IVS Group S.A. as of December 31st, 2024 and 2023 is as follows:

Staff	December 31 st , 2024	December 31 st , 2023
Executives	5	3
Managers	31	24
Employees	203	144
Workers	9	8
Total	248	179

21 - INTEREST AND OTHER FINANCIAL CHARGES/INCOME

	December 31 st , 2024		December 31 st , 2023	
	Income	Expenses	Income	Expenses
Bank interest	112,870	(2,825,837)	189,520	(218,666)
Bond Interest	-	(9,000,000)	-	(9,000,000)
Other interest	507	(399,859)	53,057	-
Dividends received	-	-	270,000	-
Interest for cash pooling	1,541,543	(1,179,028)	930,540	(930,902)
Interest receivable from subsidiaries	10,853,782	-	11,178,294	-
Interest receivable from IVS ITALIA Spa	-	-	-	-
Loan interests	-	(3,914,052)	-	(5,147,167)
Gain on sales of ESP participation	457,540	-	-	-
Gain on change differences	-	-	54	(117)
Total	12,966,242	(17,318,776)	12,621,465	(15,296,852)

22 - INCOME TAX

The amount of current tax has been impacted by the results of Group's fiscal unity scheme for fiscal year ended December 31st, 2024 implemented on IVS Group S.A.. In particular, the recorded tax is composed of an income of EUR 2,257 thousand from other companies included in the fiscal unit. On December 31st, 2023 the amount of current tax was of 552 thousand.

23 - COMMITMENTS

IVS Group S.A., has declared guarantor for Ediwen Group GmbH (IVS Germany GmbH) in favour of Arval Deutschland GmbH through an issuance of a bank guarantee by BNL of EUR 349 thousand.

IVS Group S.A., has declared guarantor for Moneynet S.p.A. in relation to some financial loans towards the employees of the Group for a total amount of EUR 7 thousand.

24 - RELATED PARTY TRANSACTIONS

As of December 31st, 2024, IVS Partecipazioni S.p.A. directly owned 46,243,640 shares in IVS Group S.A., representing 51.0% of the IVS Group's capital.

Transactions and balances disclosed as with "Associated" companies are those with companies over which IVS Group exerts significant influence or joint control in accordance with IFRS but does not have control. All other transactions and balances with related parties which are not Associates are disclosed as "Other."

The summary of all significant related party transactions is, as follows:

	December 31 st , 2024	December 31 st , 2023
A) Sales and Financial Income		
Sales to the Parent	10,000	10,000
Sales to associated parties	-	-
Sales to other related parties	9,108	21,031
Sales to subsidiaries	55,806,098	50,265,376
Financial Income to the Parent	-	-
Financial Income to associated parties	-	-
Financial income to other related parties	-	-
Financial income to subsidiaries	13,095,312	13,192,725
Total Sales and financial income	68,920,518	63,489,132
B) Purchases and Financial Expenses		
Purchases from the Parent	-	-
Purchases from associated parties	145	200
Purchases from other related parties	(160,000)	(136,168)
Purchases from subsidiaries	(5,450,026)	(5,534,746)
Financial expenses from the Parent	-	-
Financial expenses from associated parties	-	-
Financial expenses from other related parties	-	-
Financial expenses from subsidiaries	(1,179,028)	(930,902)
Total Purchase and financial expenses	(6,788,909)	(6,601,616)
C) Trade Receivables and Financial Assets		
Receivables from the Parent	90,950	78,750
Receivables from associated parties	366	-
Receivables from other related parties	(464,495)	- 373,496
Receivables from subsidiaries	45,330,785	43,346,922
Financial assets from the Parent	-	-
Financial assets from associated parties	-	-
Financial assets from other related parties	-	-
Financial assets from subsidiaries	378,457,032	386,488,168
Total Receivables and financial assets	423,414,638	429,540,344
D) Trade Payables and Financial Payables		
Payables to the Parent	-	-
Payables to associated parties	-	-
Payable to other related parties	-	-
Payable to other subsidiaries	(30,999,154)	(15,258,045)
Financial payables to the Parent	-	-
Financial payables to associated parties	-	-
Financial payables to other related parties	-	-
Financial payables to subsidiaries	(69,258,065)	(102,450,502)
Total Trade Payables and Financial Payables	(100,257,219)	(117,708,547)

25 - SUBSEQUENT EVENTS

On March 5th, 2025 the final price adjustments for the acquisition of 65% of BH Partners has been defined in EUR 11,243 thousand with the payment of the residual amount of EUR 985 thousand.

Luxembourg, March 27th, 2025

On behalf of the Board of Directors,

Mr. Paolo Covre
Chairman

A handwritten signature in black ink, appearing to read 'Paolo Covre', with a large, stylized initial 'P'.

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