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The official document in ESEF format is published and filed according to legal requirements.*

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Corporate details

Piquadro S.p.A.

Registered office: Località Sassuriano, 246 - 40041 Silla di Gaggio Montano (Province of Bologna)

Subscribed and paid-up Share Capital: Euro 1,000,000

Bologna Register of Companies, Tax Code and VAT no. 02554531208

NOTICE OF CALL OF THE ORDINARY SHAREHOLDERS' MEETING

The persons entitled to attend and exercise voting rights are summoned to the Ordinary Shareholders' Meeting of Piquadro S.p.A., exclusively through the designated representative, as stated below, on first call on 28 July 2025 at 11:00 a.m., at the registered office, Località Sassuriano, 246, Silla di Gaggio Montano (Bologna), and, if required, on second call, on 29 July 2025, in the same place and at the same time, in order to discuss and resolve on the following

Agenda

1. *Financial Statements at 31 March 2025, Directors' Report on Operations, Board of Statutory Auditors' Report, and Independent Auditors' Report:*
 - 1.1 *approval of the financial statements and presentation of the consolidated financial statements relating to the financial year ended 31 March 2025; Board of Directors' Report on operations; Independent Auditors' Report; Board of Statutory Auditors' Report;*
 - 1.2 *proposal for allocation of the profit for the period, and distribution of available reserves; relevant and consequent resolutions.*
2. *Appointment of the Board of Directors for the company financial years 2025/2026, 2026/2027 and 2027/2028:*
 - 2.1 *determination of the number of members of the Board of Directors;*
 - 2.2 *determination of the term of office of the Board of Directors;*
 - 2.3 *appointment of the members of the Board of Directors;*
 - 2.4 *appointment of the Chairman of the Board of Directors;*
 - 2.5 *determination of the total amount for the remuneration of all Directors; relevant and consequent resolutions.*
3. *Appointment of the Board of Statutory Auditors and of the Chairman for the company financial years 2025/2026, 2026/2027 and 2027/2028:*
 - 3.1 *appointment of the members of the Board of Statutory Auditors;*
 - 3.2 *appointment of the Chairman of the Board of Statutory Auditors;*
 - 3.3 *determination of the fees due to the Board of Statutory Auditors; relevant and consequent resolutions.*
4. *Statutory audit engagement for the financial years 2025/2026 to 2033/2034.*
5. *Engagement for the certification of compliance of the Sustainability Report for the financial years 2025/2026, 2026/2027 and 2027/2028; relevant and consequent resolutions.*
6. *Presentation of the Report on remuneration and fees paid:*
 - 6.1 *binding resolution on "Section I" concerning the remuneration policy prepared pursuant to Article 123-ter, paragraph 3-bis, of Legislative Decree no. 58/1998;*
 - 6.2 *resolutions on "Section II" of the Report concerning fees paid, pursuant to Article 123-ter, paragraph 6, of Legislative Decree no. 58/1998; relevant and consequent resolutions.*
7. *Proposal for authorisation for the purchase and sale of treasury shares; relevant and consequent resolutions.*

In consideration of the option granted by the *Milleproroghe* (One thousand extensions) Decree 2025, as converted into Law no. 15 of 21 February 2025, which extended until 31 December 2025 the possibility of applying the provisions laid down in Article 106 of Decree Law no. 18 of 17 March 2020, as converted into Law no. 27 of 24 April 2020, as well as pursuant to Article 13.2 of the By-Laws, the Shareholders' attendance at the Shareholders' Meeting, and the exercise of voting rights may be carried out **exclusively by granting the appropriate proxy to the Designated Representative**, as defined below, **it being understood that shareholders or proxies other than the aforementioned Designated Representative will not be allowed access to the meeting premises.**

With regard to the attendance at Shareholders' Meetings on the part of directors, statutory auditors, representatives of the audit firm, and of the Designated Representative, the Company shall use such technical means as may be appropriate to enable them to attend the meetings, even via tele- or video-conference.

Share capital and voting rights

The current share capital of Piquadro S.p.A., subscribed and paid up, is Euro 1,000,000, and is divided into no. 50,000,000 ordinary shares with no par value; each ordinary share is entitled to one vote at the ordinary and extraordinary shareholders' meetings of the Company.

As at 13 June 2025, the Company held no. 2,769,450 treasury shares, equal to 5.5389% of the share capital of Piquadro S.p.A.

All information about the composition of the share capital is available in the Investor Relations Section on the Company's website at the address: www.piquadro.com.

Attendance at the Shareholders' Meeting

Pursuant to law, Article 13 of the Company's By-Laws, and Article 83-sexies of Legislative Decree No. 58 of 24 February 1998, as amended and supplemented ("TUF", *Testo Unico della Finanza*, Consolidated Act on Finance), the right to attend the Shareholders' Meeting, and to exercise voting rights, is certified by a special notice to be given to the Company by an authorised intermediary, pursuant to law, and according to its accounting records, in favour of the person who is entitled to vote on the basis of the records relating to the end of the accounting session of the seventh open-market day prior to the date set for the Shareholders' Meeting on first call, falling on 17 July 2025 (record date).

Those who will become holders of shares after that date will not be entitled to attend and vote at the Shareholders' Meeting. Therefore, any credit and debit entries entered in the accounts after this date are not relevant for the purposes of the right to exercise voting rights at the Shareholders' Meeting.

The abovementioned notices shall be sent to the Company by the intermediary within the time limits set out by the regulations in force, i.e. by the end of the third open-market day prior to the date set for the Shareholders' Meeting (i.e. 23 July 2025). This provision shall apply without prejudice to the right to attend the meeting and to vote in the event of the notices being received by the Company after the time limits specified, provided they are received by the beginning of the meeting's proceedings. The shareholders' attendance at the Shareholders' Meeting is regulated by the relevant laws and regulations.

Representation at Shareholders' Meetings

In accordance with the provisions of the aforementioned Article 106 of Decree Law no. 18 of 17 March 2020, as amended, and pursuant to Article 13.2 of the By-Laws, the Shareholders may attend the Shareholders' Meeting and exercise their voting rights **exclusively by granting an appropriate proxy and voting instructions to Monte Titoli S.p.A. (the "Designated Representative")**, with registered office in Milan, according to the procedures set out in current regulations, **without physical participation by the shareholders.** The members of the corporate bodies and the Designated Representative, as well as the representatives of the audit firm, shall instead be assured of the opportunity to attend the Shareholders' Meeting by remote means of communication. The function of secretary may also be discharged in the same manner.

Granting the proxy to the Designated Representative does not entail any expenses for the appointing party (except for postage expenses, if any).

The proxy must include voting instructions on all or part of the proposals on the agenda, and is only effective for the proposals in relation to which voting instructions have been given.

The proxy (referred to in the specific form available on the Company's website at the address: www.piquadro.com, in the Investor Relations Section, at the registered office) with voting instructions shall be received, accompanied by a copy of a current and valid identity document of the appointing shareholder or, if the appointing shareholder is a legal person, of the *pro-tempore* legal representative, or of any other person who is duly empowered, together with such documents as are appropriate to certify their title and powers, and sent to the Designated Representative, by the end of the second open-market day prior to the date set for the Shareholders' Meeting on first or even on second call (i.e. by 24 July 2025 and by 25 July 2025, respectively), according to the following alternative procedures: (i) transmission of a computer-generated copy (PDF) to the certified email address rd@pec.euronext.com (subject: "Proxy to the Designated Representative - Piquadro Shareholders' Meeting 2025") from their certified email account (or, if absent, from their ordinary e-mail account, in which case the proxy with voting instructions must be signed with a qualified or digital electronic signature); (ii) transmission of the original document, by courier or registered letter with return receipt, to the address of Monte Titoli S.p.A., for the attention of Ufficio Register & AGM Services, Piazza degli Affari no. 6, 20123 Milan (Ref. "Proxy to the Designated Representative - Piquadro Shareholders' Meeting 2025"), anticipating a computer-generated copy (PDF) by ordinary email to the following address: rd@pec.euronext.com (subject: "Proxy for Piquadro Shareholders' Meeting 2025").

The proxy and the voting instructions may be revoked within the same time limits referred to above.

The shares for which the proxy has been granted, even partially, are included in the calculation for the purposes of duly establishing the Shareholders' Meeting; in relation to the proposals for which no voting instructions have been given, the shares are not included in the calculation for the purposes of setting out the majority and the capital quota required for the approval of resolutions.

Without prejudice to the need for a proxy to be given to the Designated Representative, the latter may be granted proxies or sub-proxies pursuant to Article 135-novies of the TUF, even notwithstanding the provisions of Article 135-undecies, paragraph 4, of the TUF. For the aforesaid purposes, the proxy form, which is available on the Company's website, may be used by following the procedures and according to the time limits set out therein, i.e. by 6:00 p.m. of the day prior to the date set for the Shareholders' Meeting (and in any case by the start of the meeting proceedings).

Additions to the agenda and presentation of new proposals for resolution

Pursuant to Article 126-bis of the TUF, the Shareholders who represent, also jointly, at least a fortieth of the share capital, may ask, within 10 days of the publication of this notice (i.e. by 27 June 2025), to make additions to the list of issues to be discussed, specifying the additional proposed issues in the request, or submit proposals for resolution on issues that are already on the agenda.

The questions, together with the certification proving the ownership of the shareholding, shall be sent in writing, by registered letter with return receipt, to the registered office or by email sent to the address: investor.relator@piquadro.com. The applicant shareholders shall deliver, by the time limit set out for the submission of request for additions, a report to the Board of Directors on the proposed issues for discussion or state the reasons for any additional proposal for resolution submitted on issues that are already on the agenda.

Additions to the agenda are not allowed for issues on which the Shareholders' Meeting must pass resolutions, pursuant to law, at the proposal of the Board of Directors, or based on a project or report it has prepared, other than the reports that are usually prepared by the Board of Directors on the issues on the agenda.

With regard to the limits, the procedures and/or the time limits for these additions, reference is made to the current laws and regulations and Article 12.5 of the Company's By-Laws.

All additions to the list of matters to be discussed at the Shareholders' Meeting, or the presentation of additional proposals for resolution on those issues that are already on the Agenda, shall be notified, in the same forms as those prescribed for the publication of this notice of call, at least fifteen days before that set for the Shareholders' Meeting. All reports on additional proposals for resolution on those issues that are already on the Agenda, shall be made available to the general public according to the procedures set out in Article 125-ter, paragraph 1, of the TUF at the same time as the publication of the notice of the presentation, accompanied by the Board of Directors' evaluations (if any).

In consideration of the fact that attendance at Shareholders' Meeting is allowed exclusively through the Designated Representative, all Shareholders entitled to attend Shareholders' Meetings, and to exercise voting rights, who intend to submit individual proposals for resolution and voting with regard to the second issue on the Agenda, concerning the "Appointment of the Board of Directors for the company financial years 2025/2026, 2026/2027 and 2027/2028", shall submit them by 13 July 2025 (the 15th day before the Shareholders' Meeting). These proposals shall be published on 14 July 2025 on the Company's website, as well as with the authorised storage system "Market Storage, which can be accessed from the address www.marketstorage.com in order to enable those entitled to vote to give their opinion in a conscious manner, even by taking account of such new proposals, and enable the Designated Representative to collect voting instructions, even possibly on such proposals.

Questions

Pursuant to Article 127-ter of the TUF, the Shareholders may make questions on the issues on the agenda, even before the Shareholders' Meeting, provided this occurs by the record date (i.e. by 17 July 2025), by sending them to the Company's registered office by registered letter, or by e-mail to the e-mail address investor.relator@piquadro.com; all questions shall be accompanied by an appropriate notice issued by the authorised intermediary, proving the entitlement to exercise the voting right.

The time limit to submit the aforesaid questions is the seventh open-market day prior to the date set for the Shareholders' Meeting, falling on 17 July 2025.

The questions submitted by the aforesaid time limit shall receive feedback at least by 12:00 p.m. of three days before the Shareholders' Meeting (i.e. on 23 July 2025), including through the publication in a specific section of the Company's website.

No answer shall be provided, even at Shareholders' Meetings, to questions posed before it, if the required information is made already available by the Company in a "Question and Answer" format in the Investor Relations Section on the Company's website at the address www.piquadro.com, or if the answer is already published in the same section. The Company may provide a single answer to questions having the same content.

No procedures are envisaged for voting by mail or electronic means.

Appointment of the Board of Directors

With regard to the appointment of the Board of Directors, which may take place on the basis of lists submitted by the Shareholders, reference should be made to the provisions of Article 17.2 of the Company's By-Laws, or the information published on the Company's website; specifically, it should be noted that only Shareholders who, alone or together with other Shareholders, represent, on the day the list is submitted to the Company, a total of at least 2.5% of the capital represented by ordinary shares, corresponding to no. 1,250,000 ordinary shares, are entitled to submit a list. The lists, accompanied by the documentation required by the Company's By-Laws and applicable regulations, shall be filed at the Company's registered office at least 25 (twenty-five) days prior to the date set for the Shareholders' Meeting (by 3 July 2025), except for the certifications issued by authorised intermediaries, certifying the total shareholding held, as at the date the list is filed, which may be received by the Company by 4 July 2025. Any entries made in the accounts of the Shareholder who submitted the list after the day on which the list was submitted are not relevant for the purposes of entitlement to exercise the right.

The directors must meet the requirements prescribed by the regulations in force for the time being; at least one third of them must meet the independence requirements laid down in Article 148, paragraph 3, of Legislative Decree no. 58/1998, as well as the additional requirements laid down in the Corporate Governance Code (approved in January 2020 by the Corporate Governance Committee, and promoted by Borsa Italiana S.p.A., ABI, Ania, Assogestioni, Assonime and Confindustria), and at least three of them must meet the professionalism requirements laid down in Article 148, paragraph 4, of Legislative Decree no. 58/1998. In addition to the above provisions, at least one of the latter must be enrolled in the register of statutory auditors.

It should be noted that the Company has published the Board of Directors' guidance on the maximum number of positions that is regarded as compatible with the effective performance of the duties of director of the Company, and on the policy regarding qualitative or quantitative criteria for assessing independence requirements. The Shareholders are therefore invited, when composing their lists, to take into account the guidelines provided in the aforementioned documents published at the following link: <https://www.piquadro.com>.

The composition of the Board of Directors shall comply with the rules on gender balance in force for the time being, and in accordance with the provisions of the Corporate Governance Code, as specified in the Board of Directors' Reports. Pursuant to the abovementioned law, the less represented gender must obtain at least two-fifths of the elected directors.

All Shareholders who intend to submit a list may contact the Legal and Corporate Affairs & Compliance Department in advance to obtain any necessary operational details at the following e-mail address: investor.relator@piquadro.com.

All shareholders who submit a "minority list" are recommended to read the recommendations made in CONSOB Communication no. DEM/9017893 of 26 February 2009, concerning the "Appointment of the members of governing and control bodies", and, in particular, to file, together with the list, a declaration attesting that there are no investment relationships, even indirect, as referred to in Article 147-ter, paragraph 3, of the TUF, and Article 144-quinquies of the Issuers' Regulation, with the shareholders who hold, even jointly, a controlling or relative majority interest, where they can be identified on the basis of the notices of major holdings referred to in Article 120 of the TUF, or the publication of shareholders' agreements under Article 122 of the TUF.

For any other information on the methods to prepare, submit and vote the lists for the appointment of the Board of Directors, reference should be made to the provisions of Article 17.2 of the By-Laws, which are available at the registered

office, and published in the Investor Relations Section on the Company's website, at the address: www.piquadro.com.

Appointment of the Board of Statutory Auditors

With regard to the appointment of the Board of Statutory Auditors, which may take place on the basis of lists submitted by the shareholders, reference should be made to the provisions of Article 26.4 of the Company's By-Laws, or the information published on the Company's website; specifically, it should be noted that only Shareholders who, alone or together with other Shareholders, represent, on the day the list is submitted to the Company, a total of at least 2.5% of the capital represented by ordinary shares, corresponding to no. 1,250,000 ordinary shares, are entitled to submit a list. All lists, accompanied by the documentation required by the Company's By-Laws and applicable regulations, shall be received by the Company at least 25 (twenty-five) days prior to the date set for the Shareholders' Meeting (by 3 July 2025), except for the certifications issued by authorised intermediaries, certifying the total shareholding held, as at the date the list is filed, which may be received by the Company by 7 July 2025. Any entries made in the accounts of the Shareholder who submitted the list after the day on which the list was submitted are not relevant for the purposes of entitlement to exercise the right.

If, on the date of expiry of the deadline for filing, only one list has been filed, or only lists have been filed which were submitted by Shareholders between which significant investment relationships exist in accordance with the current provisions of law or regulation, lists may be submitted until the third day following the expiry of that deadline. In this case, the threshold of investment in the share capital required for the filing of lists, is reduced by half.

The composition of the Board of Statutory Auditors shall comply with the rules on gender balance in force for the time being, and in accordance with the provisions of the Corporate Governance Code, as specified in the Board of Directors' Reports.

All Shareholders who intend to submit a list may contact the Legal and Corporate Affairs & Compliance Department in advance to obtain any necessary operational details at the following e-mail address: investor.relator@piquadro.com.

Specifically, in compliance with the provisions of the current regulations governing gender balance, all lists that, considering both sections, present a number of candidates equal to or greater than three, must also include candidates of different genders, both in the first two places of the section of the list for standing auditors, and in the first two places of the section of the list for alternate auditors.

For any other information on the methods to prepare, submit and vote the lists for the appointment of the Board of Statutory Auditors, reference should be made to the provisions of Article 26.4 of the By-Laws, which are available at the registered office, and published in the Investor Relations Section on the Company's website, at the address: www.piquadro.com.

With regard to the appointment of the members of the corporate bodies, reference should be made to the recommendations provided in CONSOB Communication no. DEM/9017893 of 26 February 2009.

In order to allow the Company to identify the filing parties, the lists for the appointment of members of the Board of Directors and of the Board of Statutory Auditors may be filed, complete with the relevant documentation, in the following manner: (i) by registered letter at the Company's registered office, or (ii) by certified email to the address: investor.relator@piquadro.com, or by fax to no. +39 0534 409090.

All lists shall be made available to the general public through publication in the Investor Relations Section on the Company's website at the address: www.piquadro.com, and at the authorised storage system of "eMarket Storage", which can be accessed from the address: www.emarketstorage.com, within the 21st day before the date set for the Shareholders' Meeting (i.e. by 7 July 2025).

Statutory audit engagement for the financial years 2025/2026 to 2033/2034

With regard to the fourth item on the agenda, it should be noted that the term of the mandate granted to the audit firm Deloitte & Touche S.p.A. for (and including) the financial years 2016/2017-2024/2025 will expire with the approval of the financial statements at 31 March 2025 due to the expiry of the time limits.

Pursuant to Article 17, paragraph 1, of Legislative Decree no. 10 of 27 January 2010, such engagement may not be renewed or assigned once again unless at least three financial years have elapsed since the date of termination of the previous appointment. A new engagement will be therefore assigned for the statutory audit of accounts in accordance with Article 27 of the Company's By-Laws.

According to Article 13 of Legislative Decree no. 10 of 27 January 2010, the Shareholders' Meeting is responsible for assigning the statutory audit engagement, and determining the fees due to the audit firm for the entire term of engagement, as well as the criteria (if any) to adjust the fees during the performance of their duties, on the reasoned proposal of the Board of Statutory Auditors, which will be made available to the general public within the time limits prescribed by law.

The term of engagement will be for nine financial years running from the annual financial statements for the financial year that will end on 31 March 2026 to the approval of the annual financial statements for the financial year that will end on 31 March 2034.

Engagement for the certification of compliance of the Sustainability Report for the financial years 2025/2026, 2026/2027 and 2027/2028

With regard to the fifth item on the agenda, it should be noted that the Shareholders' Meeting shall also assign the engagement for the certification of compliance of the Sustainability Report for the financial years 2025/2026, 2026/2027 and 2027/2028.

Documentation

The Company's By-Laws, whose current text is available to the Shareholders at the registered office, may be perused in the Investor Relations Section on the Company's website www.piquadro.com.

The documentation relating to the issues on the agenda required by the current regulations, the full texts of the proposed resolutions, together with the explanatory reports required by the current regulations, and any other information referred to in Article 125-*quater* of the TUF, are made available to the public at the registered office, and published in the Investor Relations Section on the Company's website at the address www.piquadro.com, and at the authorised storage system of "eMarket STORAGE", which can be accessed from the address: www.emarketstorage.com, within the time limits set out by law, and according to the procedures envisaged by the current regulations.

The Annual Financial Report, including the draft financial statements at 31 March 2025, the consolidated financial statements of the Piquadro Group, the report on operations, including the sustainability report, and the certification required by Article 154-*bis* of Legislative Decree no. 58/1998, and the Board of Statutory Auditors' and Independent Auditors' reports, as well as all tables summarising the financial statements of subsidiaries and associates, are available to the Shareholders and the general public, at the registered office, and on the Company's website at the address: www.piquadro.com, in the Investor Relations Section, and at the authorised storage system of "eMarket STORAGE", which can be accessed from the address: www.emarketstorage.com, within the time limits set out by law and according to the procedures envisaged by the current regulations. The Shareholders are entitled to obtain a copy thereof.

Silla di Gaggio Montano (Bologna), 17 June 2025

The Chairman of the Board of Directors
Marco Palmieri

The extract of this notice of call will be also published by the Company in the newspaper Il Giornale on 17 June 2025.



Introduction

This Report on Operations (or the “Report”) relates to the consolidated and separate financial statements of Piquadro S.p.A. (hereinafter also referred to as the “Company” or the “Parent Company”) and its Subsidiaries (“Piquadro Group” or the “Group”) at 31 March 2025, as prepared in accordance with IAS/IFRS (“International Accounting Standards” and “International Financial Reporting Standards”) issued by the International Accounting Standards Board (IASB) and endorsed by the European Commission and supplemented by the related interpretations issued by the International Financial Reporting Standards Interpretations Committee (IFRS IC), which was previously named Standing Interpretations Committee (SIC), as well as with the orders enacted in the implementation of Article 9 of Legislative Decree no. 38/2005.

The Report must be read together with the Financial Statements and the related explanatory Notes, which make up the financial statements relating to the financial year 1 April 2024 – 31 March 2025 (the “FY 2024/2025”).

The financial year under consideration is compared to the data for the 2023/2024 financial year (the “FY 2023/2024”) which relates to the period from 1 April 2023 to 31 March 2024.

Except as otherwise indicated, in this Report the accounting balances are shown in thousands of Euro, in order to facilitate its reading and to improve its clarity.

➤ **BOARD OF DIRECTORS**

(holding office for three years until the date of the Shareholders' Meeting called to approve the financial statements at 31 March 2025)

Marco Palmieri	<i>Chairman and CEO</i>
Pierpaolo Palmieri	<i>Managing director</i>
Roberto Trotta	<i>Managing director</i>
Tommaso Palmieri	<i>Non-executive Director</i>
Catia Cesari	<i>Independent non-executive Director</i>
Barbara Falcomer	<i>Independent non-executive Director</i>
Valentina Beatrice Manfredi	<i>Independent non-executive Director</i>

➤ **AUDIT AND RISK COMMITTEE**

(holding office for three years until the date of the Shareholders' Meeting called to approve the financial statements at 31 March 2025)

Barbara Falcomer	<i>Chairman</i>
Catia Cesari	<i>Independent non-executive Director</i>
Valentina Beatrice Manfredi	<i>Independent non-executive Director</i>

➤ **REMUNERATION COMMITTEE**

holding office for three years until the date of the Shareholders' Meeting called to approve the financial statements at 31 March 2025)

Catia Cesari	<i>Chairman</i>
Barbara Falcomer	<i>Independent non-executive Director</i>
Valentina Beatrice Manfredi	<i>Independent non-executive Director</i>

➤ **LEAD INDEPENDENT DIRECTOR**

Catia Cesari

➤ **BOARD OF STATUTORY AUDITORS**

(holding office for three years until the approval of the financial statements at 31 March 2025)

Standing auditors

Patrizia Lucia Maria Riva	<i>Chairman</i>
Giuseppe Fredella	<i>Standing Auditor</i>
Maria Stefania Sala	<i>Standing Auditor</i>

Alternate auditors

Giacomo Passaniti
Roberto Scialdone

➤ **INDEPENDENT AUDITORS**

(holding office for nine years until the approval of the financial statements at 31 March 2025)

Deloitte & Touche S.p.A.

➤ **FINANCIAL REPORTING OFFICER**

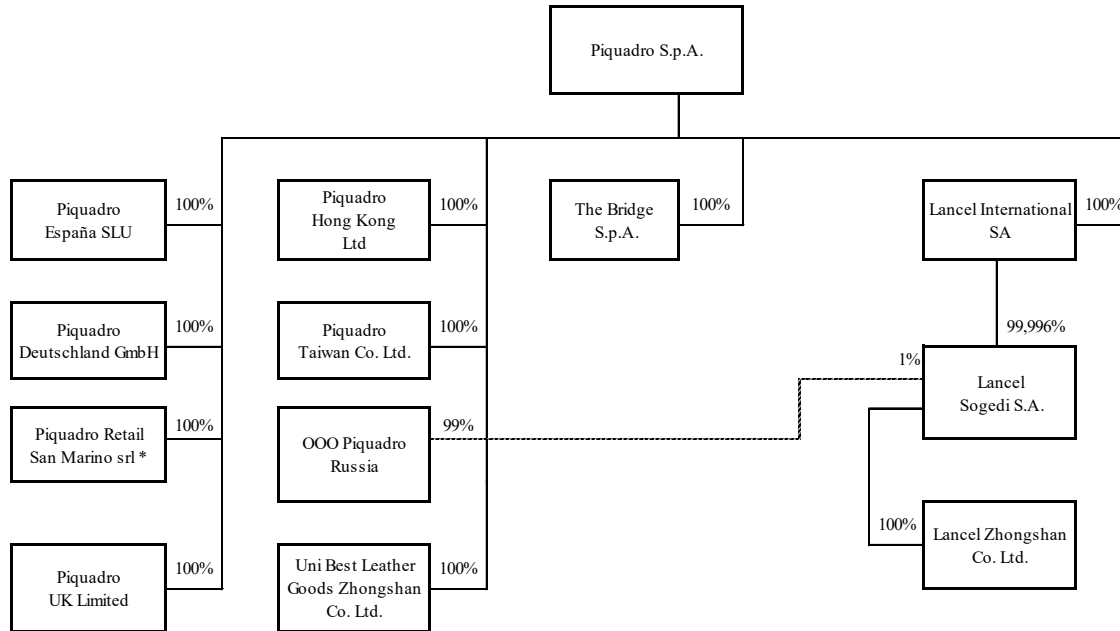
Roberto Trotta

➤ **SUPERVISORY BOARD**

Gerardo Diamanti

THE GROUP STRUCTURE

The chart below shows the structure of the Piquadro Group at 31 March 2025:



*company in liquidation

Significant events during the financial year

On 23 July 2024 the Shareholders' Meeting of Piquadro S.p.A. approved the Financial Statements at 31 March 2024, and the distribution of a unit dividend of Euro 0.148320 to the shareholders, for a total amount of approximately Euro 7 million, taking account of no. 2,769,450 treasury shares, equal to 5.5389% of its share capital held by Piquadro on that date. The dividend was paid as from 7 August 2024, by detachment of coupon no. 15 on 5 August 2024.

The ordinary shareholders' meeting also approved the First Section of the Remuneration Report for the financial year that will end on 31 March 2025, which describes the Company's Policy concerning the fees due to the Directors, the members of the board of statutory auditors', and key management of the Company, in the implementation of the provisions of Article 123-ter, paragraphs no.3-bis and 6, of the TUF (*Testo Unico della Finanza*, Consolidated Act on Finance). Furthermore, the Shareholders' Meeting gave its favourable opinion on the Second Section of the Remuneration Report, and the fees paid in accordance with the aforesaid Article 123-ter, paragraph 4, of the TUF.

The Shareholders' Meeting also approved:

- (a) to revoke the previous authorisation to purchase and make acts of disposition of treasury shares granted in execution of the resolution passed by the Ordinary Shareholders' Meeting held on 20 July 2023;
- (b) to authorise the purchase of the Company's ordinary shares, in one or more tranches, up to the maximum number permitted by law, having regard to treasury shares held directly, and to those held by subsidiaries.

According to Article 2357, paragraph 1, of the Italian Civil Code, all purchases may be carried out within the limits of distributable profits and available reserves resulting from the most recent financial statements as duly approved, with a consequent reduction in equity, pursuant to Article 2357-ter, paragraph 3, of the Italian Civil Code, in the same amount, through the recognition of a specific item with a negative sign among balance sheet liabilities. Any purchase, sale, exchange or contribution of shares shall be accompanied by any appropriate accounting record in compliance with the provisions of law and applicable accounting standards. In any case of sale, exchange or contribution, the corresponding amount may be reused for additional purchases, until the expiry of the time limit set out for the authorisation given by the Shareholders' Meeting, without prejudice to any quantitative and expenditure limits, as well as to the terms and conditions laid down by the Shareholders' Meeting. The authorisation to purchase the shares is granted, as from the date of this resolution, until the approval of the financial statements at 31 March 2025. The purchase price of the shares shall be determined from time to time, having regard to the methods selected to carry out the transaction, and in accordance with legislative, regulatory provisions or permitted market practices, within minimum and maximum limits that can be determined according to the following criteria:

- (i) in any case the minimum consideration for the purchase shall not be less, by 20%, than the reference price that the stock shall have recorded on the trading day prior to every individual transaction;
- (ii) in any case, the maximum consideration for the purchase shall not be higher, by 10%, than the reference price that the stock shall have recorded on the trading day prior to every individual transaction.

Should the purchase of treasury shares be made within the scope of any market practice referred to in CONSOB resolution no. 16839/2009, the purchase price set for any proposed trading shall not exceed the higher of the price set for the most recent independent transaction and the current purchase price of the highest independent proposed trading in the market in which proposed purchases are launched, without prejudice to any additional limit set out in the resolution itself. The abovementioned transactions shall be carried out, on one or more occasions, by purchasing shares, pursuant to Article 144-bis, paragraph 1, letter b, of the Issuers' Regulation, on regulated markets or multilateral trading systems, which do not allow any direct matching of proposed purchase trading with predetermined proposed sales trading, according to operating procedures set out in the regulations governing the organisation and operation of the markets themselves, in compliance with Article 2357 and ff. of the Italian Civil Code, the equality of treatment of shareholders and any applicable legislation, including regulatory provisions, in force, including the principles referred to in Article 132 of the TUF, as well as with Regulation (EU) no. 596/2014 of 16 April 2014 and related implementing provisions, if applicable. The purchases may take place according to procedures other than those specified above pursuant to Article 132, paragraph 3, of Legislative Decree no. 58/1998, or any other provision applicable from time to time on the day of the transaction;

- (c) to authorise, pursuant to and for the purposes of Article 2357-ter of the Italian Civil Code, any act of disposition, on one or more occasions, of any share that has been purchased according to this resolution, or that in any case is already held in the Company's portfolio, even well before having reached the maximum amount of shares that can be purchased, and any possible repurchase of the shares themselves to the extent that the treasury shares held by the

Company do not exceed the limit set out in the authorisation. The authorisation to acts of disposition of the shares is granted, as from the date of this resolution, without any time limit.

The consideration for any sale of treasury shares, which will be set by the Board of Directors, with the right of sub-delegating powers to one or more directors, may not be less by 20% at least, than the reference price that the stock shall have recorded on the trading day prior to every individual transaction. Should the sale of treasury shares be carried out within the scope of the permitted market practices referred to above, without prejudice to any additional limit set out in CONSOB resolution no. 16839/2009, the sales price of any proposed trading shall not be less than the lower of the price of the most recent independent transaction and the current sales price of the lowest independent proposed trading in the market in which proposed sales are launched. Should the treasury shares be the object of trading, exchange, contribution or any other act of non-cash disposition, the financial terms and conditions of the transaction shall be laid down based on its nature and features while also taking account of the market performance of the Piquadro S.p.A. stock. Any act of disposition of shares may take place according to such procedures as may be considered to be the most appropriate in the interest of the Company, and in any case in compliance with the applicable regulations and permitted market practices; and

(d) to grant the Board of Directors and, through it, any managing director, jointly and severally between them, the amplest powers required for the actual and full execution of the resolutions referred to in the points above in compliance with the provisions laid down in Article 132 of the TUF and the disclosure obligations referred to in Article 144-*bis*, paragraph 3, of the Issuers' Regulation and, if required, the disclosure obligations required by the abovementioned market practices and by Regulation (EU) no. 596/2014 of 16 April 2014, and related implementing provisions, if applicable, with the right to proceed with the purchase and acts of disposition of treasury shares, within the limits of the provisions laid down above, including through specialist intermediaries, also pursuant to and for the purposes of the abovementioned market practice governing operations in support of liquidity permitted by CONSOB under resolution no. 16839 of 19 March 2009, and pursuant to Regulation (EU) no. 596/2014 of 16 April 2014, and related implementing provisions, if applicable.

The Shareholders' Meeting also took steps to make new additions to the Board of Directors by appointing a new director, pursuant to Article 17.3 of the Company's By-Laws, since the list voting mechanism was not applicable, with the majorities required by law. In particular, the Shareholders' Meeting resolved to appoint Mr Tommaso Palmieri, as Director of the Company, who was born in Bologna, on 12 June 1999, tax code no. PLMTMS99H12A944S, and who will remain in office until the Shareholders' Meeting for the approval of the financial statements for the FY 2024/2025, and whose fees will be included in the total amount as determined by the Ordinary Shareholders' Meeting held on 25 July 2022.

Finally, the Shareholders' Meeting resolved to amend certain paragraphs of Articles 12, 13 and 20 of the Company's By-Laws in order to stipulate, as permitted by Article 11 of the Capital Bill, which was definitively approved by the Parliament on 24 February 2024, that attendance and voting at shareholders' meetings shall take place exclusively through the Company's designated representative, in accordance with the procedures laid down provisionally under Decree Law no. 18/2020 ("Cure Italy Decree"), and that, should the Company opt for the "compulsory" use of the Designated Representative, all entitled persons may also, or only, attend shareholders' meetings through appropriate means of telecommunication, without the need for the Chairman, Secretary and/or Notary Public to be in the same place.

As at 13 June 2025, Piquadro S.p.A. held, as a result of the purchases it had carried out, no. 2,769,450 treasury shares, equal to 5.5389% of the share capital while its subsidiaries did not hold any share in the Parent Company.

The invasion of Ukraine by the Russian Federation, undertaken in February 2022, has given rise to various consequences in economic and financial terms worldwide. This conflict, which is still ongoing, has caused, since the first months, high volatility, even in currencies, which has been reduced only partially, and has entailed the issue of targeted restrictive sanctions (individual sanctions against individuals), economic sanctions and diplomatic measures against the Russian Federation on the part of the United States of America, the United Kingdom and the European Union. Among economic sanctions, we must note those regarding the export of luxury goods, in response to which, in the early stages of the invasion, the Piquadro Group suspended logistics and invoicing operations to the Russian subsidiary, both towards DOSs and towards Russian multi-brand customers, which were then regularly resumed, since the scope of these sanctions had not restricted the Group's exports. It is specified that the Group has no suppliers of goods in Russia and Ukraine.

The effects for the Piquadro Group resulting from the conflict include, first and foremost, the direct impact arising from the exchange rate trends, to which the Piquadro Group responded by raising its selling prices to the public in Russia as from the first months of the conflict. Nevertheless, sales of Piquadro Group products at DOSs were not significantly affected by this situation, in terms of sales volumes.

Among indirect impacts, although there has been a decline in the inflation rate, the population's spending capacity is weakened, reverberating on consumer products, and consequently affecting GDP growth.

In the financial year ended 31 March 2025, the Piquadro Group continued its sales to wholesale customers from the Russian Federation while also keeping all directly-operated retail stores open. The Piquadro Group's sales in Russia accounted for 1.93% of consolidated turnover at 31 March 2025 (2.16% at 31 March 2024).

As at the same date, the assets held by the Group in Russia amounted to about Euro 2.9 million, specifically relating to:

- i. rights of use pertaining to sales outlets (Euro 0.5 million);
- ii. inventories (Euro 1.3 million);
- iii. cash and cash equivalents (Euro 0.2 million);
- iv. receivables (Euro 0.1 million);
- v. property, plant and equipment (Euro 0.1 million);
- vi. non-current financial assets (Euro 0.1 million);
- vii. other current assets (Euro 0.6 million).

On the basis of the information available to date, the recoverability of the aforementioned amounts does not show any critical issue, without prejudice to the normal uncertainty regarding the evolution of the context.

An armed conflict between Israel and Palestine broke out on 7 October 2023, which is still ongoing, and which has reinforced the macroeconomic uncertainties already present in the international scenario.

The limited contribution in terms of turnover produced in the territory affected by the conflict, and the absence of suppliers located therein, have had no significant direct impact on the Piquadro Group. Among indirect impacts are difficulties related to maritime transport, which has led to slowdowns in the supply chain, due to the tensions present in the Suez Canal areas, resulting in circumnavigation of the African continent.

In relation to the volatility of this scenario, our Management continues to monitor the situation in order to safeguard the Piquadro Group's assets, wealth and business continuity while taking any necessary measure to ensure that its activities are carried out in accordance with applicable regulations.

The Piquadro Group's business

The Piquadro Group operates in the leather goods market and designs, manufactures and markets goods under its own brand names (Piquadro, The Bridge and Lancel); these goods are distinguished by a focus on design and on technical and functional innovation, which is then transferred to the manufacture of bags, suitcases and accessories. The flexibility of the business model adopted by the Piquadro Group allows it to maintain control over all of the critical phases of the production and distribution chain. Indeed, the Group carries out the design, planning, production, procurement, quality, marketing, communication and distribution phases wholly within the confines of its organisation and only resorts to outsourcing for a part of the production activities, although it also retains control over the quality and efficiency of the phases that are currently outsourced.

As regards Piquadro-branded products, as of 31 March 2025, part of the small leather goods and of some lines of briefcases, which accounts for about 24.0% of the Piquadro's turnover, were produced internally, through the subsidiary Uni Best Leather Goods Zhongshan Co. Ltd. at the plant located in Zhongshan in the region of Guangdong (People's Republic of China). Production activities, which are partially carried out by companies outside the Piquadro Group for Piquadro, The Bridge and Lancel- branded products, are outsourced to external suppliers of proven competence and quality, mainly located in China, Hong Kong, Italy, India, the Czech Republic and Bulgaria. This activity is carried out on the basis of prototypes that are engineered and supplied by the Piquadro Group, whose own employees then carry out direct checks of the quality of the manufactured products.

The products are sold through a network of specialist stores that are able to enhance the prestige of the three Piquadro, The Bridge and Lancel brands. For this purpose, the Piquadro Group makes use of a distribution network focused on two channels:

- (i) a direct channel which, at 31 March 2025, included 122 directly operated single-brand stores (Directly Operated Stores or DOSs), of which 50 Piquadro-brand stores, 12 The Bridge-brand stores and 60 Lancel-brand stores, in addition to the e-commerce websites of the three brands;
- (ii) an indirect channel (Wholesale), which is made up of multi-brand shops/department stores, single-brand shops run by third parties linked to the Group by franchise agreements (48 shops at 31 March 2025, of which 41 Piquadro-brand stores, 2 The Bridge-brand stores and 5 Lancel-brand stores) and by distributors who then resell the articles in specialist multi-brand shops.

In the financial year ended 31 March 2025, about 43.4% of the Piquadro Group's consolidated revenues were achieved by Piquadro-branded products (45.2% in the previous year), 37.5% through the sale of Lancel-branded products (35.9% in the previous year), and 19.1% through the sale of The Bridge-branded products (18.9% in the previous year).

Operations

Sales volumes, in terms of quantities sold during the financial year ended 31 March 2025, were equal to about 1,774 thousand units, up by about 0.5% compared to the value posted in the financial year ended 31 March 2024 (about 1,765 thousand units sold). As regards average selling prices, the financial year ended 31 March 2025 reported an increase equal to about 1.4% compared to the previous year, including the mix effect.

Revenues from sales

In the financial year ended 31 March 2025 the Piquadro Group's revenues from sales increased by 1.9% compared to FY 2024/2025. The Piquadro Group, in fact, recorded net revenues from sales equal to Euro 183,610 thousand compared to Euro 180,269 thousand reported in the previous year.

In operational terms, the Piquadro Group's Top Management staff review results of operations obtained by each brand (Piquadro, The Bridge, Lancel): accordingly, the disclosures according to IFRS 8 concerning the Piquadro Group's revenues from sales are now reported on a brand basis.

The breakdowns of revenues by brand and geographical area are reported below.

Breakdown of revenues by brand

The table below reports the breakdown of consolidated revenues from sales by brand, expressed in thousands of Euro, for the financial year ended 31 March 2025 and compared to the financial year ended 31 March 2024:

<i>(in thousands of Euro)</i>	Revenues from sales		Revenues from sales at		% Change 2025/2024
	at 31 March 2025	% ^(*)	31 March 2024	% ^(*)	
PIQUADRO	79,649	43.4%	81,492	45.2%	(2.3)%
THE BRIDGE	35,109	19.1%	34,124	18.9%	2.9%
LANCEL	68,852	37.5%	64,653	35.9%	6.5%
Total	183,610	100.0%	180,269	100.0%	1.9%

(*) Percentage impact compared to revenues from sales

With regard to the Piquadro brand, revenues reported in the FY 2024/2025 ended 31 March 2025 amounted to Euro 79.6 million, down by (2.3)% compared to the same period ended 31 March 2024 (-2.2% at constant exchange rates). Sales showed an increase of 0.9% (+1.1% at constant exchange rates) in the DOS channel and of 2.2% in the e-commerce channel. Sales showed a decrease of (4.5)% in the Wholesale channel, impacted as they were by maritime transport difficulties, which led to slowdowns in the supply chain.

With regard to The Bridge brand, revenues reported in the FY 2024/2025 ended 31 March 2025 amounted to Euro 35.1 million, up by 2.9% compared to the same period ended 31 March 2024. Sales showed an increase of 2.3% in the Wholesale channel and of 6.5% in the DOS channel.

Maison Lancel's revenues from sales recorded during the FY 2024/2025 ended 31 March 2025 amounted to Euro 68.8 million, up by 6.5% compared to the same period ended 31 March 2024, including the effect of exchange rate fluctuations (+6.5% at constant exchange rates). Sales showed an increase of 2.8% in the wholesale channel and of 8.7% in the DOS channel (+12.8% growth with the same number of stores).

The strategy planned by the Piquadro Group is aimed at also developing sales activities through the DOS shops in view of the capacity to maximise the prestige of the Piquadro, The Bridge and Lancel brands, in addition to allowing distribution to be controlled more directly and greater attention to be paid to satisfying the end consumer.

Breakdown of revenues by geographical area

The table below reports the breakdown of net revenues by geographical area (in thousands of Euro):

<i>(in thousands of Euro)</i>	Revenues from sales at 31 March 2025	%^(*)	Revenues from sales at 31 March 2024	%^(*)	% Change 2025/2024
Italy	84,275	45.9%	86,112	47.8%	(2.1)%
Europe	93,438	50.9%	87,030	48.3%	7.4%
Rest of the World	5,897	3.2%	7,127	4.0%	(17.2)%
Total	183,610	100.0%	180,269	100.0%	1.9%

(*) Percentage impact compared to revenues from sales

From a geographical point of view, the Piquadro Group recorded sales of Euro 84.3 million on the Italian market, equal to 45.9% of the Group's total turnover at 31 March 2025 (47.8% of consolidated sales at 31 March 2024), down by (2.1)% compared to the same period of the FY 2023/2024.

In the European market, the Group recorded a turnover of Euro 93.4 million at 31 March 2025, equal to 50.9% of consolidated sales (48.3% of consolidated sales at 31 March 2024), up by 7.4% compared to the same period of the FY 2023/2024 (+7.5% at constant exchange rates).

In the non-European geographical area (named "Rest of the World"), the Piquadro Group recorded a turnover of Euro 5.9 million, down by about Euro 1.2 million compared to the same period of the FY 2023/2024, and equal to 3.2% of consolidated sales. The decrease was largely attributable to market trends in the non-European area, and the closure of the Maison Lancel stores in China (with an effect of approximately Euro 600 thousand).

In the fourth quarter of the FY 2024/2025 (January-March), the Piquadro Group recorded a turnover of Euro 49.0 million, up 0.4% compared to the same period ended 31 March 2024.

In the financial statements at 31 March 2025, the performance of the Piquadro Group's profitability was positively affected by the growth in turnover of the Lancel and The Bridge brands, and especially by the performance recorded by the Lancel brand.

The Piquadro Group's operating result at 31 March 2025 posted a profit of Euro 16,371 thousand, showing an improvement of about Euro 1,538 thousand compared to the financial year ended 31 March 2024.

In the opinion of the Management, the performance of the operating result, compared to the previous year, was mainly connected with the trends relating to growth in sales, particularly in the retail channel, as well as to the continuation of activities to increase efficiency in the operating costs of the Maison.

Economic and financial highlights and alternative performance indicators

The Piquadro Group uses the Alternative Performance Indicators (APIs) in order to provide information on the performance of profitability of the businesses in which it operates, as well as on its own financial position and results of operations, in a more effective manner. In accordance with the guidelines published by the European Securities and Markets Authority (ESMA/2015/1415) on 5 October 2015 and consistently with the CONSOB (Italian Securities and Exchange Commission) notice no. 92543 of 3 December 2015, the content and the criterion to determine the APIs used in these financial statements are described below:

EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation, or Gross Operating Margin) is an economic indicator that is not defined by the International Accounting Standards. EBITDA is a unit of measurement utilised by the Management to monitor and assess the Group's operational performance. The Management believes that EBITDA is an important parameter for the measurement of the Piquadro Group's performance, as it is not affected by the volatility due to the effects of the various criteria for the determination of taxable income, by the amount and characteristics of the capital employed, as well as by

the amortisation and depreciation policies. EBITDA is defined as the earnings for the period before depreciation of property, plant and equipment and amortisation of intangible assets, financial income and costs and the income taxes for the period.

Adjusted EBITDA is defined as EBITDA, excluding the effects arising from the adoption of IFRS 16.

EBIT (Earnings Before Interest and Taxes) consists of the Earnings for the period before financial income and costs and income taxes.

The Net Financial Position (“NFP”), utilised as a financial indicator of borrowing, is represented as the sum of the following positive and negative components of the Statement of Financial Position, as required by the CONSOB Call for attention notice no. 5/21 of 29 April 2021. Positive components: cash and cash equivalents, liquid securities under current assets, short-term financial receivables. Negative components: payables to banks, payables to other lenders, leasing and factoring Companies, non-current portion of trade payables and other payables.

Adjusted Net Financial Position (Adjusted NFP) is defined as the Net Financial Position, excluding the effects arising from the adoption of IFRS 16.

The ROI, i.e. the return on net invested capital, is given by the ratio of net Operating Margin to net invested capital and is expressed as a percentage. This indicator is used as a financial target in both internal (business plans) and external (analysts and investors) presentations and intends to measure the ability to produce wealth through operations and therefore to remunerate both net worth and borrowed capital.

The ROE, i.e. the return on equity, is given by the ratio of net profit to equity and is expressed as a percentage. This indicator is used as a financial target in both internal (business plans) and external (analysts and investors) presentations and intends to measure the profitability obtained by investors on account of risks.

The ROS, i.e. the average operating result by revenue unit. This ratio expresses the Company’s profitability in relation to the revenue flow’s ability to generate remuneration.

Net Working Capital: this item includes “Trade receivables”, “Inventories”, current non-financial “Other Receivables”, net of “Trade payables” and current non-financial “Other Payables”.

The cash flow is given by cash flows from operating activities (operating cash flow), net of distributed dividends. The operating cash flow is calculated on the basis of the gross operating margin, to which must be added the changes in net working capital, net of increases in the provision for bad debts, the uses of the provisions for risks and the Employee Severance Pay, operating and financial investments, financial income and costs and taxes. This indicator is used as a financial target in both internal (business plans) and external (analysts and investors) presentations and intends to measure the Company’s ability to generate cash and therefore its ability to self-finance its operations.

Below are reported the Piquadro Group’s main economic-financial indicators at 31 March 2025:

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Revenues from sales	183,610	180,269
EBITDA	31,370	31,987
Adjusted EBITDA	19,262	19,622
EBIT	16,371	14,833
Profit (loss) before tax	15,265	14,559
Profit (loss) for the period (including minority interests)	11,584	10,528
Amortisation and depreciation of fixed assets and write-downs of receivables	15,494	18,001
Generation of financial resources (Group net profit (loss), amortisation and depreciation, write-downs)	27,078	28,529
Adjusted Net Financial Position	12,898	16,817
Net Financial Position	(30,156)	(23,774)
Shareholders’ Equity	68,838	64,715

Below is a restatement of the results of operations, which is aimed at representing the performance of the operating profitability indicator EBITDA:

EBITDA <i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Operating profit (loss)	16,371	14,833
Amortisation, depreciation and write-downs	15,494	18,001
EBITDA	31,370	31,987
Adjusted EBITDA	19,262	19,622

EBITDA for the year stood at Euro 31,370 thousand against Euro 31,987 thousand recorded in the financial year ended 31 March 2024.

Adjusted EBITDA, which is defined as EBITDA, gross of impacts arising from the adoption of IFRS 16, amounted to Euro 19,262 thousand against Euro 19,622 thousand recorded at 31 March 2024.

The Piquadro brand's Adjusted EBITDA in the financial year ended 31 March 2025 amounted to Euro 9.9 million compared to Euro 14.6 million at 31 March 2024; the decrease was largely attributable to the reduction in turnover, particularly in the wholesale channel, resulting from the difficulties related to maritime transport, which led to slowdowns in the supply chain, as well as to higher transport costs related to the import of finished products, higher investments in marketing, and an increase in the labour cost component.

The Bridge brand's Adjusted EBITDA amounted to Euro 6.1 million in the financial year ended 31 March 2025 against Euro 5.6 million at 31 March 2024, and was largely attributable to the effects of the increase in sales; the Maison Lancel's adjusted EBITDA in the financial year ended 31 March 2025 was Euro 3.2 million against a loss of approximately Euro (0.6) million at 31 March 2024. This increase was mainly attributable to the growth in sales, particularly in the retail channel, as well as to the continuation of activities to increase efficiency in the operating costs of the Maison.

The Piquadro Group's amortisation and depreciation were equal to Euro 15,494 thousand in the financial year ended 31 March 2025 (Euro 18,001 thousand in the financial year ended 31 March 2024) and related to intangible assets for Euro 969 thousand, to property, plant and equipment for Euro 2,717 thousand, and to right-of-use assets arising from the adoption of the IFRS 16 for Euro 10,965 thousand.

Net write-downs, equal to Euro 844 thousand, were made up of the write-down of receivables stated among current assets for Euro 495 thousand, and impairment of assets relating mainly to Lancel Sogedi stores for Euro 349 thousand.

Financial ratios <i>(in thousands of Euro)</i>	31/03/2025	31/03/2024
EBIT	16,371	14,833

The Piquadro Group recorded positive EBIT of about Euro 16,371 million in the financial year ended 31 March 2025, showing an improvement of about Euro 1.5 million compared to Euro 14.8 million recorded in the financial year ended 31 March 2024.

The result from financial operations, which posted costs of Euro 1,106 thousand (against costs of Euro 274 thousand at 31 March 2024), was mainly affected by the impact arising from the adoption of IFRS 16 for costs of Euro 940 thousand (Euro 937 thousand at 31 March 2024), interest income on current accounts for Euro 439 thousand (Euro 643 thousand at 31 March 2024), interest expense on current accounts for Euro 9 thousand (Euro 107 thousand at 31 March 2024), interest expenses on loans for Euro 550 thousand (Euro 254 thousand at 31 March 2024), and foreign exchange losses of Euro 550 thousand (Euro 570 thousand at 31 March 2024), which were more than offset by foreign exchange gains of Euro 761 thousand (Euro 648 thousand at 31 March 2024).

Below is a restatement of the results of operations, which is aimed at representing the performance of the Group's net profit (loss):

Financial ratios <i>(in thousands of Euro)</i>	31/03/2025	31/03/2024
Net profit (loss) for the year (including minority interests)	11,584	10,528

The Piquadro Group recorded, in the financial year ended 31 March 2025, a Net Group Profit of about Euro 11.6 million, showing an improvement of nearly Euro 1.1 million compared to the same value posted in March 2024.

Profitability ratios

Below are reported the main profitability ratios relating to the financial years ended 31 March 2025 and 31 March 2024:

Profitability ratios	Composition of the ratio	31 March 2025	31 March 2024
Return on sales (R.O.S.)	EBIT/Net revenues from sales	8.9%	8.3%
Return on Investment (R.O.I.)	EBIT/Net invested capital	16.5%	16.8%
Return on Equity (R.O.E.)	Profit for the year/Equity	16.8%	16.3%

The Group, against a net turnover growth of 1.9%, was able to improve the profitability of sales (R.O.S), which recorded an increase of more than 8% from 8.23% at 31 March 2024 to about 9% at 31 March 2025, as well as to increase the overall profitability (R.O.E) by about 3%, and finally, to keep the operational efficiency (R.O.I) substantially stable at 17% as at 31 March 2025.

Investments

Investments in intangible assets, property, plant and equipment and non-current financial assets in the financial year ended 31 March 2025 came to Euro 4,727 thousand (Euro 3,399 thousand at 31 March 2024), as reported below:

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Investments		
Intangible assets	1,576	632
Property, plant and equipment	3,151	2,766
Non-current financial assets	0	0
Total	4,727	3,399

Increases in intangible assets, equal to Euro 1,576 thousand in the financial year ended 31 March 2025 (Euro 632 thousand at 31 March 2024), related for Euro 1,030 thousand to investments in software for the design and implementation of a new omnichannel IT architecture, in support of the CRM platform, data platform and marketing automation tools, and for the remaining amount to the purchase or renewal of licenses and trademarks for the Piquadro Group brands. The share of fixed assets under development includes advances for the development of the human resources platform of Piquadro S.p.A..

Increases in property, plant and equipment, equal to Euro 3,151 thousand in the financial year ended 31 March 2025 (Euro 2,766 thousand at 31 March 2024) were mainly attributable to furniture and furnishings purchased for new DOSs opened in the period under consideration, and the refurbishment of some existing shops for Euro 2,400 thousand, and to purchases of workshop plant and machinery for Euro 505 thousand.

Capital structure

Below is summarised the Piquadro Group's consolidated capital and financial structure:

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Trade receivables	38,115	36,108
Inventories	43,079	37,255
(Trade payables)	(38,418)	(35,533)
<i>Total net current trade assets</i>	<i>42,776</i>	<i>37,830</i>

Other current assets	7,242	7,995
Tax receivables	2,293	898
(Other current liabilities)	(10,809)	(11,305)
(Tax payables)	(1,982)	(3,065)
A) Working capital	39,520	32,353
Intangible assets	6,954	6,352
Property, plant and equipment	12,563	12,447
Right-of-use assets	40,825	37,996
Non-current financial assets	2	2
Receivables from others due beyond 12 months	1,506	1,770
Deferred tax assets	3,772	3,637
B) Fixed assets	65,622	62,204
C) Non-current provisions and non-financial liabilities	(6,148)	(6,067)
Net invested capital (A+B+C)	98,994	88,490
FINANCED BY:		
D) Net Financial Position	30,156	23,774
E) Equity attributable to minority interests	0	0
F) Equity attributable to the Group	68,838	64,716
Total borrowings and Shareholders' Equity (D+E+F)	98,994	88,490

Net Financial Position

The table below reports the breakdown of the Net Financial Position determined according to the ESMA criteria (based on the schedule set out in CONSOB Call for attention notice no. 5/21 of 29 April 2021):

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
(A) Cash	32,612	35,093
(B) Cash equivalents	0	0
(C) Other current financial assets	63	392
(D) Liquidity (A) + (B) + (C)	32,675	35,485
(E) Current financial debt (including debt instruments, but excluding the current portion of non-current financial debt)	(25,949)	(20,983)
(F) Current portion of non-current financial debt	(12,300)	(9,708)
(G) Trade payables and other current payables	(87)	0
(H) Current financial debt (E) + (F) + (G)	(38,336)	(30,691)
(I) Current Net Financial Position (H) - (D)	(5,661)	4,794
(J) Non-current financial debt (excluding current portion and debt instruments)	(21,351)	(25,337)
(K) Debt instruments		
(L) Trade payables and other non-current payables	(3,144)	(3,231)
(M) Non-current Net Financial Position (J) + (K) + (L)	(24,495)	(28,568)

(N) Total Net Financial Position (I) + (M)	(30,156)	(23,774)
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“Financial debt”, equal to Euro 38,336 thousand (current portion) and Euro 24,495 thousand (non-current portion), included financial liabilities for short/long-term lease agreements equal to Euro 25,949 thousand and Euro 17,105 thousand, respectively.

“Trade payables and other current and non-current payables” included the fair value of “Earn Out” to be paid to Richemont Holdings SA against the purchase of the stake representing the entire capital of Lancel International SA.

The Piquadro Group’s Net Financial Position posted a negative value of Euro 30.2 million in the financial year ended 31 March 2025. The adverse impact of the adoption of IFRS 16 was equal to about Euro 43.1 million.

The Piquadro Group’s Adjusted Net Financial Position posted a positive value of about Euro 12.9 million compared to a positive value of Euro 16.8 million of the adjusted Net Financial Position recorded at 31 March 2024.

The change in the adjusted Net Financial Position was due to investments in intangible assets, property, plant and equipment and non-current financial assets for about Euro 5.0 million, the purchase of treasury shares for about Euro 0.7 million, the payment of dividends from the Parent Company for Euro 7 million, a free cash inflow, net of tax, equal to about Euro 13.6 million, and temporary uses of working capital for growth of Euro 4.9 million.

Reconciliation of the Parent Company’s Shareholders’ Equity and profit (loss) for the year and the corresponding consolidated values

Below is the statement of reconciliation of the Shareholders’ Equity and the profit (loss) for the year resulting from the financial statements of the Parent Company and the corresponding consolidated values at 31 March 2025:

	Profit/(loss) at 31 March 2025	Equity at 31 March 2025	Profit/(loss) at 31 March 2024	Equity at 31 March 2024
<i>(in thousands of Euro)</i>				
Equity and profit (loss) for the year as reported in the financial statements of Piquadro S.p.A.	5,886	48,014	10,672	49,936
Derecognition of the book value of consolidated equity investments	5,000	(19,454)	3	(24,454)
<i>Non-recurring income associated with the acquisition of the Lancel Group, net of transaction costs</i>	0	40,752	0	40,752
Dividends	0	0	0	0
<i>Derecognition of the effects of transactions effected between consolidated Companies:</i>				
-Profits included in closing inventories	74	(1,530)	88	(1,604)
-Other minor items	624	1,055	(234)	85
Equity and Profit/(Loss) for the year attributable to the Group	11,584	68,838	10,529	64,715
Profits (Losses) and Equity attributable to minority interests	0	0	0	0
Equity and consolidated Profit	11,584	68,838	10,529	64,715

Human Resources

The products that the Piquadro Group offers are conceived, manufactured and distributed according to the guidelines of an organisational model whose feature is that it monitors all the most critical phases of the chain, from conception and manufacturing to subsequent distribution. This entails great care with the correct management of human resources, which, while respecting the different local environments in which the Piquadro Group operates, must necessarily lead to intense personal involvement, above all in what the Group considers the strategic phases for the success of the brands.

As at 31 March 2025 the Piquadro Group had 994 members of staff, showing a change in composition but not in total units, compared to 31 March 2024.

Below is the breakdown of staff by Country:

Country	31 March 2025	31 March 2024
Italy	433	424
France	295	301
China	190	229
Russia	42	40
Spain	12	15
Taiwan	16	16
San Marino	0	3
United Kingdom	5	7
Hong Kong	1	1
Germany	0	3
Total	994	1,039

With reference to the Piquadro Group's organisational structure, at 31 March 2025, 13.9% of staff operated in the Production area, 51.9% in the Retail area, 21.2% in the support functions (Administration, IT Systems, Procurement, Human Resources, Marketing, etc.), 7.6% in the Research and Development area, and 5.3% in the Sales area.

Environmental responsibility and the fight against climate change

As referred to by the Piquadro Group Code of Ethics, the environment is considered a primary asset of the community that the Piquadro Group itself intends to help safeguard.

The Piquadro Group's environmental responsibility is assumed through five areas of action: *i)* sustainable management of supply chain; *ii)* responsible consumption of materials; *iii)* energy consumption management; *iv)* containment of CO₂ emissions; and *v)* waste management.

The Piquadro Group is therefore committed to pursuing sustainable management of its supply chain, since it adopted a Code of conduct for suppliers from the financial year ended 31 March 2023. The Piquadro Group is focused on an ongoing search for the most suitable solutions to ensure responsible use of resources, a reduction in energy consumption and an improved management of emissions into the atmosphere through the continuous improvement of eco-efficiency levels and the use of energy from renewable sources. The Piquadro Group also engages in raising awareness and communication activities regarding energy and environmental issues.

At the same time, the FY 2024/2025 was the Piquadro Group's first year of reporting in compliance with Legislative Decree no. 125 of 6 September 2024, which adopted Directive (EU) 2022/2464 (Corporate Sustainability Reporting Directive, CSRD), and the European Sustainability Reporting Standards (ESRS).

The Group has conducted an in-depth analysis of climate impacts, both physical and transitional, on company assets, and it has identified risks in relation to emissions, the use of energy, and the vulnerability of production facilities to extreme events. Stakeholder engagement has been structured systematically, through surveys, face-to-face meetings, and digital channels, with the aim of aligning business strategies with stakeholder expectations. The results that emerged have been integrated into the double materiality analysis process adopted to identify any relevant impacts, risks and opportunities, both in financial terms and in terms of impact on people and the environment.

Sustainability disclosure has been further added to through the adoption of the new Sustainability Reporting Internal Control System (SCIIS), which allows for a systematic traceability of ESG data, and the identification of critical areas through a multi-level risk classification (Tiers 1, 2, 3). The Group has also integrated ESG criteria into its business decision-making and risk assessment processes, thus contributing to an increasing integration of sustainability into the overall strategy. In fact, the Piquadro Group has been offsetting its carbon footprint by considering all direct (Scope 1) and indirect emissions from purchased electricity (market-based Scope 2) generated during the FY 2024/2025 (offsetting does not consider any indirect Scope 3 emissions).

For the FY 2024/2025, the Group further extended its offsetting activities by purchasing carbon credits totalling 2,070 tonnes of CO_{2eq}, referring to direct emissions (Scope 1) and indirect emissions from purchased electricity (market-based Scope 2). Selected projects continued to be aligned with the criteria of environmental integrity and a positive impact on local communities. Specifically, carbon credits acquired by the Piquadro Group were generated by a reforestation project on "Fazenda Nascente Do Luar", and a deforestation prevention project in Rio Anapu Pacaja.

“Carbon credits” or offset certificates are one of the tools through which it is possible to mitigate the effects of the carbon footprint represented by the production of global CO₂, among the main causes of climate change. A carbon credit is equivalent to one ton of CO₂ avoided or taken from the atmosphere through the development of certified projects, including forestry projects that not only capture atmospheric CO₂, thanks to the chlorophyll photosynthesis of plants, but also contribute to the benefit of biodiversity and the local community.

At the same time as offsetting the carbon footprint related to company activities, the Piquadro Group has pursued another important commitment to environmental sustainability: in fact, during 2024/2025, it gradually continued to offsetting CO₂ emissions deriving from the production of some of its best-selling products. Specifically, about 70 products have been identified for Piquadro and The Bridge among the best-selling lines and the carbon footprint of each has been calculated with the aim of offsetting it through the purchase of additional certified carbon credits.

Corporate social responsibility

The Piquadro Group has been committed to corporate social responsibility starting from 2010, when the Parent Company started its first solidarity initiative in support of local areas, the “Happy Box” project implemented in cooperation with the Palmieri Family Foundation established by Marco Palmieri, Chairman of Piquadro, and by his wife Beatrice in order to give continuity to their philanthropic activity through the enhancement of diversities. As an acknowledgment of its value to local areas, the project obtained the Sponsorship of the Municipality of Bologna. Despite the context of geopolitical and economic volatility, the Piquadro Group continued with determination the ESG processes by continuing to grow in the culture of eco-sustainable design, since it is aware that a product is manufactured environmentally friendly and the conception phase is decisive for compliance with certain parameters. We must note, for example, the increasingly widespread use of the PQ Circle Index to measure the amount of recycled product used, which has become a design target; likewise, principles and standards of reparability are entering the design logic and contribute to lengthening the life cycles of Piquadro's products. The Piquadro Group has always been inspired by the values of integrity, fairness and transparency, as well as a passion for work, quality and production. This commitment substantiates in initiatives for the enhancement of diversity and inclusion, actions to protect the environment, energy efficiency, reduction of emissions and use of natural resources, as well as in projects in favour of local areas and the community of its mountains.

Piquadro is proud to support the community of its mountains by promoting economic and social development through sustainable tourism open to diversity and respect for the environment.

Health and safety

For the Piquadro Group, safety and working environments are protected by complying with the regulations in force in the individual countries. The Piquadro Group aims to ensure the physical and moral integrity of its own in-house employees and collaborators, offering working conditions that respect the personal dignity in a safe and healthy workplace, in full compliance with the current regulations governing the prevention of accidents at work and the protection of workers. During the financial year ended 31 March 2025, the Italian companies continued their path to the implementation of an increasingly accurate system of measures aimed at improving safety at work on an ongoing basis, while increasingly involving employees in forms of active collaboration, which is also aimed at reporting any critical issue related to safety and near-misses.

Piquadro believes that the desired benefits can be multiplied only through the implementation of a shared system and the main tool to achieve these objectives lies in the compliance by the entire workforce with the safety policies adopted. Therefore, the Company is committed to spreading a well-established safety culture, among all its in-house workers and collaborators, while developing risk awareness and promoting a responsible behaviour on the part of its personnel, which cannot disregard the freedom of expression and the sharing of contents between workers and directly-responsible staff. Furthermore, the Group's Code of Ethics requires the commitment of all collaborators in order to give their contribution to risk prevention and the protection of their own health and safety, as well as of that of their colleagues and third parties, without prejudice to the individual responsibilities pursuant to the provisions of law governing the matter. For this purpose, it calls for a general absolute prohibition, within the scope of the Company's activities, on the abuse of alcohol or the use of drugs, as well as the prohibition on smoking at work, in compliance with the provisions of law and in any case wherever smoking might entail a danger to the Company's facilities and assets or to the health or safety of colleagues and third parties. Any misconduct that could be generated from an improper performance of other duties or tasks is avoided by carefully checking the tasks assigned on a daily basis. The system implemented by the Italian Piquadro Group companies also considers the risks of interference

that can arise inside the points of sales and, in this regard, training course requirements have been also met within the retail system.

RESEARCH AND DEVELOPMENT ACTIVITY

The Piquadro Group's Research and Development activity, which is structured into its three distinguishing brands (Piquadro, The Bridge and Lancel) is carried out in house through a dedicated team that currently consists of 76 persons mainly engaged in the product Research and Development department and the style office at the Group's various head offices.

The plants of the Chinese subsidiary Uni Best Leather Goods Zhongshan Co. Ltd. employ a team of 20 people dedicated to the creation of prototypes and the implementation of new models according to the instructions defined by the central organisation.

The R&D work and the design of the Piquadro Group product are performed in-house and occasionally in collaboration with outside industrial designers, taking account of the information regarding market trends supplied by the Group's internal departments (Product Marketing and Sales Departments). In this manner, the Piquadro Group develops its collections trying to meet the needs of end customers that are not yet satisfied by the market. The internal unit dedicated to the design of products manages operating activities and also coordinates the external consultants of which the Piquadro Group makes use. In some cases, in fact, the Piquadro Group uses external designers for both the product design and the development phase, particularly for the Travel business segment.

As from the financial year ended 31 March 2021, the study and design of Piquadro's articles have increasingly focused on finding solutions that meet the needs of those who move fluidly to different occasions of use during the same day and therefore need containers that can adapt and/or transform. Piquadro has therefore focused its research and development in the creation of modular items, a key design approach to obtaining products that can be transformed, adapted and can perform in different contexts.

Piquadro manages internally both Research and Development activities, and the design phase of its products, making use, where necessary, of collaboration from third-party industrial designers. These activities are based on market analyses conducted by company functions, in particular by Product Marketing in synergy with the Sales area, in order to develop collections capable of intercepting and satisfying the needs of end customers. The company art direction also coordinates the third-party consultants involved for the design and development phases, particularly for the lines dedicated to the Travel segment.

As part of its product innovation strategy in the Business&Travel area, Piquadro has developed the W139_Hexagon collection, designed to meet the needs of a public oriented towards mobility, flexibility of use, and the search for advanced functional solutions. The project integrates modularity, expandability, protection and performance, with a compact and essential aesthetic form. The textile pattern developed by Piquadro reinforces the visual identity of the product.

Among the main functional innovations are:

- Structural expansion system for dynamic volume adjustment;
- Removable interior panel that can be converted into a pouch;
- 2-in-1 Travel Backpack, which can be separated into two independent units;
- Integrated thermal pockets for bottles.

Particularly noteworthy is the new triple-portability fanny pack, which can be used as a traditional fanny pack, shoulder bag or one-shoulder pack, and is also designed to integrate with the backpack via a modular attachment/release system.

The characteristic internal pockets for electronic devices are made of spongy material that ensures shock protection and structural lightness.

The entire line reflects Piquadro's ongoing commitment to designing solutions that combine technology and value in use, in support of its premium positioning in the evolved mobility sector.

In the context of its development strategy oriented towards performance and innovative design in the world of Travel, Piquadro has launched the new POP collection, a line of trolleys that stands out for its customisation options and attention to product protection. To confirm the originality of the project, Piquadro has started the process of protecting the POP collection's appearance through Community design registration (no. 015063224), issued by the European Union Intellectual Property Office (EUIPO), which represents an enhancement of the investment in aesthetic research and product differentiation.

The POP collection is distinguished by the following functional innovations: a rapid wheel replacement system, ball-bearing wheels that ensure smoothness, distinctive and protective corners, a monogramming service available via the Piquadro website or directly at sales outlets, and product customisation options due to the interchangeable wheels that come in several colours and can be purchased separately.

The structure is made of Makrolon® ET3113 polycarbonate, which ensures high impact resistance combined with lightness. The chromatic proposal is aimed at satisfying the needs of a dynamic, cross-cultural and contemporary style-conscious people.

As part of its strategy of environmental responsibility, Piquadro has expanded its proposal with the PQ-Earth line, which combines design, innovation and attention to the environment.

PQ-Earth is made of 90% bio-based material derived from cacti plants, and 100% recycled polyester, which is an environmentally friendly material obtained from recycled PET bottles, GRS (Global Recycled Standard) certified. To minimise the environmental impact of the collection, Piquadro has also chosen responsible materials for the product details, such as plastic components and zips, obtained by recycling bottles, marine waste and used clothing. PQ-Earth is equipped with numerous functional elements designed for urban mobility: zip pullers with security locking system, top pocket with 100% recycled microfiber interior, which is ideal for delicate objects, an integrated side pocket for a bottle, retractable elastic net for a helmet, torch holder loop, and provision for personalisation. For each PQ Earth model, the carbon footprint (CO₂) is calculated, whose offsetting is managed by Piquadro.

The Research and Development activity involving The Bridge brand is carried out by a dedicated team of subsidiary The Bridge S.p.A. The Bridge-branded products are the result of a combination of craftsmanship and continuous study of design and new functionalities and by drawing on the products of the past. The Company has always operated a real handicraft laboratory at which prototypes are created. A team of designers is responsible for creating new collections for each season, interpreting the needs of the market and the corporate DNA. The collections are the result of a research work that commences long before creating the products from an analysis of trends, which are then substantiated in materials and colours chosen for the season. The proposals are considered together with the sales force, in order to meet functionality and modernity requirements that make the product attractive to an attentive and demanding public.

During the year, various perimeter products that are very important to business development were developed, such as scarves, gloves and belts.

R&D work involving the Lancel-branded products is performed by a dedicated team of 11 specialists at the Paris office of the Company. The Lancel Group is known for innovation and creativity: the team develops all components and finished products together with the design team. Lancel-branded products are the result of the combination of its own archives, continuous study of design and the expertise in leather goods, including with the help of the Atelier team, operating at Lancel's headquarters, made up of "*compagnon du devoir*" craftsmen who produce the prototype of the new models. All leathers are carefully selected by the Design department and, with the help of a leather specialist. Each leather colour is defined by Design and developed only for Lancel. The team of specialists dedicated to product research and development studies and proposes new materials on an ongoing basis, such as iconic fabrics, fabrics derived from recycled raw materials, exotic fabrics, and injected plastic with a glitter or marble effect.

The archives of Maison Lancel, in their size and richness, consist of some 3,500 leather goods, small leather goods, luggage, 1,200 pieces of art, 300 sketches and paper patterns, and contribute to the brand's image and influence, embodying in "Parisian elegance" the four universes: women's, men's, travel, and gift art.

RELATED-PARTY TRANSACTIONS

The “Regulation bearing provisions governing related-party transactions” was adopted by CONSOB Resolution no. 17221 of 12 March 2010, as amended by CONSOB resolution no. 17389 of 23 June 2010 and, finally, by CONSOB Resolution no. 21624 of 10 December 2020. On 15 June 2021 the Board of Directors of Piquadro S.p.A. adopted the new procedure concerning related-party transactions, which was also drawn up by taking account of the instructions provided by CONSOB for the application of the new regulations by resolution no. 21624 of 10 December 2020.

The said procedure, which is published on the website of Piquadro (www.piquadro.com), has the purpose to determine the criteria to be complied with for the approval of the transactions with related parties to be effected by Piquadro or its subsidiaries, in order to ensure transparency, as well as the material and procedural correctness of the transactions themselves. The identification of transactions with related parties is made as required by the CONSOB regulation referred to.

Relations with related parties are largely commented on in the consolidated financial statements, in the separate financial statements and in the Notes to the Financial Statements.

REPORT ON OPERATIONS OF PIQUADRO S.p.A. AT 31 MARCH 2025

In reporting the performance of the Piquadro Group, the main events were already implicitly illustrated in relation to the Parent Company whose revenues from the separate financial statements, including relations with Piquadro Group companies, account for about 43.4% of consolidated revenues.

Operations

The financial year ended 31 March 2025 saw a slight decline in revenues from sales equal to 2.6% compared to the financial year ended 31 March 2024. The performance of revenues, which is commented on in detail below in this Report, mainly derives from the domestic market, where the Company holds a leadership position. As regards average selling prices of Piquadro-branded products, the financial year ended 31 March 2025 reported a decrease equal to about 1.1%, including the mix effect.

Revenues from sales

In the financial year ended 31 March 2025 the Company reported net revenues from sales equal to Euro 77,018 thousand, showing a slight decline of 2.6% compared to the revenues reported in the financial year ended 31 March 2024 (Euro 79,046 thousand).

Breakdown of revenues by distribution channel

The table below reports the breakdown of revenues from sales of Piquadro S.p.A. by distribution channel, expressed in thousands of Euro for the financial year ended 31 March 2025 compared to the financial year ended 31 March 2024:

Sales channel <i>(in thousands of Euro)</i>	Revenues from sales at 31 March 2025	%	Revenues from sales at 31 March 2024	%	% Change 2025/2024
<i>PQ brand DOS</i>	28,011	36.4%	26,904	34.0%	4.1%
<i>PQ brand Wholesale</i>	46,294	60.1%	48,669	61.6%	(4.9)%
Total PQ Brand	74,305	96.5%	75,573	95.6%	(1.7)%
<i>Intercompany revenues</i>	2,713	3.5%	3,473	4.4%	(21.9)%
Total	77,018	100.0%	79,046	100.0%	(2.6)%

The revenues reported by the Piquadro brand in the DOS channel, which include sales in the e-commerce channel, showed an increase of 4.1% compared to the value posted in the financial year ended 31 March 2024. This result was due to both an increase of about 2.1% in volumes and an increase in average sale prices equal to about 2.0%, including the mix effect between the sales in full price shops and outlets.

Sales reported by the Piquadro brand in the Wholesale channel, which accounted for about 60.1% of the Company's total turnover, recorded a decrease of about 4.9% compared to the value posted in the financial year ended 31 March 2024.

Piquadro's sales to its subsidiaries, stated as Intercompany revenues in the table above, showed a decrease of 21.9% compared to the financial year ended 31 March 2024.

Below are the breakdowns of revenues by geographical area:

<i>(in thousands of Euro)</i>	Revenues from sales at 31 March 2025	%	Revenues from sales at 31 March 2024	%	% Change 2025/2024
Italy	58,427	75.9%	60,576	76.6%	(3.5)%
Europe	16,653	21.6%	16,491	20.9%	1.0%
Rest of the World	1,937	2.5%	1,979	2.5%	(2.1)%
Total	77,018	100.0%	79,046	100.0%	(2.6)%

The Company's revenues for the FY 2024/2025 show that the Italian market still accounts for a very significant percentage of the total turnover (75.9%). In Europe the Company showed a turnover of Euro 16,653 thousand, up by 1.0% compared to the value posted in the financial year ended 31 March 2024, which is equal to 21.6% in terms of percentage impact of the total turnover. In the geographical area named "Rest of the World", where the Company sells in 24 Countries, the turnover showed a slight decline of approximately 2.1%.

Economic and financial highlights

Below are the results of Piquadro S.p.A. at 31 March 2025 compared with the same indicators at 31 March 2024:

Economic and financial ratios <i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Revenues from sales	77,018	79,046
EBITDA	13,877	17,770
EBIT	7,998	12,769
Profit (loss) after tax	5,886	10,672
Amortisation and depreciation of fixed assets and write-downs	6,329	5,452
Cash flow (net profit (loss) before amortisation, depreciation and write-downs)	12,215	16,123

The Parent Company's EBITDA stood at about Euro 13.9 million at 31 March 2025, including a profit of Euro 4.7 million arising from the adoption of IFRS 16 against about Euro 17.8 million at 31 March 2024, which included a profit of Euro 3.9 million arising from the adoption of IFRS 16.

The Parent Company's EBIT posted a positive value of Euro 8.0 million, including a profit of Euro 0.5 million arising from the adoption of IFRS 16.

Amortisation, depreciation and write-downs in the financial year ended 31 March 2025 amounted to Euro 6,329 thousand (Euro 5,452 thousand at 31 March 2024), of which Euro 4,196 thousand was mainly attributable to the amortisation and depreciation of Right-of-use assets arising from the adoption of IFRS 16.

The accrual to the provision for bad debts from customers in the financial year ended 31 March 2025 amounted to Euro 450 thousand (Euro 450 thousand at 31 March 2024).

The result from financial operations, which posted costs of about Euro (248) thousand (against an income of about Euro 687 thousand at 31 March 2024), was attributable to the following changes: costs of Euro (579) thousand relating to the differential between interest income, interest expense and other financial costs, and the differential between foreign exchange gains and losses, which posted a gain of Euro 77 thousand (against a gain of Euro 270 thousand at 31 March 2024).

We must also note the adverse impact on this accounting item arising from the adoption of IFRS 16, equal to Euro 466 thousand at 31 March 2025 (against a negative impact equal to Euro 381 thousand at 31 March 2024).

The net result recorded by the Parent Company in the financial year ended 31 March 2025 posted a gain of Euro 5.9 million (equal to Euro 10.7 million at 31 March 2024).

Profitability ratios

Below are the main Profitability ratios relating to the financial years ended 31 March 2025 and 31 March 2024:

Profitability ratios	Composition of the ratio	31 March 2025	31 March 2024
Return on sales (R.O.S.)	EBIT/Net revenues from sales	10.4%	16.2%
Return on Investment (R.O.I.)	EBIT/Net invested capital	11.5%	21.2%
Return on Equity (R.O.E.)	Profit for the year/Equity	12.3%	21.4%

Gross investments

Gross investments in fixed assets concerning the Company's operations were equal to Euro 3,162 thousand in the financial year ended 31 March 2025 (Euro 1,904 thousand in the financial year ended 31 March 2024). Below is the breakdown by type:

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Investments		
Intangible assets	1,345	301
Property, plant and equipment	1,817	1,603
Non-current financial assets	0	0
Total	3,162	1,904

Increases in intangible assets, equal to Euro 1,345 thousand in the financial year ended 31 March 2025 (Euro 301 thousand at 31 March 2024), mainly related to software for the design and implementation of a new omnichannel IT architecture, in support of the CRM platform, data platform and marketing automation tools.

Increases in property, plant and equipment, equal to Euro 1,817 thousand in the financial year ended 31 March 2025 (Euro 1,603 thousand at 31 March 2024), were mainly attributable for Euro 249 thousand to plant and machinery installed at the refurbished sales outlets and at the Gaggio Montano office, as well as for Euro 1,548 thousand relating to the purchase of furniture and furnishings for the opening of the new sales outlet at Roma Termini, and the refitting of several existing sales outlets, located at Marcianise, Castel Guelfo, Fiumicino T3, Roma Termini, Euroma, Forte dei Marmi, Via Dante in Milan, and Venice, in addition to the purchase of miscellaneous equipment for other sales outlets operated under franchise agreements.

Asset structure

Below is the performance of the Company's asset structure at 31 March 2025 compared to that at 31 March 2024:

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Trade receivables	30,509	31,753
Inventories	18,426	13,815
(Trade payables)	(22,942)	(20,157)
Total net current trade assets	25,993	25,411
Other current assets	2,536	2,683
Tax receivables	1,751	404
(Other current liabilities)	(3,323)	(3,476)
(Tax payables)	(1,195)	(2,144)
A) Working capital	25,762	22,877
Intangible assets	1,613	622
Property, plant and equipment	8,200	7,654
Right-of-use assets	18,532	13,897
Non-current financial assets	14,539	14,539
Receivables from others due beyond 12 months	470	421
Deferred tax assets	1,644	1,573
B) Fixed assets	44,998	38,706
C) Non-current provisions and non-financial liabilities	(1,415)	(1,427)
Net invested capital (A+B+C)	69,344	60,156
FINANCED BY:		
D) Net Financial Position	21,330	10,220

E) Equity	48,014	49,936
Total borrowings and Shareholders' Equity (D+E)	69,344	60,156

Net Financial Position

The table below reports the breakdown of the Net Financial Position, which includes the net financial debt determined according to the ESMA criteria (based on the schedule set out in CONSOB Call for attention notice no. 5/21 of 29 April 2021):

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
(A) Cash	15,569	19,193
(B) Cash equivalents	0	0
(C) Other current financial assets	47	296
(D) Liquidity (A) + (B) + (C)	15,617	19,490
(E) Current financial debt (including debt instruments, but excluding the current portion of non-current financial debt)	(7,695)	(6,214)
(F) Current portion of non-current financial debt	(11,021)	(7,947)
(G) Trade payables and other current payables	(87)	0
(H) Current financial debt (E) + (F)+(G)	(18,803)	(14,161)
(I) Current Net Financial Position (H) - (D)	(3,186)	5,329
(J) Non-current financial debt (excluding current portion and debt instruments)	(15,000)	(12,317)
(K) Debt instruments		
(L) Trade payables and other non-current payables	(3,144)	(3,231)
(M) Non-current Net Financial Position (J) + (K) + (L)	(18,144)	(15,548)
(N) Total Net Financial Position (I) + (M)	(21,330)	(10,220)

“Financial debt”, equal to Euro 36,947 thousand, of which Euro 18,803 thousand (current portion) and Euro 18,144 thousand (non-current portion), included financial liabilities for short/long-term lease agreements equal to Euro 7,695 thousand and Euro 11,331 thousand, respectively.

“Trade payables and other current and non-current payables” included the fair value of “Earn Out” to be paid to Richemont Holdings SA against the purchase of the stake representing the entire capital of Lancel International SA.

As at 31 March 2025 the Parent Company’s Net Financial Position posted a negative value of Euro (21.3) million, showing a negative change of Euro 11.1 million compared to the debt recorded at 31 March 2024, which had posted a negative value of Euro (10.2) million.

The Parent Company’s adjusted Net Financial Position, defined as the Net Financial Position, excluding the effects arising from the adoption of IFRS 16, at 31 March 2025 posted a negative value of about Euro (2.3) million compared to the adjusted Net Financial Position positive for Euro 4.4 million at 31 March 2024.

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Adjusted Net Financial Position	(2,305)	4,438
Finance lease debt - IFRS16	(19,026)	(14,658)
Net Financial Position	(21,330)	(10,220)

Human Resources

The products that the Company offers are conceived, manufactured and distributed according to the guidelines of an organisational model whose feature is that it monitors all the most critical phases of the chain, from conception and manufacturing to subsequent distribution. This entails great care with the correct management of human resources, which must necessarily lead to intense personal involvement, above all in what the Company considers the strategic phases for the success of the Piquadro brand.

As at 31 March 2025 Piquadro S.p.A. had 296 members of staff, compared to 287 units at 31 March 2024. Below is the breakdown of staff by area:

Organisational Areas	31 March 2025	31 March 2024
R&D Area	5.1%	5.2%
Retail Area	58.1%	57.8%
Sales Area	8.8%	11.2%
Supporting Areas	28.0%	25.8%
Total	100.0%	100.0%

Health, safety and environment

During the financial year ended 31 March 2025, Piquadro S.p.A. implemented the organisational system defined under Title I of Legislative Decree no. 81 of 2008 by identifying, at the safety organisation chart level, new management staff members for prevention purposes, the formalisation of which contributes to the creation of a system of responsibilities that is increasingly recognised, active and representative of a growing business capable of involving the various company functions and the managers responsible at all levels. These staff members have collaborated to improve cooperation in the field of occupational health and safety, both in-house, such as the supervisors and the Employer, and outside the Group, such as, for example, the Prevention and Protection Service and the Company Doctor, as well as the Supervisory Board of System 231.

The experience gained in previous years in the field of safeguarding occupational health and safety has enabled the Company to ensure prevention and protection measures according to the various scenarios that have occurred, both at local and national level. During the period under consideration, no significant critical issues could be found which related to abnormal variations with respect to accident trends, or the deterioration of workplaces and/or working equipment. Solid communication was ensured towards workers, which was supported by the action of those in charge of the function, the Employer and the Workers' Safety Representative.

In relation to the operation of the retail channel activities, documentary compliance was confirmed in accordance with Legislative Decree no. 81 of 2008, as was the delivery of refresher training courses to workers. The same attention paid to workers' health and safety was applied to environmental issues, allowing Piquadro to confirm itself as an organization that does not have any impact on the environment. No elements were implemented, which could determine damage or adverse effects on the territory and the environment. The good relations with the closest stakeholders and the Local Entities confirm a total absence of critical issues.

There is still room for improvement in the prevention of accidents through the recording of Near Miss events as a tool to spread the culture of "Shared Responsibility".

Other information required by Article 2428 of the Italian Civil Code

In relation to other information required by Article 2428 of the Italian Civil Code, it should be noted for:

Research and development activity:
reference should be made to the paragraph on "Research and development activities";

Transactions with subsidiaries, associates, controlling companies and entities controlled by the parent company:

The "Regulation bearing provisions governing transactions with related parties", which was adopted by CONSOB Resolution no. 17221 of 12 March 2010, as amended by CONSOB resolution no. 17389 of 23 June 2010, implemented article 2391-bis of the Italian Civil Code. On 18 November 2010 the Company's Board of Directors adopted the procedure concerning related parties, which was also drawn up by taking

account of the instructions subsequently provided by CONSOB for the application of the new regulations by DEM/10078683 notice of 24 September 2010. The said procedure, which is published on the website of Piquadro (www.piquadro.com), has the purpose to determine the criteria to be complied with for the approval of the transactions with related parties to be effected by Piquadro or its subsidiaries, in order to ensure transparency, as well as the material and procedural correctness of the transactions themselves. The identification of the transactions with related parties is made as required by the CONSOB regulation referred to.

In the financial year ended 31 March 2025 several intergroup transactions were carried out, all of which were implemented within the ordinary course of business and at arm's length. Intergroup relations concerned both production activities (Piquadro S.p.A. directly controls companies which produce leather goods for the Group) and commercial activities (Piquadro S.p.A. directly or indirectly controls all foreign companies in the retail chain which manage Piquadro-branded shops). The companies in the Piquadro Group also maintain financial relations, which were also implemented within the ordinary course of business and at arm's length.

Relations with related parties are largely commented on in the separate financial statements under Note 41 of the Explanatory Notes. Finally, it should be noted that these financial statements do not report any atypical or unusual transaction.

Treasury shares:

in relation to information required by Article 2428, paragraphs 3.3) and 3.4) of the Italian Civil Code, the number and the nominal value of the shares which make up the share capital of Piquadro S.p.A., the number and the nominal value of the treasury shares held in portfolio at 31 March 2025, in addition to the changes that occurred in them during the period, reference should be made to Note 14 – Shareholders' Equity.

Outlook:

reference should be made to the paragraph "Outlook" below.

Use of financial instruments by the Company:

in relation to the Company's financial risk management objectives and policies, including hedging policies for each main category of forecasted transactions and the Company's exposure to price risk, credit risk, liquidity risk and cash flow risk, reference should be made to the paragraph on "Financial risks".

Sub-offices:

the Company has no sub-offices.

Significant events after the reporting date:

reference should be made to the paragraph on "Significant events after the reporting date" below.

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

No further significant events are reported which occurred after the reporting date.

OUTLOOK

The financial year ended 31 March 2025 demonstrated once again the Group's strength in a context of great volatility and uncertainty that was the year just gone. The Group continued its work on the rehabilitation of Maison Lancel, which, for the first time since its acquisition, recorded positive results of operations, and continued along the path to the great enhancement of the Piquadro and The Bridge brands.

In the current economic environment, in which elements of uncertainty and extreme volatility persist, the Group's management believes it will still be able to record higher growth rates than those recorded in the past financial year, by exploiting the distinctive elements of all three brands, and leveraging both research and development, and constant attention to the consumer. The Group's management is therefore confident of achieving improved performance in terms of economic profitability and cash generation, including by counting on the Group's financial and capital strength.

FINANCIAL RISKS

The Piquadro Group's business is generally exposed to a number of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Piquadro Group's financial risks are managed centrally within precise organisational policies which govern the management of the risks and the control of all the transactions which are closely relevant to the composition of financial and/or trade assets and liabilities.

In order to minimise these risks, the Piquadro Group has established control times and methods which allow the Board of Directors to give its approval as to all transactions which bind the Piquadro Group to third-party lenders.

Liquidity risk

The objective of the Piquadro Group is to ensure that it is able to meet its financial obligations at any time, maintaining an adequate level of available cash and diversifying the instruments for raising financial resources by obtaining adequate credit lines.

The Piquadro Group keeps a surplus of credit lines available in order to be able to take up business opportunities that cannot be planned for or in order to cover unexpected cash outflows.

The excess cash is invested temporarily on the money market in transactions that can be liquidated immediately.

The essential tool for the measurement, management and daily monitoring of the liquidity risk is the cash budget, which provides an overview of the liquidity that is always up-to-date. Daily planning and cash flow forecasts are carried out on the basis of this overview.

It is believed that the funds and credit lines currently available, in addition to the cash flow generated by the business, will suffice to meet the Piquadro Group requirements.

Credit risk

The credits of the Piquadro Group, particularly in Italy, are rather fragmented as a result of sales being to a diverse clientele that is made up of leather goods retailers, stationery retailers and international distributors or, through the sales of the DOS channel, end consumers. Receivables outstanding at the end of the financial year were mainly trade receivables, as resulting from the explanatory notes to the statement of financial position to which reference is made.

Historically there have not been any significant or particularly problematic situations regarding the solvency of customers, insomuch as it is the Piquadro Group's policy to sell to customers after assessing carefully their credit rating and therefore remaining within prefixed credit limits, periodically monitoring the situation of expired loans. Accordingly, the credit risk to which the Piquadro Group is exposed is considered to be limited as a whole.

Foreign exchange risk

Foreign exchange risk is the risk that the currency parities could change in an unfavourable way in the period between the moment in which the target exchange rate is defined, that is the date when commitments arise to receive and pay amounts in foreign currency at a future date, and the time at which those commitments become firstly orders and finally turnover (for purchase or sale).

The Piquadro Group pays the contract work done (external production) in US dollars, while wages and salaries relating to the employees of the subsidiary Uni Best Leather Goods Zhongshan Co. Ltd. are paid in Renminbi. The operating costs incurred by the Company and by the Piquadro Group's European subsidiaries are mainly denominated in Euro. The result of this is that the net result of the Piquadro Group is partially affected by the fluctuations of the exchange rate between USD and the Euro and, to a lesser extent, between the Chinese Renminbi and the Euro.

During the financial year ended 31 March 2025, the Parent Company carried out currency (USD) forward purchases in order to hedge expected payments of invoices of foreign subcontractors and of the subsidiary Uni Best Leather Goods Zhongshan Co. Ltd. If these derivative financial instruments have fulfilled all the conditions laid down for the accounting treatment of hedging derivatives (hedge accounting), they are accounted for at fair value against an entry in the Statement of Comprehensive Income.

Interest rate risk

Interest rate risk is the risk of an uncontrolled increase in charges arising from the payment of real floating interest rate on medium- to long-term loans raised by the Piquadro Group.

The purpose of the interest risk management is to limit and stabilise payable flows due to interest paid on such loans. Hedging activities were carried out on every occasion that it was considered useful with regard to the taking out of loans. The Piquadro Group uses derivative financial instruments to hedge the exposure to interest rate risks. However, in cases in which the derivative financial instruments do not fulfil all the conditions laid down for the accounting treatment of hedging derivatives (hedge accounting), these have been accounted for at fair value against an entry in the Income Statement.

The forecast outflows, connected with the repayment of the liability, are determined by making reference to the provisions laid down in the loan agreement (amortisation schedule).

LEGISLATIVE DECREE NO. 231/2001

Starting from June 2008, the Company adopted both the Group's Code of Ethics and the Parent Company's Organisational, management and control model pursuant to Legislative Decree no. 231/2001, with the objective to arrange for a structured and organic system of rules aimed at preventing the possible commission of crimes which entail the administrative liability of the Parent Company.

The Board of Directors, in the application of the regulations in force, has also established a single-member Supervisory Board and appointed Gerardo Diamanti as single member who has been granted the powers and duties under Legislative Decree no. 231/2001.

The organisational, management and control model of Piquadro and the Code of Ethics can be found on the Company's website, www.piquadro.com, in the Section on Investor Relations.

EQUITY INVESTMENTS HELD BY THE MEMBERS OF CORPORATE BODIES

Below is reported the chart containing the equity investments held by the Directors, Statutory Auditors, General Managers, Key Executives and their spouses and minor children in Piquadro S.p.A. and its subsidiaries, which is contained in Section II of the Report on Remuneration prepared pursuant to article 123-ter of Legislative Decree no. 58/1998 and article 84-quater of the Issuers' Regulation, as adopted by CONSOB by Resolution no. 11971 of 14 May 1999, and in accordance with Annex 3A Charts 7-bis and 7-ter of the same Regulation.

For more information, including any information on the fees due to the Directors, Statutory Auditors and Key Executives, reference is expressly made to said Report on Remuneration, which can be found on the Company's website, www.piquadro.com, in the Section on Investor Relations.

First and last name	Position	Investee company	Number of shares owned at the end of the previous financial year	Number of shares purchased/obtained through a stock grant plan	Number of shares sold through a "sell to cover" plan	Number of shares held at the end of the current financial year
Marco Palmieri	Chairman; CEO ⁽¹⁾	Piquadro S.p.A.	31,909,407	5,850	2,637	31,912,620
Pierpaolo Palmieri	Vice-Chairman; Executive Director ⁽²⁾	Piquadro S.p.A.	2,276,801	5,850	2,637	2,280,014
Roberto Trotta	Executive Director	Piquadro S.p.A.	3,000	5,850	2,637	6,213

⁽¹⁾ At the end of the FY 2024/2025, the Chairman of the Board and CEO of Piquadro S.p.A., Marco Palmieri, owned a stake equal to 93.34% of the share capital of Piquadro Holding S.p.A., through Piquadro S.p.A., a company wholly owned by the latter. Piquadro Holding S.p.A., in turn, owns 68.37% of the share capital of Piquadro S.p.A..

⁽²⁾ At the end of the FY 2024/2025, the Executive Director Pierpaolo Palmieri owned a stake equal to 6.66% of the share capital of Piquadro Holding S.p.A., which in turn, owns 68.37% of the share capital of Piquadro S.p.A..

CORPORATE GOVERNANCE AND SELF-REGULATORY CODE

The Company applies the Corporate Governance Code promoted by Borsa Italiana S.p.A, which was approved by the Corporate Governance Committee.

In making use of the right laid down in article 123-*bis*, paragraph 3, of the TUF, the Company has taken steps to prepare the Report on Corporate Governance and ownership structures separately from the Report on Operations. Therefore, as regards the information on the Company's corporate governance system and ownership structures and the application of the Corporate Governance Code, reference should be made to the Report on Corporate Governance and ownership structures that can be found in the Investor Relations Section on the Company's website, www.piquadro.com.

Some of the main information disclosed in the abovementioned Report on Corporate Governance and ownership structures is provided below.

Structure of the Share Capital

The amount of the subscribed and paid-up Share Capital is equal to Euro 1,000,000, divided into 50,000,000 ordinary shares, without any indication of their par value.

Categories of shares making up the Share Capital:

	NO. OF SHARES	% COMPARED TO THE SHARE CAPITAL	LISTED	RIGHTS AND OBLIGATIONS
Ordinary shares	50,000,000	100	STANDARD 1	The shares are registered and confer the right of voting at ordinary and extraordinary shareholders' Meetings, as well as the right to profit sharing.

At the date of this Report, the Chairman of the Board of Directors and CEO of Piquadro S.p.A., Marco Palmieri, owned a stake equal to 93.34% of the Share Capital of Piquadro Holding S.p.A., through Piquabo S.p.A., a company wholly owned by the latter, while the Vice-Chairman of the Board of Directors of Piquadro S.p.A., Pierpaolo Palmieri, owns a stake equal to 6.66% of the Share Capital of Piquadro Holding S.p.A.

Piquadro Holding S.p.A., in its turn, owns 68.37% of the Share Capital of Piquadro.

* * *

Restrictions on the transfer of securities

There are no restrictions on the transfer of securities, such as for example limits on the ownership of securities or the need to obtain approval from the issuer or from other holders of securities.

Significant stakes held in the Capital

At the date of this Report, the significant stakes held in the Capital of the issuer, as resulting from the notices given pursuant to article 120 of the TUF, as supplemented by notices relating to transactions subject to Internal Dealing under Articles 152-*sexies* and ff. of the Issuers' regulation, were the following:

SIGNIFICANT STAKES HELD IN THE CAPITAL			
Declarant	Direct Shareholder	% share on ordinary capital	% share on voting capital
Palmieri Marco	Piquadro Holding S.p.A.	68.4%	68.4%
Quaero Capital SA	Quaero Capital Funds Lux	5.68%	5.68%
Mediobanca S.p.A.	Mediobanca S.p.A.	5.01%	5.01%
Lazard Freres Banque	Lazard Freres Banque	4.06%	4.06%

Securities which confer special rights

The Company has not issued securities which confer special rights of control. Furthermore, it should be noted that the Company's By-Laws do not provide for shares with increased or plural voting rights.

Employee share ownership: exercise of voting rights

There is no employee share ownership system.

Restrictions on voting rights

The By-Laws do not provide for any restrictions on voting rights.

Shareholders' Agreements

At the date of this Report, there were no Shareholders' Agreements pursuant to article 122 of the TUF.

Delegated powers to increase Share Capital and authorisations to purchase treasury shares

As at the reporting date, no delegated powers had been granted to the Board of Directors to increase the share capital in accordance with Article 2443 of the Italian Civil Code.

The Shareholders' Meeting of Piquadro held on 23 July 2024 resolved to authorise a plan for the purchase of the Company's ordinary shares, in one or more instalments, up to the maximum number permitted by law, having regard to the treasury shares held directly and to those held by Subsidiary companies. The authorisation to purchase treasury shares was granted up to the approval of the financial statements at 31 March 2025.

The plan to purchase treasury shares pursues the following objectives:

- (a) to support stabilisation of the stock performance and liquidity, and, in this framework, to acquire the Company's shares at prices lower than their actual value, based on the income prospects of the business, with the consequent enhancement of the Company;
- (b) to establish an "inventory of securities" so that the Issuer may maintain, and dispose of, shares for a possible use of the same as consideration in extraordinary operations, including in exchange of equity investments, with other parties within transactions of interest to the Company itself.

The purchase price of the shares will be identified from time to time, having regard to the method chosen for carrying out the transaction, and in compliance with statutory, regulatory requirements, or accepted market practices, within a minimum and maximum that can be determined according to the following criteria:

- (i) in any case, the minimum consideration for the purchase shall not be less, by 20%, than the reference price that the stock shall have recorded on the trading day prior to every individual transaction;
- (ii) in any case, the maximum consideration for the purchase shall not be higher, by 10%, than the reference price that the stock shall have recorded on the trading day prior to every individual transaction.

Except for the implementation of the distribution plans, with or without payment, of options on shares or shares, which will take place at the prices set in the plans themselves, the consideration for any other sale of treasury shares, which will be set by the Board with the right of sub-delegating powers to one or more Directors, may not be less, by 20% at least, than the reference price that the stock shall have recorded on the trading day prior to every individual transaction.

Purchases may take place according to methods other than those specified above pursuant to Article 132, paragraph 3, of the TUF or other provisions applicable from time to time at the time of the transaction.

The Shareholders' Meeting also authorised the Board to dispose of the treasury shares held, with effect from the date of the resolution of the Shareholders' Meeting on 23 July 2024, without any time limit.

The disposal of the shares may take place according to the most appropriate methods in the interests of the Company, and in any case in accordance with the applicable regulations and the permitted market practices.

Except for the implementation of the distribution plans, with or without payment, of options on shares or shares, which will take place at the prices set in the plans themselves, the consideration for any other sale of treasury shares, which will be set by the Board with the right of sub-delegating powers to one or more Directors, may not be less, by 20% at least, than the reference price that the stock shall have recorded on the trading day prior to every individual transaction.

Piquadro, in accordance with the terms and conditions and according to the procedures set out in the regulations in force, is required to notify the competent Authorities of the transactions of purchase or sale carried out, in terms of number of shares acquired/sold, average price, total number of shares acquired/sold as at the date of the notice and the amount invested on the same date.

As at 13 June 2025, Piquadro S.p.A. held, as a result of the purchases it had carried out, no. 2,769,450 treasury shares, equal to 5.5389% of the share capital while its subsidiaries did not hold any share of the Parent Company.

Clauses of Change of control

Neither Piquadro S.p.A. nor any of its subsidiaries have entered into significant agreements which become effective, are amended or are terminated in case of change of control of the contracting Company.

Indemnity due to the Directors in the case of resignation, dismissal or termination of the relationship following a take-over bid

No agreements have been entered into between the Company and the Directors which provide for indemnities in the case of resignation or dismissal/disqualification without cause or if the employment relationship is terminated following a take-over bid.

The information referred to above is disclosed in the Report on Corporate Governance and ownership structures, which is available in the Investor Relations Section on the website www.piquadro.com.

MANAGEMENT AND COORDINATION ACTIVITY

The Company is not subject to management and coordination activities pursuant to Article 2497 and ff. of the Italian Civil Code. In fact, although under Article 2497-*sexies* of the Italian Civil Code “*it is presumed, unless there is evidence to the contrary, that the activity of management and coordination of Companies is carried out by the Company or an entity that is required to consolidate their financial statements or that controls them in any way pursuant to Article 2359*”, neither Piquubo S.p.A. nor Piquadro Holding S.p.A., i.e. the companies controlling Piquadro S.p.A., carries out management and coordination activities in relation to the Company, in that (i) they do not give instructions to their subsidiary; and (ii) there is no significant organisational/functional connection between these Companies and Piquadro S.p.A.

In addition to directly carrying out operating activities, Piquadro S.p.A., in its turn, also carries out management and coordination activities in relation to the companies it controls, pursuant to Articles 2497 and ff. of the Italian Civil Code.

RELATED-PARTY TRANSACTIONS

In compliance with the CONSOB Regulation on Related Parties, the Board’s meeting held on 18 November 2010 adopted the “Regulation governing transactions with Related Parties”.

On 15 June 2021 the Board of Directors of Piquadro S.p.A. adopted the procedure concerning transaction with related parties, which was also drawn up by taking account of the instructions provided by CONSOB for the application of the new regulations by resolution no. 2164 of 10 December 2020.

This document is available in the Investor Relations Section on the website of Piquadro, www.piquadro.com.

INFORMATION REQUIRED BY ARTICLES 36 AND 39 OF THE MARKETS’ REGULATION

With reference to the “Requirements for listing of shares of Companies controlling Companies established and regulated by the law of States not belonging to the European Union” (“*Condizioni per la quotazione di azioni di Società controllanti Società costituite e regolate dalla legge di Stati non appartenenti all’Unione Europea*”) under Article 36 of the Markets’ Regulation, the Piquadro Group declares that the Group Company as of today that meets the significance requirements under title VI, chapter II, of the Issuers’ Regulation, is the Subsidiary Uni Best Leather Goods Zhongshan Co. Ltd..

Specifically, the Parent Company certifies that, with regard to said subsidiary:

- a) it makes available to the public the Subsidiaries’ accounting positions prepared for the purposes of drawing up the consolidated accounts, including at least the Balance Sheet and the Income Statement. These accounting positions are made available to the public by filing it with the registered office or by publishing it on the website of the Controlling Company;
- b) it gathers from the subsidiaries the by-laws and the composition and powers of the corporate bodies;
- c) it ensures that the subsidiaries: (i) provide the controlling company’s independent auditors with the information they require to conduct their audit of annual and interim accounts of the Controlling Company itself; (ii) are equipped with an administrative and accounting system that is suitable to allow the information on financial data, results of operations and cash flows required for preparing consolidated accounts to be regularly received by the Management and the independent auditors of the controlling company. The controlling company’s control body will timely notify CONSOB and the market management company of any facts and circumstances as a result of which said system would be no longer suitable to satisfy the conditions referred to above.

INFORMATION BY BUSINESS SEGMENTS AND ANALYSIS OF THE PERFORMANCE OF THE PIQUADRO GROUP'S OPERATIONS

In operational terms, the Top Management staff review the Piquadro Group's results of operations based on a breakdown by each brand (Piquadro, The Bridge, Lancel); accordingly, the disclosures under IFRS 8 concerning the Piquadro Group's revenues from sales and reporting segment data are now provided on a brand basis (Piquadro, The Bridge, Lancel).

The table below illustrates the segment data of the Piquadro Group as broken down by brand (Piquadro, The Bridge and Lancel), in relation to the financial years ended 31 March 2025 and 31 March 2024. Economic segment data are monitored by the Company's Management until EBITDA.

<i>(in thousands of Euro)</i>	31 March 2025					31 March 2024				
	Piquadro	The Bridge	Lancel	Total for the Group	% Impact (*)	Piquadro	The Bridge	Lancel	Total for the Group	% Impact (*)
Revenues from sales	79,649	35,109	68,852	183,610	100.0%	81,492	34,124	64,653	180,269	100.0%
Other income	493	1,463	1,290	3,246	1.8%	530	1,464	3,283	5,276	2.9%
Costs for purchases of materials	(12,061)	(1,939)	(20,728)	(34,728)	(18.9%)	(9,564)	(5,649)	(20,112)	(35,325)	(19.6%)
Costs for services and leases and rentals	(34,359)	(19,042)	(23,028)	(76,429)	(41.6%)	(35,170)	(15,071)	(23,600)	(73,841)	(41.0%)
Personnel costs	(17,232)	(7,729)	(17,952)	(42,913)	(23.4%)	(16,290)	(7,377)	(18,886)	(42,554)	(23.6%)
Provisions and write-downs	(378)	(151)	34	(495)	(0.3%)	(524)	(200)	(123)	(847)	(0.5%)
Other operating costs	(408)	(58)	(455)	(921)	(0.5%)	(478)	(60)	(453)	(990)	(0.5%)
EBITDA	15,704	7,654	8,013	31,370	17.1%	19,997	7,230	4,761	31,987	17.7%
Amortisation, depreciation and write-downs of fixed assets				(14,999)	(8.2%)				(17,154)	(9.5%)
Operating profit (loss)				16,371	8.9%				14,833	8.2%
Financial income and costs				(1,106)	(0.6%)				(274)	(0.2%)
Profit (loss) before tax				15,265	8.3%				14,559	8.1%
Income taxes				(3,681)	(2.0%)				(4,031)	(2.2%)
Profit for the year				11,584	6.3%				10,528	5.8%
Net profit (loss) for the Group				11,584	6.3%				10,528	5.8%
<i>Attributable to:</i>										
Parent Company shareholders				11,584	6.3%				10,528	5.8%
Minority interests				0	0%				0	0%

(*) percentage impact compared to total revenues from sales

As a segment analysis of the balance sheet, below are the assets, liabilities and fixed assets broken down by brand (Piquadro, The Bridge and Lancel) in the financial years ended 31 March 2025 and 31 March 2024:

<i>(in thousands of Euro)</i>	31 March 2025				31 March 2024			
	Piquadro	The Bridge	Lancel	Total	Piquadro	The Bridge	Lancel	Total
Assets	102,364	38,645	48,016	189,024	94,271	36,018	49,654	179,943
Liabilities	65,838	25,370	28,980	120,188	56,926	27,859	30,444	115,229
Fixed assets	38,571	9,744	17,306	65,620	32,756	8,746	20,701	62,203

Revenues from sales

Below is a breakdown of revenues from sales by brand and geographical area.

Breakdown of revenues by Brand

The table below reports the Piquadro Group's revenues from sales broken down by brand:

<i>(in thousands of Euro)</i>	Revenues from sales at 31 March 2025	%^(*)	Revenues from sales at 31 March 2024	%^(*)	Change 2025- 2024
PIQUADRO	79,649	43.4%	81,492	45.2%	(2.3)%
THE BRIDGE	35,109	19.1%	34,124	18.9%	2.9%
LANCEL	68,852	37.5%	64,653	35.9%	6.5%
Total	183,610	100.0%	180,269	100.0%	1.9%

(*) Percentage impact compared to revenues from sales

In the financial year ended 31 March 2025 the Piquadro Group recorded, in terms of revenues, a performance increasing by 1.9% compared to the FY 2024/2025. The Piquadro Group recorded in fact net revenues from sales equal to Euro 183,610 thousand compared to Euro 180,269 thousand recorded in the previous year.

Below are the breakdowns of revenues by Brand:

Piquadro

Revenues recorded in the FY 2024/2025 ended 31 March 2025 amounted to Euro 79.6 million, down by (2.3)% compared to the same period ended 31 March 2024. Sales in directly-operated single-brand stores recorded an increase of 0.9% while those in the e-commerce channel grew by 2.2%. Sales in the wholesale channel recorded a decrease of (4.5)%, impacted as they were by the difficulties linked to maritime transport, which caused slowdowns in the supply chain.

Wholesale sales of the Piquadro brand, equal to approximately Euro 46,515 thousand (against Euro 48,694 thousand at 31 March 2024), showed a decrease of approximately (4.5)%. In the European market, which accounted for 30.7% of Piquadro brand sales, growth was 11.5% while in the domestic market, which accounted for 66.0% of Piquadro brand sales, sales showed a decrease of (10.4)%.

In the financial year ended 31 March 2025 the Piquadro Group opened 1 franchise Piquadro-brand shop in Italy, and closed 3 franchise shops in the area of the Rest of the World. As at 31 March 2025, the franchise shops opened were 41.

Revenues from sales achieved in the DOS Channel - which includes sales generated from the e-commerce website of the Piquadro brand - in the financial year ended 31 March 2025 reported growth of about 1.0%, from Euro 32,798 thousand in the financial year ended 31 March 2024 to Euro 33,135 thousand in the financial year ended 31 March 2025. In terms of impact on the total sales of Piquadro-branded products, the values in the DOS channel showed an increase, in percentage terms, compared to those posted in the financial year ended 31 March 2024 (an impact of 41.6% at 31 March 2025 against a percentage of 40.2% in the financial year ended 31 March 2024).

The performance of sales of the Piquadro-branded products in the DOS channel was also due to the following factors:

- (i) a negative SSSG ("Same Store Sales Growth") equal to about (3.5)% in Piquadro-branded shops;
- (ii) opening of 3 new shops in Italy, and 1 new shop in the area of the Rest of the World, during the financial year ended 31 March 2024, which contributed approximately Euro 2.9 million to the channel's turnover for 12 months in the financial year ended 31 March 2025 (Euro 1.4 million at 31 March 2024);

- (iii) closure of 2 shops in the area of the Rest of the World during the financial year ended 31 March 2025, which had contributed approximately Euro 0.4 million to the turnover for the financial year ended 31 March 2024;
- (iv) opening of 1 new shop in Italy, and 1 new shop in the area of the Rest of the World during the financial year ended 31 March 2025, which had contributed approximately Euro 0.3 million to the turnover of the channel;
- (v) closure of 2 DOSs in Europe during the financial year ended 31 March 2025, which had contributed approximately Euro 0.2 million to the turnover for the financial year ended 31 March 2024;
- (vi) an increase of about Euro 90 thousand in e-commerce sales compared to the previous year.

The Bridge

Revenues from sales achieved by The Bridge brand in the FY 2024/2025 ended 31 March 2025 amounted to Euro 35.1 million, up by 2.9% compared to the same period ended 31 March 2024. Sales reported an increase of 2.3% in the wholesale channel and of 3.7% in the DOS channel, which also includes the e-commerce website.

The sales of The Bridge-branded products in the Wholesale channel amounted to about Euro 20,443 thousand (against Euro 19,981 thousand at 31 March 2024), showing an increase of about 2.3%. The growth on the domestic market was equal to 1.5% while sales showed an increase of 3.7% in foreign markets.

Revenues from sales achieved by The Bridge brand in the DOS Channel - which includes sales generated from the e-commerce website of The Bridge brand - in the financial year ended 31 March 2025 recorded an increase of 3.7%, from Euro 14,143 thousand in the financial year ended 31 March 2024 to Euro 14,666 thousand in the financial year ended 31 March 2025.

The performance of sales of The Bridge-branded products in the DOS channel was also due to the following factors:

- (i) a positive SSSG (“Same Store Sales Growth”) equal to about 3.8% in The Bridge-branded shops;
- (ii) opening of 1 new shop in Italy during the financial year ended 31 March 2024, which contributed about Euro 0.5 million to the turnover of channel for 12 months in the financial year ended 31 March 2025 (Euro 0.2 million at 31 March 2024);
- (iii) a decrease of about Euro 0.2 million in e-commerce sales compared to the previous year.

Lancel

Revenues from sales achieved by the Lancel brand in the FY 2024/2025 ended 31 March 2025 amounted to Euro 68.9 million, up by 6.5% compared to the same period ended 31 March 2024. Sales in the wholesale channel recorded an increase of 2.8% while the DOS channel, which also includes the e-commerce website, recorded an increase of 7.5%.

The sales of Lancel-branded products in the Wholesale channel amounted to about Euro 14,071 thousand (against Euro 13,693 thousand at 31 March 2024), showing an increase of about 2.8%.

Revenues from sales achieved by the Lancel brand in the DOS Channel – including sales generated from the e-commerce website of the Lancel brand – recorded an increase of 7.5%, from Euro 50,961 thousand in the financial year ended 31 March 2024 to Euro 54,780 thousand in the financial year ended 31 March 2025.

The performance of sales of Lancel-branded products in the DOS channel was also due to the following factors:

- (i) a positive SSSG (“Same Store Sales Growth”) equal to about 12.8% in Lancel-branded shops;
- (ii) closure of 6 DOSs in the financial year ended 31 March 2024 (4 in France, and 2 in China), which had contributed about Euro 0.8 million to the turnover at 31 March 2024;
- (iii) closure of 8 DOSs (1 in France, 1 in Europe and 6 in China) in the financial year ended 31 March 2025, which led to a reduction of about Euro 0.7 million in turnover compared to the financial year ended 31 March 2024;
- (iv) a decrease in e-commerce sales equal to about Euro 0.1 million compared to the previous year.

Breakdown of revenues by geographical area

The geographical areas in which the Piquadro Group operates, as defined by the Management staff as a secondary segment of segment reporting, have been defined as Italy, Europe and Rest of the World.

The table below shows the breakdown of net revenues by geographical area (in thousands of Euro):

<i>(in thousands of Euro)</i>	Revenues from sales 31 March 2025	%^(*)	Revenues from sales 31 March 2024	%^(*)	% Change 2025-2024
Italy	84,275	45.9%	86,112	47.8%	(2.1%)
Europe	93,438	50.9%	87,030	48.3%	7.4%
Rest of the World	5,896	3.2%	7,127	4.0%	(17.2%)
Total	183,610	100.0%	180,269	100.0%	1.9%

(*) Percentage impact compared to revenues from sales

From a geographical point of view, at 31 March 2025 the Piquadro Group recorded a turnover of Euro 84.3 million on the Italian market, equal to 45.9% of the Group's total turnover (47.8% of consolidated sales at 31 March 2024), showing a decrease of 2.1% compared to the same period of the FY 2023/2024.

In the European market, at 31 March 2025 Group recorded a turnover of Euro 93.4 million, equal to 50.9% of consolidated sales (48.3% of consolidated sales at 31 March 2024), showing an increase of 7.4% compared to the same period of the FY 2023/2024 (+7.5% at constant exchange rates).

In the non-European geographical area (named "Rest of the World"), the Piquadro Group recorded a turnover of Euro 5.9 million, equal to 3.2% of consolidated sales, down by about Euro 1.2 million compared to the same period of the FY 2023/2024. The decrease was largely attributable to market trends in the non-European region, and the closure of the Maison Lancel shops in China, which accounted for approximately Euro 600 thousand.

Other income

The table below reports the Piquadro Group's other revenues broken down by brand (Piquadro, The Bridge and Lancel), in relation to the financial years ended 31 March 2025 and 31 March 2024.

<i>(in thousands of Euro)</i>	31 March 2025					31 March 2024					% Change
	Piquadro	The Bridge	Lancel	Total for the Group	% Impact^(*)	Piquadro	The Bridge	Lancel	Total for the Group	% Impact^(*)	
Charge-back of transport and collection costs	99	0	0	99	0.05%	100	0	0	100	0.06%	(1.7%)
Insurance and legal refunds	10	0	4	15	0.01%	11	0	52	63	0.04%	(76.9%)
Other sundry Income	385	1,463	1,285	3,133	1.71%	418	1,464	3,231	5,112	2.84%	(38.7%)
Total Other income	493	1,463	1,290	3,246	1.77%	530	1,464	3,283	5,276	2.93%	(38.5%)

(*) Percentage impact compared to revenues from sales.

In the financial year ended 31 March 2025 other income showed a decrease of 38.5% from Euro 5,276 thousand in the financial year ended 31 March 2024 to Euro 3,246 thousand in the financial year ended 31 March 2025.

The Lancel brand recorded the sale of two Key-Money of the Rond Point and Biarritz stores for a total of about Euro 2,500 thousand during the financial year ended 31 March 2024.

Consumption of materials

The table below reports the Piquadro Group's costs for consumption of materials, net of changes in inventories, broken down by brand (Piquadro, The Bridge, Lancel).

	31 March 2025					31 March 2024						
	(in thousands of Euro)	Piquadro	The Bridge	Lancel	Total for the Group	% Impact (*)	Piquadro	The Bridge	Lancel	Total for the Group	% Impact (*)	% Change
Costs for consumption of materials		12,061	1,939	20,728	34,728	18.9%	13,428	1,785	20,112	35,325	19.6%	(1.7%)
Total Costs for consumption of materials		12,061	1,939	20,728	34,728	18.9%	13,428	1,785	20,112	35,325	19.6%	(1.7%)

(*) Percentage impact compared to revenues from sales.

The change in consumption, which showed a decrease of 1.7%, must be read together with the change in third-party manufacturing and production services, as specified in the item “Costs for services and leases and rentals” and relating to production costs.

Costs for services and leases and rentals

The table below reports the Piquadro Group’s costs for services and leases and rentals broken down by brand (Piquadro, The Bridge and Lancel), for the financial years ended 31 March 2025 and 31 March 2024.

	31 March 2025					31 March 2024						
	(in thousands of Euro)	Piquadro	The Bridge	Lancel	Total for the Group	% Impact (*)	Piquadro	The Bridge	Lancel	Total for the Group	% Impact (*)	% Change
Costs for leases and rentals		2,326	476	10,971	13,773	7.5%	2,538	357	9,801	12,695	7.0%	8.5%
Advertising and marketing		5,043	1,498	3,491	10,032	5.5%	4,231	1,669	4,829	10,729	6.0%	(6.5%)
Third-party manufacturing and production services		14,483	12,774	2,518	29,775	16.2%	13,421	12,519	2,416	28,357	15.7%	5.0%
Administrative/Commercial/Transport services		12,507	4,294	6,048	22,849	12.4%	11,115	4,390	6,555	22,060	12.2%	3.6%
Total Costs for services and leases and rentals		34,359	19,042	23,028	76,429	41.6%	31,305	18,936	23,600	73,841	41.0%	3.5%

(*) Percentage impact compared to revenues from sales

As at 31 March 2025 costs for services and leases and rentals showed an increase of 3.5% compared to the previous year. The increase in third-party manufacturing and production services is linked, in particular, to higher logistics costs, and higher production volumes, due to their impact on the costs’ variable component. The increase in costs for leases and rentals was mainly related to higher revenues in the DOS channel due to their impact on the variable component of rents. Percentage impact on revenues from sale increased from 41.0% in the financial year ended 31 March 2024 to 41.6% in the financial year ended 31 March 2025.

Personnel costs

The table below reports the Piquadro Group’s personnel costs broken down by brand (Piquadro, The Bridge and Lancel), for the financial years ended 31 March 2025 and 31 March 2024.

	31 March 2025					31 March 2024						
	(in thousands of Euro)	Piquadro	The Bridge	Lancel	Total for the Group	% Impact (*)	Piquadro	The Bridge	Lancel	Total for the Group	% Impact (*)	% Change
Wages and salaries		13,061	5,902	13,257	32,220	17.5%	12,320	5,662	13,983	31,964	17.7%	0.8%
Social security contributions		3,315	1,482	3,696	8,493	4.6%	3,180	1,393	3,882	8,455	4.7%	0.5%

Employee Severance Pay	856	345	999	2,199	1.2%	790	323	1,022	2,135	1.2%	3.0%
Total Personnel costs	17,232	7,729	17,952	42,913	23.4%	16,290	7,377	18,886	42,554	23.6%	0.8%

(*) Percentage impact compared to revenues from sales

The table below reports the exact number of staff employed by the Piquadro Group at 31 March 2025 and 31 March 2024:

	31 March 2025	31 March 2024
Executives	9	9
Office workers	740	789
Manual workers	245	241
Total for the Group	994	1,039

In the financial year ended 31 March 2025, personnel costs stood at Euro 42,913 thousand, up compared to the financial year ended 31 March 2024 (equal to Euro 42,554 thousand). Percentage impact on revenues from sales decreased by 23.6% in the financial year ended 31 March 2024 to 23.4% in the financial year ended 31 March 2025.

Amortisation, depreciation and write-downs of fixed assets

The table below reports the Piquadro Group's costs for amortisation and depreciation for the financial years ended 31 March 2025 and 31 March 2024:

<i>(in thousands of Euro)</i>	31 March 2025	(*) %	31 March 2024	(*) %	% Change
Amortisation of intangible assets	969	0.5%	1,655	0.9%	(41.5%)
Amortisation and depreciation of Right-of-use assets	10,965	6.0%	11,247	6.2%	(2.5%)
Depreciation of property, plant and equipment	2,717	1.5%	3,256	1.8%	(16.5%)
Impairment losses of assets	349	0.2%	997	0.6%	(65.0%)
Total amortisation, depreciation and write-downs of fixed assets	14,999	8.2%	17,154	9.5%	(12.6%)

(*) Percentage impact compared to revenues from sales.

In the financial year ended 31 March 2025 amortisation, depreciation and write-downs reported a decrease of 12.6%, from Euro 17,154 thousand in the financial year ended 31 March 2024 to Euro 14,999 thousand in the financial year ended 31 March 2025, of which Euro 969 thousand related to amortisation of intangible assets, Euro 10,965 thousand related to Right-of-use Assets, Euro 2,717 thousand related to property, plant and equipment, and Euro 349 thousand related to the write-downs of fixed assets.

The table below reports the Piquadro Group's provisions for the financial years ended 31 March 2025 and 31 March 2024:

<i>(in thousands of Euro)</i>	31 March 2025					31 March 2024					
	Piquadro	The Bridge	Lancel	Total for the Group	% Impact (*)	Piquadro	The Bridge	Lancel	Total for the Group	% Impact (*)	% Change
Provisions	378	151	(34)	495	0.3%	524	200	123	847	0.5%	(41.6%)
Total Provisions	378	151	(34)	495	0.3%	524	200	123	847	0.5%	(41.6%)

(*) Percentage impact compared to revenues from sales

The amount of Euro 495 thousand in the financial year ended 31 March 2025 (Euro 847 thousand in the financial year ended 31 March 2024) relates to the provision for bad debts, classified under “amortisation, depreciation and write-downs”.

Other operating costs

The table below reports the Piquadro Group’s other operating costs broken down by brand (Piquadro, The Bridge and Lancel), for the financial years ended 31 March 2025 and 31 March 2024:

<i>(in thousands of Euro)</i>	31 March 2025					31 March 2024					
	Piquadro	The Bridge	Lancel	Total for the Group	% Impact (*)	Piquadro	The Bridge	Lancel	Total for the Group	% Impact (*)	% Change
Taxes other than income taxes	280	58	271	609	0.33%	246	60	377	682	0.38%	(10.7%)
Donations	127	0	50	177	0.10%	232	0	40	272	0.15%	(34.9%)
Credit losses	0	0	134	134	0.07%	0	0	36	36	0.02%	273.7%
Total Other operating costs	408	58	455	921	0.50%	478	60	453	990	0.55%	(7.0%)

(*) Percentage impact compared to revenues from sales

As at 31 March 2025 other operating costs amounted to Euro 921 thousand, in line with the previous year.

EBITDA and operating profit (loss)

The table below reports the data relating to the EBITDA, broken down by brand (Piquadro, The Bridge, Lancel), and to the Piquadro Group’s operating profit (loss), for the financial years ended 31 March 2025 and 31 March 2024:

<i>(in thousands of Euro)</i>	31 March 2025	% Impact (*)	31 March 2024	% Impact (*)	Change 2025-2024	% Change
EBITDA	31,370	17.1%	31,987	17.7%	(617)	(1.9%)
Breakdown by brand:						
Piquadro	15,704	8.6%	19,997	11.1%	(4,293)	(21.5%)
The Bridge	7,654	4.1%	7,230	4.0%	424	5.9%
Lancel	8,013	4.4%	4,761	2.6%	3,252	68.3%
Operating profit (loss)	16,371	8.9%	14,833	8.2%	1,537	10.4%

(*) Percentage impact compared to revenues from sales.

Specifically, EBITDA decreased from Euro 31,987 thousand (17.7% of revenues) in the financial year ended 31 March 2024 to Euro 31,370 thousand (17.1% of revenues) in the financial year ended 31 March 2025; the operating profit increased from Euro 14,833 thousand (8.2% of revenues) in the financial year ended 31 March 2024 to Euro 16,371 thousand (8.9% of revenues) in the financial year ended 31 March 2025, and was affected by the effects arising from the adoption of IFRS 16, and the write-downs made on the assets relating to the stores.

Adjusted EBITDA posted a positive value of Euro 19,262 thousand, in line with the result recorded in the financial year ended 31 March 2024, when it was equal to Euro 19,622 thousand.

Financial income and costs

The table below reports the Group's financial income and costs for the financial years ended 31 March 2025 and 31 March 2024:

<i>(in thousands of Euro)</i>	31 March 2025	% Impact (*)	31 March 2024	% Impact (*)	Change 2025- 2024	% Change
Financial income	1,254	0.7%	1,824	1.0%	(570)	(31.3)%
Financial costs	(2,360)	(1.3)%	(2,098)	(1.1)%	(262)	12.5%
Total	(1,106)	(0.6)%	(274)	(0.1)%	(832)	303.6%

(*) Percentage impact compared to revenues from sales.

This item includes the total of interest expense, commissions and net charges payable to banks and to other lenders and the effect of exchange fluctuations (gains and losses, both realised and estimated), in addition to financial costs as a result of the adoption of IFRS 16.

Net financial income and costs recorded an increase compared to the financial year ended 31 March 2024, from Euro (274) thousand in the previous financial year to Euro (1,106) thousand in the financial year ended 31 March 2025.

The change in financial income at 31 March 2025 compared to 31 March 2024 was mainly attributable to higher foreign exchange gains, both realised and estimated, for Euro 113 thousand (about Euro 761 thousand at 31 March 2025 against Euro 648 thousand at 31 March 2024), lower bank interest income for Euro (204) thousand (about Euro 439 thousand at 31 March 2025 compared to Euro 643 thousand at 31 March 2024), lower interest income from customers for Euro (87) thousand (approximately Euro 33 thousand at 31 March 2025 compared to Euro 120 thousand at 31 March 2024), and for loss of financial income related to the reduction of the Earn Out debt to Richemont, amounting to Euro 406 thousand at 31 March 2024.

The change in financial costs at 31 March 2025 compared to 31 March 2024 was attributable, in particular, to higher financial costs on loans for Euro 302 thousand (about Euro 661 thousand at 31 March 2025 against about Euro 359 thousand at 31 March 2024).

Income taxes

The table below reports the percentage impact of taxes on the profit before tax for the financial years ended 31 March 2025 and 31 March 2024:

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Profit (loss) before tax	15,265	14,559
Income taxes	(3,681)	(4,031)
Average tax rate	24.1%	27.7%

The decrease in average tax rate compared to the previous year was linked to the benefit arising from the recognition of the Patent Box. The Piquadro Group does not proceed with the allocation of deferred tax assets on losses of foreign subsidiaries, based on the results expected from long-term plans, which are also used for the purposes of impairment tests.

The table below reports the breakdown of the Piquadro Group's taxes for the financial years ended 31 March 2025 and 31 March 2024:

<i>(in thousands of Euro)</i>	31 March 2025	% Impact (*)	31 March 2024	% Impact (*)
IRES tax and income tax for foreign subsidiaries	(2,887)	(1.6)%	(2,725)	(1.5)%
IRAP tax	(618)	(0.3)%	(789)	(0.4)%
Deferred tax liabilities	(39)	(0.1)%	105	0.1%
Deferred tax assets	(125)	(0.1)%	(6)	(0.0)%
Tax relating to previous years	(12)	(0.0)%	(616)	(0.3)%
Total income tax	(3,681)	(2.0)%	(4,031)	(2.2)%

(*) Percentage impact compared to revenues from sales.

Income taxes decreased from Euro 4,031 thousand in the financial year ended 31 March 2024 to Euro 3,681 thousand in the financial year ended 31 March 2025 as a result of various dynamics described in the explanatory notes.

Current taxes (IRES [*Imposta sul Reddito delle Società*, Corporate Income] and IRAP [*Imposta Regionale sulle Attività Produttive*, Local Production Activity] taxes for the Parent Company and the Italian subsidiaries and the equivalent income taxes for foreign subsidiaries) relate to the tax burden calculated on the respective taxable bases. The Piquadro Group adopted the IRES tax consolidation by a deed dated 12 September 2017, which includes Piquadro S.p.A. (Parent Company) and The Bridge S.p.A., without any expiry and subject to termination.

Under Legislative Decree no. 209 of 27 December 2023, the Italian Government implemented the regulations governing the Global Minimum Tax laid down in Directive (EU) 2022/2523 with effect from 1 January 2024.

The Company does not fall within the scope of application of these regulations since it is part of the corporate group headed by Piquadro S.p.A. (which, for the purposes of these regulations, qualifies as the controlling parent company) with reference to which the size thresholds provided for in Article 10 of Legislative Decree no. 209/2023 are not exceeded.

Net profit (loss)

The table below reports the net profit (loss) for the period for the financial years ended 31 March 2025 and 31 March 2024:

<i>(in thousands of Euro)</i>	31 March 2025	% Impact (*)	31 March 2024	% Impact (*)
Net profit/(loss)	11,584	6.2%	10,528	5.7%
<i>Attributable to:</i>				
Equity holders of the Parent Company	11,584	100%	10,528	100%
Minority interests	0	0%	0	0%

(*) Percentage impact compared to revenues from sales.

The net profit (loss) for the financial year ended 31 March 2025 recorded an improvement of Euro 1,056 thousand from Euro 10,528 thousand in the financial year ended 31 March 2024 to Euro 11,584 thousand in the financial year ended 31 March 2025. In the financial year ended 31 March 2025 the percentage impact on revenues from sales was equal to 6.2% (equal to 5.7% at 31 March 2024). As in the financial year ended 31 March 2024, no result attributable to minority interests was reported in the financial year ended 31 March 2025.

Silla di Gaggio Montano (BO), 16 June 2025

FOR THE BOARD OF DIRECTORS





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MESSAGE FROM THE CHAIRMAN

The past year once again bore witness to the robustness of our Group asked to operate in an unstable and uncertain business climate. The solidity of our business model has enabled us to adapt to changing market conditions while maintaining a special focus on sustainability issues. We have therefore incorporated into our activities, actions, such as the use of certified materials, supply chain traceability, the reduction of our carbon footprint, as well as placing a special focus, in general, on topics related to sustainable development and environmental and social responsibility, increasing the attention given to the interrelationship between governance and the sustainability targets for the Group's operations, without diminishing our ongoing commitment to creativity, performance and quality excellence.

Our Group has always taken its cue from values of integrity, fairness and transparency, as well as an unrivalled enthusiasm for work, quality and manufacturing. We are increasingly aware of the importance of people, the Group's true capital, and their skills, as well as respect for environmental values, communities and the local area. For this reason, we will continue to strive to ensure the sustainability of the company's operating ethos by adopting models of conduct that show a deep respect for all concerned. This commitment is embodied in actions for enhancing diversity and inclusion, in projects promoting the local area and its mountain community and in actions to protect the environment through ecological manufacturing, energy efficiency and reduced emissions, as well as the use of natural resources.

We believe that it is now our responsibility to become promoters of sustainable innovation and, therefore, drivers of a cultural shift that, while enabling a profitable enterprise to flourish, prioritising respect for the environment and social progress in order to guarantee a future for the next generations, a commitment that starts with product design while embracing individual outlooks.

Marco Palmieri



Chairman and Chief Executive Officer

ESRS 2 GENERAL DISCLOSURES

METHODOLOGICAL NOTE

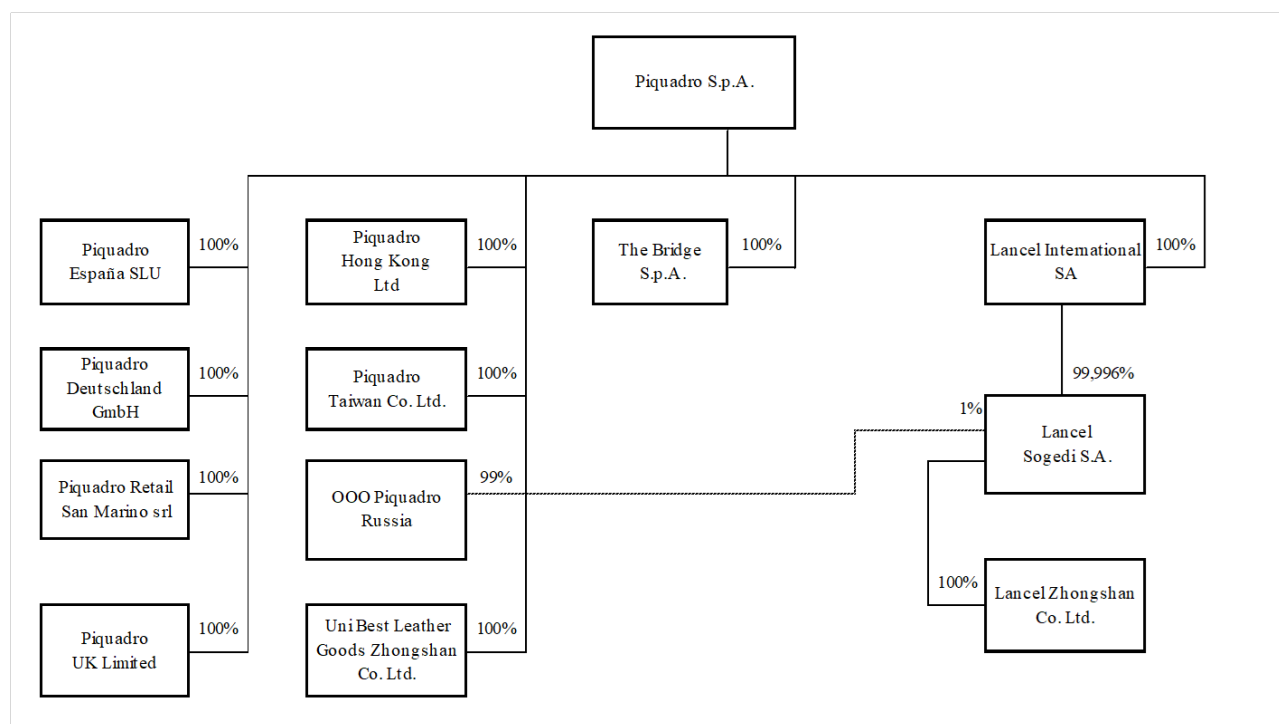
General basis for preparation

This Consolidated Sustainability Statement as of 31 March 2025 represents first-time reporting adopting ESRS of the Piquadro Group (hereafter also "the Group") in accordance with Italian Legislative Decree no. 125 of 6 September 2024, which transposes Directive 2022/2464/EU (Corporate Sustainability Reporting Directive – CSRD), and the European Sustainability Reporting Standards (ESRS).

The statement has been prepared according to the general requirements of materiality, faithful representation, comparability, comprehensibility, and verifiability, as required by ESRS 1.

Reporting boundary

The scope of the economic-financial information and social, environmental and governance data contained in this Consolidated Sustainability Statement coincides with the scope of the Group's Consolidated Financial Statements as of 31 March 2025, as shown in the table below.



The Group holds no other interests in undertakings than those that have been fully consolidated as listed above and, therefore, no additional entities exist to which the notion of operational supervisory may be applied pursuant to ESRS.

Value chain inclusion

In line with the double materiality assessment conducted, reporting includes disclosures for the entire Group value chain, including both upstream (e.g., suppliers) and downstream (e.g., distribution and product usage) players. Specifically, the following factors were included:

- Material impacts, risks, and opportunities (IROs,) in the Group's value chain as a result of the double materiality assessment.
- Material corporate policies, where available.
- Metrics for indirect greenhouse gas emissions only (Scope 3), in line with the requirements of ESRS E1-6.

Omission of disclosures

The Group has not used the option of omitting specific disclosures corresponding to intellectual property, know-how, or innovation outcomes; moreover, it has not used the exemption option regarding the disclosure of information concerning imminent developments or matters under negotiation.

Time horizons

In defining the time horizons, shown below, the Group only used those identified in ESRS 1, section 6.4.

- Short term: period adopted by the Group as a reporting period, i.e., one year.
- Medium term: between 1 and 5 years.
- Long term: more than 5 years.

It should also be noted that, since this is the first year of reporting, it is not possible to identify changes in the preparation and presentation of sustainability disclosures.

Use of estimates and uncertainty in value chain data

It should be noted that the quantitative information for Scope 3 emissions is based on estimates marked by a material degree of uncertainty. These estimates are clearly described in the section "Greenhouse gas emissions" which details the methods used, the level of accuracy obtained and, where applicable, the actions planned to improve data quality.

Adoption of transitional provisions

In accordance with section 136 of the ESRS 1 and the provisions of Appendix C, the Group has used the transitional measures provided for first-time adoption of the CSRD. Specifically, no comparative data have been presented for the previous year and disclosure of certain information will be gradually introduced in the coming years, according to legislative requirements. Disclosures subject to transitional measures are clearly shown in the List of disclosure requirements available in the Appendix, which also lists disclosure items arising out of other EU legislation.

Materiality threshold of monetary amounts linked to actions

The Group has identified transactions exceeding EUR 600 thousand as financially material.

BUSINESS MODEL AND STRATEGY

The Piquadro Group

The Piquadro Group operates in the leather goods and fashion accessories sector through three distinctive brands – Piquadro, The Bridge and Lancel – which cover complementary market segments and occupying a mid-high and premium positioning. Listed on the Euronext STAR Milan segment of Borsa Italiana, the Italian Stock Exchange, the Group adopts an integrated model that combines in-company and outsourced manufacturing activities, a multi-channel distribution network and a strong direct control of strategic areas such as design, marketing, quality control and innovation.

The Group's activities are developed along the entire value chain, from product design and development to distribution to the end consumer, with the aim of offering articles that combine aesthetics, functionality, and durability, in compliance with the principles of social and environmental responsibility.

Products, markets, and sustainability strategy

The Group's product portfolio includes bags, backpacks, luggage, travel accessories, small leather goods and business items. Each brand has a clear identity: Piquadro targets the modern professional with technical and functional products; The Bridge offers an artisanal and elegant vision and an expression of Tuscan tradition; Lancel embodies Parisian style with collections targeting a predominantly female target group.

The Group operates in the main European markets, with a focus on Italy, France, Germany and Spain, and an expanding presence in non-European markets through e-commerce and selective partnerships. Distribution channels include own-brand stores, franchising and wholesale, and digital channels.

The Group's strategy is progressively integrating environmental and social aspects in product design and process management, through targeted actions focusing on eco-design, traceability, use of certified materials, sustainable packaging and repairability and durability. The main challenges concern supply chain optimisation, the reduced carbon footprint and evolution towards responsible consumption models. In this context, stakeholder engagement plays a critical role in aligning expectations and adopting sustainable practices along the value chain.

It should also be noted that, in accordance with current legislation, the Group is subject to a maximum quantitative threshold for the sale of products in Russia, beyond which export would be banned, as luxury goods are subject to trade restrictions imposed by the European Union within the sanctions framework adopted against the Russian Federation.

Geographical breakdown of workforce

On the reporting date of March 31, 2025, the Piquadro Group had a total workforce of 994 employees. The geographical breakdown reflects the operational and commercial structure of the Group, with a consolidated presence in Italy and in the main European markets, as well as a significant organisation in non-European countries.

	2024/25
Italy	433
Europe	354
Rest of the World	207
Total	994

Revenue by Operating Sector

The Piquadro Group presents sector-related disclosures based on the three reference brands – Piquadro, The Bridge and Lancel – in line with the provisions of IFRS 8. This breakdown reflects the management structure and the ways in which Top Management monitors the economic performance of individual brands.

During reporting period year ends 31 March 2025, the Group reported consolidated sales revenue exceeding €183 million, showing the following breakdown by brand:

Revenue breakdown by brand (€/000)	2024/25
Piquadro	79,649
The Bridge	35,109
Lancel	68,852
Total	183,610

Value Chain

The Piquadro Group adopts an integrated and flexible model, which combines in-company manufacturing with a qualified network of outsourced suppliers, in order to oversee the critical stages of the supply chain and maintain high standards of quality, innovation and sustainability. The management of the value chain reflects the specific features of the Group's three brands, and it has been developed along three main lines own manufacturing and downstream.

With regard to its own operations, The Bridge is the only Group brand to have in-company manufacturing located in Italy, mainly for manufacturing its own products and lines for the Lancel brand. Subsidiary The Bridge S.p.A. directly manages manufacturing, distribution, and marketing operations, with a strongly artisanal footprint and a deep-rooted local area presence.

A material portion of Piquadro-branded leather goods and professional briefcases is manufactured at the Zhongshan plant, in Guangdong province (China), managed by subsidiary Uni Best Leather Goods Zhongshan Co. Ltd. This

facility, which manufactures exclusively for the Group, covers about a third of total Piquadro brand manufacturing. The remaining part is outsourced to external suppliers selected based on requirements of quality, reliability, and compliance with the Group's ethical and environmental values. Such suppliers are primarily located in China, Hong Kong, India, the Czech Republic, and Bulgaria. Outsourced manufacturing is implemented based on engineered prototypes provided by the Group, which directly controls quality using dedicated resources.

Upstream of the value chain, the supply of raw materials involves suppliers of leather, technical fabrics, plastics, and metal components, many of which in turn depend on complex supply chains based on the extraction or cultivation of natural resources. The Group is committed to the progressive traceability of critical supply chains and the introduction of minimum environmental and social requirements in supply contracts, in line with industry best practices.

Downstream, distribution takes place through an omnichannel model that includes direct points of sale, a franchise network and e-commerce platforms for the three brands. The direct channel represents primary control of brand values and customer experience. The relationship with end consumers extends beyond the time of purchase, through after-sales services, engagement activities and awareness of product durability and proper end-of-life management, including reuse and recycling.

Link with the local area and shared value

The link with the local area represents an aspect of the identity of the Piquadro Group, rooted in its corporate history and, namely, the areas where the Parent Company is established, like the Tuscan-Emilian Apennines.

The Group has made several donations to no-profit organisations and local associations committed to promoting social projects, civil protection and enhancing the local area. The main actions include support for projects to recover and protect cultural heritage, participation in educational programmes, participation in prevention campaigns and support for people living in conditions of economic and social fragility. In line with actions taken in previous years, the Group has also maintained its commitment to the community of Lizzano in Belvedere, participating in solidarity and inclusion actions, including sponsoring summer camps for children suffering from chronic disorders.

The most recent actions include, the contribution to solidarity and active prevention projects such as support for volunteer firefighters, support for social programmes addressing care for the local area and people in difficulty, such as the Agriconcursa project, aimed at promoting social farming courses, and donations to entities that promote the wellbeing of children and access to digital tools in small municipalities.

The Lancel brand has reinforced its commitment to supporting education and social inclusion in France, through its contribution to projects promoted by institutions, such as the Fondation Institut Français de la Mode, supporting access to studies for young talents, and participation in philanthropic programmes coordinated by the Fondation de France.

To complete the picture, the role played by the Palmieri Family Foundation, established in 2009 by the family that owns the Group, is worthy of note. Although not formally part of the corporate structure, the Foundation is an expression of the same awareness of social issues and aims to enhance diversity and inclusion through educational and entrepreneurial projects. One of its aims is to support the study, training, research, and employment of people experiencing hardship. With this in mind, the Foundation collaborates with local no-profit organisations, with the aim of promoting programmes supporting autonomy for people with disabilities and stimulating the creation of innovative projects with a strong social impact, such as the "Less is More" competition and the "Happy Box" project.

Stakeholder engagement

The Piquadro Group recognises the importance of the structured and continuous engagement of its stakeholders as an essential factor for the sustainable development of its business model and for reinforcing its corporate strategy. The active exchange with stakeholders enables useful information to be collected for identifying material impacts, risks, and opportunities, contributing to enhancement of product quality, management of business relationships and environmental and social performance.

As part of the materiality assessment process, the Group updated the stakeholder mapping by identifying the main categories of interlocutors: employees, customers, suppliers, institutions and regulatory bodies, trade unions,

communities and local areas, shareholders and lenders, media and opinion leaders, trade associations, franchisees, and distributors. For each category, the main topics of interest and dialogue channels were defined, through tools such as in-company climate investigations, surveys, customer service, direct meetings, and participation in industry meetings.

Engagement is organised in a differentiated way according to the categories of stakeholders, using both corporate channels, such as meetings and corporate communications, and more direct and operational listening tools, with the aim of ensuring effective understanding of the expectations and demands that have come to light. The findings of engagement were incorporated into the double materiality assessment process and contributed to defining the ESG strategic priorities.

Stakeholder	Topics	Dialogue channels
Employees	<ul style="list-style-type: none"> Employee wellbeing Occupational health and safety Equal opportunities Organisation and Management Model and Code of Ethics 	<ul style="list-style-type: none"> In-company climate survey Communication by top corporate management Corporate Intranet Survey for double materiality assessment
Customers	<ul style="list-style-type: none"> Customer satisfaction Innovation Product quality 	<ul style="list-style-type: none"> Website Assessment of customer satisfaction <i>Customer Service</i> <i>Showroom</i> Survey for double materiality assessment
Suppliers	<ul style="list-style-type: none"> Quality of supplied products Continuity of supply relationship Development of partnerships 	<ul style="list-style-type: none"> Ongoing and direct contact Trade fairs <i>Showroom</i> Survey for double materiality assessment
Institutions and regulatory entities	<ul style="list-style-type: none"> Compliance with laws and regulatory provisions Adoption of industry recommendations and "best practices" 	<ul style="list-style-type: none"> Reports and Financial Statements Regular information flows <i>Meetings</i> Press Releases
Trade Union organisations	<ul style="list-style-type: none"> Corporate Welfare Collective bargaining agreements 	<ul style="list-style-type: none"> Meetings and direct exchange with trade union representatives
Community and local area	<ul style="list-style-type: none"> Support for social projects Support for employment 	<ul style="list-style-type: none"> Local projects: Website
Shareholders and lenders	<ul style="list-style-type: none"> Market-directed transparency Financial soundness and sustainability Economic performance 	<ul style="list-style-type: none"> Participation in the company's Board Shareholders' Meetings Reports and Financial Statements <i>Investor Conference</i> Press Releases Website
Media and opinion leaders	<ul style="list-style-type: none"> Transparency Group business strategy Product communication Group economic results 	<ul style="list-style-type: none"> Website Marketing campaigns Press Releases <i>Showroom</i>
Trade associations	<ul style="list-style-type: none"> Representation of industry interests Training and information 	<ul style="list-style-type: none"> Corporate website Participation in groups, working groups and technical committees
Franchisees and distributors	<ul style="list-style-type: none"> Relationship continuity Development of partnerships 	<ul style="list-style-type: none"> Website Direct contact <i>Showroom</i>

The administrative, management and supervisory bodies are regularly informed on the findings of stakeholder engagement, specifically, via the activities of the Board Committees and through periodic in-company reporting, in order to ensure that strategic decisions take into account the most material issues for the Group and its interlocutors.

GOVERNANCE

Administrative, management and supervisory bodies

The Piquadro Group administrative, management and supervisory bodies coincide with those of the Parent Company Piquadro S.p.A. The governance system adopted is of a traditional type and consists of the Board of Directors, supported by the in-company board committees, and the Board of Statutory Auditors. These bodies are responsible for strategic direction, oversight of the adequacy of the internal supervisory system and risk management, as well as monitoring ESG policies and targets.

BOARD OF DIRECTORS

(in office for three years and until the date of the Shareholders' Meeting called to approve the financial statements year ends 31 March 2025)

Marco Palmieri	Chairman and CEO
Pierpaolo Palmieri	Managing Director
Roberto Trotta	Managing Director
Tommaso Palmieri	Non-Executive Director
Catia Cesari	Independent, Non-Executive Director
Barbara Falcomer	Independent, Non-Executive Director
Valentina Beatrice Manfredi	Independent, Non-Executive Director

SUPERVISORY AND RISKS COMMITTEE

(in office for three years and until the date of the Shareholders' Meeting called to approve the financial statements year ends 31 March 2025)

Barbara Falcomer	Chair
Catia Cesari	Independent, Non-Executive Director
Valentina Beatrice Manfredi	Independent, Non-Executive Director

REMUNERATION COMMITTEE

(in office for three years and until the date of the Shareholders' Meeting called to approve the financial statements year ends 31 March 2025)

Catia Cesari	Chair
Barbara Falcomer	Independent, Non-Executive Director
Valentina Beatrice Manfredi	Independent, Non-Executive Director

BOARD OF STATUTORY AUDITORS

(in office for three years and until the date of the Shareholders' Meeting called to approve the financial statements year ends 31 March 2025)

Patrizia Lucia Maria Riva	Chair
Giuseppe Fredella	Standing Statutory Auditor
Maria Stefania Sala	Standing Statutory Auditor
Giacomo Passaniti	Alternate Statutory Auditor
Roberto Scialdone	Alternate Statutory Auditor

Composition and diversity of board

The Board of Directors consists of seven members, three of whom are executive and four are non-executive members. The gender breakdown is balanced: with four male members and three female members, corresponding to 57% and 43%, respectively, with a ratio of about 1.3 in favour of the male component. The percentage of

independent members of tall board members is 43%, while that of the executive members also corresponds to 43%. No member comes directly from the corporate workforce.

The set of skills represented by the Board of Directors and the Board of Statutory Auditors of the Piquadro Group guarantees adequate coverage of the main issues regarding sustainability and corporate integrity. The members of the governance bodies have diversified and complementary professional profiles, with experience in the industrial, fashion and luxury goods sectors, business management, corporate sustainability, finance, and corporate law, as detailed in their respective résumés. Specifically, there are figures with experience in corporate social responsibility, ESG processes and risk assessment, thus ensuring an informed and broad-based vision of the environmental, social and governance impacts of the company's operations.

Sustainability responsibilities, although not assigned to a specific committee, are exercised across the board, supported by the supervisory and Risk Committee, which monitors ESG aspects within the risk management system and internal control. Whenever necessary, the governance bodies may also use the contribution of external consultants for technical or regulatory insights, in line with the nature and materiality of the identified impacts.

Regarding business conduct, the professional profiles and experience of the members of the Board and the Statutory Auditors show solid familiarity with the principles of proper administration, business integrity and compliance with applicable regulations, essential for adequately overseeing the ethical management of the business. The presence of independent directors, with expertise in legal and governance matters, helps to further strengthen compliance and transparency, key factors in the Group's corporate culture.

Sustainability Roles and Responsibilities

Monitoring of the impacts, risks and opportunities related to sustainability is entrusted to the Manager in charge of preparing the corporate financial reporting disclosures; this attribution of responsibility has been formalised in the Corporate Governance Report. The Manager in charge acts in coordination with the supervisory and Risk Committee, which has advisory and proactive roles in support of the Board. This committee, in accordance with the Corporate Governance Code, assesses the suitability of financial and non-financial disclosures for correctly representing the Group's business model, business strategies and business impacts.

Management actively participates in the processes for managing impacts, risks, and opportunities through the Internal Audit function, which prepares the "Risk Dashboard" in collaboration with the Director in charge of the internal supervisory system and the Director appointed. These tools provide the basis for the Board's periodic assessment of the effectiveness of the internal supervisory system, including the environmental, social and governance aspects.

Corporate bodies are informed on an annual basis about the impacts, risks and opportunities related to sustainability, both through structured information flows and through board meetings. The Board takes these factors into account in the approval of strategies, in the supervision of material transactions and in the overall assessment of the Group's risk profile.

During the reporting period, the Board directly addressed the impacts, risks and opportunities that emerged from the double materiality Assessment process, actively participating in their evaluation, and validating the findings, with a view to progressively integrating sustainability into business decision-making and management processes.

Remuneration policies

The remuneration system of the Piquadro Group, as defined in the policy adopted by the Parent Company Piquadro S.p.A., is aimed at ensuring alignment between the remuneration of top management, the strategic targets, and the creation of sustainable value for shareholders in the medium to long term.

The remuneration structure of executive directors breaks down into a fixed component and a variable performance component exclusively linked to the achievement of economic and financial targets. The variable component includes an annual short-term incentive (MBO), based primarily on the consolidated EBITDA result, and a medium-long term incentive plan ("Stock Grant Plan 2023–2027"), whose target is to strengthen management loyalty and align its interests with those of shareholders. These tools do not currently include the use of performance metrics in the environmental, social or governance areas.

Regarding non-executive directors, remuneration consists of a fixed component, determined in a manner consistent with roles and responsibilities, and is not linked to the achievement of economic results and, much less to sustainability targets.

The members of the Board of Statutory Auditors receive a fixed annual amount, defined by the Shareholders' Meeting at the time of appointment, which reflects the statutory supervisory functions that members are asked to perform.

On the reporting date, no incentive systems linked to sustainability-related targets or impacts existed for members of governance bodies. Neither the remuneration policies nor the reward mechanisms currently in place include ESG metrics or indicators among the performance evaluation requirements. Similarly, the variable component of remuneration is not subject to the achievement of emission reduction targets or other environmental, social or governance targets.

The remuneration system is approved by the Board of Directors on motion by the Remuneration and Appointments Committee and submitted annually to the vote of the Shareholders' Meeting.

Statement on due diligence

The following table presents the mapping between the essential due diligence items, as defined by ESRS 1, section 4, and the corresponding sections of this Piquadro Group Consolidated Sustainability Report. It aims to outline how due diligence is integrated into the Group's governance, strategy, and business processes, consistent with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.

An organic sustainability due diligence process has not currently been formalised. However, the already existing safeguards at governance, strategy and risk management levels constitute a first level of supervisory and are functional to the progressive evolution towards a structured approach to due diligence.

CORE ELEMENTS OF DUE DILIGENCE		PARAGRAPHS IN THE SUSTAINABILITY STATEMENT
a)	Embedding due diligence in governance, strategy and business model	Administrative, management and supervisory bodies [GOV-1, GOV-2] material impacts, risks and opportunities [SBM-3]
b)	Engaging with affected stakeholders in all key steps of the due diligence	Stakeholder Engagement [SBM-2] Double Materiality Assessment [IRO-1]
c)	Identifying and assessing adverse impacts	Identification of impacts, risks, and opportunities (where present in the topic sections) [SBM-3, IRO-1]
d)	Taking actions to address those adverse impacts	Actions (where present in the topic sections) [E1-3, E2-2, E3-2, E5-2, S1-4, S2-4, S4-4]
e)	Tracking the effectiveness of these efforts and communicating	Targets (where present in the topic sections) [E1-3, E2-2, E3-2, E5-2, S1-4, S2-4, S4-4]

Internal controls over sustainability reporting

During the reporting period, implementation of an Internal supervisory System on Sustainability Reporting (SCIIS) was initiated at the Parent, Piquadro S.p.A., with the aim of strengthening the reliability, accuracy and completeness of the disclosures reported in this Consolidated Sustainability Report. Although the system is not yet fully operational, the activities performed represent a structured basis for the progressive implementation of integrated monitoring of ESG data collection and validation processes.

As a preliminary phase, a scoping assessment was conducted to assess the level of readiness of internal processes with respect to ESRS disclosure requirements. This evaluation was based on four critical drivers: technical complexity of the data, degree of organisational oversight, link to incentive systems and level of attention by ESG ratings. Each driver was allocated a score from 0 to 2, generating a scoring model aimed at classifying the datapoints into three risk levels (Tier 1, Tier 2, and Tier 3), taking into account the risk of error and the maturity of the associated supervisory systems.

Specifically, the datapoints classified as Tier 1 corresponded to material topics for which a structured and mature data collection process has been established, according to the readiness logic illustrated in the adopted scoping framework. For these datapoints, a Risk supervisory Matrix (RCM) was prepared, which details the planned supervisory activities, specifying their nature (manual or automatic), frequency, coverage targets and the responsibilities allocated to the respective process owners. The controls were designed taking into account the specificities of the information flows and they underwent a Test of Design (ToD) to verify their formal adequacy. The assessment showed room for improvement, specifically in the formalisation of approvals and in the traceability of document reviews.

The activity focused on the main macro-indicators for the priority topics of the ESRS, E1 (Climate change), E5 (Resources and circular economy), S1 (Own workforce) and EU taxonomy environmental reporting.

The SCIIS (Internal supervisory System on Sustainability Reporting) provides for an annual update cycle, broken down into two main areas. The first target concerned enlargement of the boundary: for the Parent Company, this implied re-examination of the relevance of the topics and the readiness of the currently excluded datapoints, while for the other Group companies, a new scoping exercise was planned aimed at identifying the material datapoints and assessing the maturity of the data collection processes. The second target was to extend coverage to datapoints classified as Tier 2 and Tier 3, for which there were still no fully structured or mature collection processes, with the aim of progressively reinforcing the internal supervisory system over an increasingly wider and integrated boundary.

The SCIIS findings, including any reports of weaknesses or shortcomings in the supervisory measures, will be sent to the Manager in charge of preparing corporate financial reporting documents by the internal unit responsible for the SCIIS (whose formal identification is in progress), in order to support the monitoring of the quality, integrity and compliance of ESG disclosures reported.

DOUBLE MATERIALITY ASSESSMENT

Identification of the material impacts, risks and opportunities was conducted by the Piquadro Group according to the principle of double materiality, as required by ESRS 1, in line with the rules listed in the document "EFRAG IG 1 – Materiality Assessment". The process, structured in four phases, was aimed at ensuring a faithful and transparent representation of the Group's position with respect to the material sustainability issues, both from the standpoint of impact on people and on the environment, and with respect to the expected financial effects. The output of the process formed the basis for determining the applicable reporting obligations, which are detailed in the individual topic sections of this Consolidated Sustainability Report.

The final phase (Reporting) is covered in the following section "Reporting obligations and determining material disclosures".

Understanding the context

First, an in-depth analysis of the Group's operational and strategic environment was conducted. The assessment boundary coincided with that of this report, including the companies focussed on manufacturing and those with a predominantly commercial role. The processes of the main Group companies – Piquadro S.p.A., The Bridge S.p.A., Lancel Sogedi S.A. and Uni Best Leather Goods Zhongshan Co. Ltd. – were examined, with special attention to the structure of the value chain and material dependencies from the standpoint of raw materials, human capital, and the geographical location of strategic suppliers.

A geographical context assessment was also conducted, aimed at identifying areas of potential vulnerability, specifically regarding human rights and working conditions. The benchmarking included a review of the Group's previous reporting, practices adopted by international peers, and the assessment requirements adopted by the major ESG rating agencies. As part of this phase, the main internal and external stakeholders were identified in order to understand how the Group's activities could generate direct or indirect impacts on their rights and legitimate interests.

Identification of impacts, risks, and opportunities linked to sustainability topics

Based on the evidence collected, the Group prepared two separate long lists: one for impacts – current and potential, positive and negative – and one for risks and opportunities linked to sustainability. The information was classified according to geographical breakdown criteria, location in the value chain (own activities, upstream, downstream), stakeholders involved and time horizon. Both lists were validated by management, as a shared basis for the Double Materiality Assessment phase.

Assessment and determination of material impacts, risks, and opportunities

The materiality assessment process was conducted through a structured and participatory process. In a first phase, in-depth sessions were organised for top management and directors, aimed at providing a common understanding of the concept of double materiality and the criteria adopted for this assessment. Subsequently, the process involved submitting a questionnaire to a large panel of stakeholders, comprising over 1,300 subjects including employees, suppliers, and customers of the Group.

Assessment of the impacts was made considering the requirements of ESRS 1, namely: severity, scale, irremediability and likelihood of occurrence. For potential human rights impacts, the likelihood was automatically attributed to the maximum level, in line with established principles. Each driver was assessed separately and assigning a numerical score between 1 (low) and 4 (high). The findings were aggregated by calculating an average score for each impact, based on which a materiality threshold of 2.4 was applied. All impacts with an average score equal to or greater than this threshold were considered material.

The assessment of risks and opportunities followed a similar logic. The assessment criteria included the potential magnitude of the financial impact over three time horizons (short, medium, and long term) and the likelihood of occurrence. Again, each driver was rated separately on a scale of 1 to 4, and the aggregate scores were compared with a materiality threshold of 1.3. Risks and opportunities with an average score equal to or above the threshold were classified as material. The assessment considered the comparison with the Group's enterprise risk management system, to ensure consistency between ESG assessment and consolidated management approaches.

At the present time, no formalised internal supervisory procedures have been implemented to oversee the entire double materiality assessment process. However, the process was conducted in a transparent and documented manner, with the involvement of cross-cutting corporate functions, in order to ensure the reliability and traceability of the assessments made.

Outcome of the biodiversity materiality assessment

For topic E4 – Biodiversity and ecosystems, the Group conducted a specific assessment aimed at verifying any existence of operational sites located within or near biodiversity-sensitive areas, or, however, potentially impacting protected habitats or essential ecosystem services. The assessment did not highlight any critical factors, nor the need to plan any dedicated mitigation measures.

The only potential impacts identified concerned intensive livestock farming associated with the production of leather used in the Group's products, which may result in biodiversity loss due to soil conversion, water resource consumption and associated emissions. However, this impact was not considered material, since almost all of the leather used by the Group originates from food industry waste, and therefore it does not directly cause additional pressure on ecosystems. The only exception is the use of fine leather, which requires supplies from specialised livestock stations may involve higher environmental pressures. However, this type of leather represents only 0.4% of the total volume of leather used by the Group, making it marginal compared to the entire environmental impact for biodiversity.

From the standpoint of risks, the inherent risk associated with the fine leather supply chain was considered, specifically, with reference to the possibility of future regulatory evolutions or environmental restrictions related to breeding practices, which could lead to increased procurement costs or restrictions on the availability of raw material. This risk was classified as immaterial in relation to the margin of the material concerned on the total volumes supplied.

Finally, biodiversity emerged as the least priority area in perceptions expressed by the stakeholders involved, confirming the consistency between technical analysis and the survey.

Table of material impacts, risks, and opportunities

Below is an overview of the material impacts, risks and opportunities that emerged from the double materiality assessment; each of them will be discussed in depth in the material topic sections of this Report.

Sub-topic	IRO	Description	Value Chain	Time horizon
ESRS E1 – Climate change				
Climate change adaptation	Physical risk	Climate-related physical risks along the upstream value chain with consequences for the Group's supply chain	Upstream	Long term
Climate change mitigation	Current negative impact	Generation of GHG emissions related to Group activities (Scope 1 and 2)	Own operations	Short term
	Current negative impact	Generation of indirect GHG emissions related to the Group's upstream and downstream activities (Scope 3)	Upstream Downstream	Short term
	Transition risk	Climate-related transition risks in the Group's own operations	Own operations	Long term
Energy	Current negative impact	Use of energy in the Group's production process	Own operations	Short term
	Current negative impact	Use of energy in the Group's marketing and selling of products	Own operations	Short term
	Transition risk	Risk of increased energy costs	Own operations, Upstream	Long term
ESRS E2 - Pollution				
Pollution of air	Current negative impact	Pollutant emissions (non-GHG) deriving from the activities of the Group's suppliers	Upstream	Short term
	Risk	Increased supplier production costs to mitigate the effects of air pollutants	Upstream	Long term
Pollution of water;	Current negative impact	Water pollution deriving from the activities of the Group's suppliers	Upstream	Short term
	Risk	Increased production costs of suppliers for the disposal of contaminated wastewater	Upstream	Long term
Pollution of soil	Current negative impact	Soil pollution deriving from the activities of the Group's suppliers	Upstream	Short term
	Risk	Penalty and fine risk and increase in suppliers' production costs	Upstream	Long term
Substances of concern	Current negative impact	Use of substances of concern for leather processing by Group suppliers	Upstream	Short term
Substances of very high concern	Current negative impact	Use of substances of very high concern for leather processing by Group suppliers	Upstream	Short term
	Risk	Risk of very strict regulations on the use of substances of very high concern (REACH)	Upstream	Long term
Microplastics	Risk	Risk of strict regulations on the use of synthetic polymers	Upstream	Short/medium term
ESRS E3- Water and marine resources				
Water	Current negative impact	Use of large amounts of water in the production processes of the Group's suppliers	Upstream	Short term
	Risk	Scarcity of water resources for Group suppliers	Upstream	Long term
ESRS E5 – Circular economy				
Resource inflows, including resource use	Current negative impact	Use of non-recycled materials in product packaging	Own operations	Short term
	Current negative impact	Use of non-renewable materials in the Group's production processes	Own operations	Short term

Resource outflows related to products and services	Current positive impact	Product durability and resistance	Own operations	medium term
	Current positive impact	Product repairability	Own operations	medium term
	Opportunities	Opportunities in the adoption of alternative materials and circular economy practices	Own operations, Upstream	Medium/long term
Waste	Current negative impact	Waste generation	Own operations	Short term
	Risk	Regulatory and operational risks for proper management of the Group's waste	Own operations	Medium/long term
ESRS S1 - Own workforce				
Working conditions	Current positive impact	Promotion of employment in the area	Own operations	Short term
	Current positive impact	Promotion of the wellbeing of employees and co-workers.	Own operations	Short term
	Potential negative impact	Occupational incidents	Own operations	Short term
	Risk	Risks related to the inadequacy of occupational health and safety measures	Own operations	Short term
Equal treatment and opportunities for everybody	Current positive impact	Provision of training courses for all employees	Own operations	Short term
	Potential negative impact	Episodes of discrimination	Own operations	Short term
Other work-related rights	Potential negative impact	Potential exploitation of child or forced labour and inadequate living conditions	Own operations	Short term
	Risk	Legal and reputational risk due to the use of child labour, forced labour or inadequate living conditions	Own operations	Short term
ESRS S2 - Workers in the value chain				
Working conditions	Potential negative impact	Labour exploitation practices, such as excessive working hours, unhealthy working conditions, or inadequate wages for workers in the value chain	Upstream	Short term
Other work-related rights	Potential negative impact	Human rights breaches in the value chain (e.g., child labour and discrimination, etc.) (potential negative impact)	Upstream	Short term
	Risk	Reputational and operational risks related to working conditions in the supply chain	Upstream	Short/medium term
ESRS S4 – Consumers and end users				
Information-related impacts for consumers and/or end-users	Potential negative impact	Loss of sensitive consumer and end-user data due to insufficient cybersecurity measures	Own operations	Short term
	Risk	Legal and reputational risk due to loss of sensitive consumer and end-user data	Own operations	Short term
ESRS G1 - Business conduct				
Corporate culture	Current positive impact	The Group promotes the fundamental values of moral integrity, compliance with standards, inclusivity, enhancement of human resources, social and environmental responsibility, and transparency	Own operations	Short term
Protection of whistleblower	Potential negative impact	Potential retaliation against whistleblowers	Own operations	Short term
Animal welfare	Potential negative impact	Possible practices breaching animal rights in the supply chain	Upstream	Short term
Managing of relationships with	Potential negative impact	Indirect negative social and environmental impacts in the supply	Own operations	Short term

suppliers, including payment practices		chain due to failure to assess suppliers' sustainability practices		
Corruption and bribery	Potential negative impact	Conduct in breach of codes, laws or regulations and unlawful acts of collusion/corruption	Own operations	Short term

DISCLOSURE REQUIREMENTS AND DETERMINATION OF MATERIAL DISCLOSURES

The information included in this Consolidated Sustainability Statement was selected based on the identification of the impacts, risks, and opportunities material to the Piquadro Group. Once the material topics were identified, the Group used Appendix E of ESRS 1 and FAQ ID 177 published by EFRAG as reference to determine the corresponding disclosures to be reported in the main topics.

The list of applicable disclosure obligations based on the materiality assessment is available in the Appendix to this Report, as well as the list of disclosure items deriving from other legislative acts of the European Union.

EU TAXONOMY

European Taxonomy (governed by Regulation (EU) 2020/852, "Taxonomy Regulation") is a classification system of environmentally sustainable economic activities, established by the European Union under Regulation (EU) 2020/852, in force since 12 July 2020. This system aims to provide investors and the market with a common language based on sustainability metrics, in order to ensure comparability between operators, reduce greenwashing risks and increase the quantity and quality of information on the environmental and social impacts of the business, thus favouring more responsible investment decisions. In addition to Regulation (EU) 2020/852, the European Commission has published Delegated Regulation 2139/2021 ("Climate Delegated Act"), Delegated Regulation 2486/2023 ("Environmental Delegated Act") and Delegated Regulation 2178/2021 which together provide a set of rules for the identification and reporting of environmentally sustainable economic activities. Additional legislation may be added to this list and, namely, Delegated Regulation 2023/2485, which supplements Regulation (EU) 2139/2021 with additional technical requirements for mitigation and adaptation to climate change, and Delegated Regulation 2022/1214, which governs the inclusion, under certain conditions, of activities related to fossil sources and nuclear energy.

The Taxonomy is focused on the identification of economic activities considered environmentally sustainable, defined as those economic activities that:

- contribute substantially to the achievement of one or more of the six environmental and climate targets (article 9 of Regulation (EU) 2020/852);
- do not cause significant harm to any of the other environmental targets, according to the principle of "do no significant harm" ("DNSH"); and
- are performed in compliance with the minimum safeguards.

The environmental targets set by the Taxonomy include:

- Climate change mitigation
- Climate change adaptation
- Sustainable use and protection of water and marine resources;
- Transition to circular economy
- Pollution prevention and control
- Protection and restoration of biodiversity and ecosystems.

REPORTING OBLIGATIONS AND GENERAL RULES FOR DEFINING KPIS

Article 8 of Regulation (EU) 2020/852 defines the reporting obligations within the Taxonomy framework and clarifies that such requirements fall on any entity required to publish the Sustainability Statement pursuant to article 19-bis or Article 29-bis of Directive 2013/34/EU. Taxonomy requires that disclosures are made on how and to what extent business activities are eligible and aligned with economic activities considered environmentally sustainable.

With reference to non-financial entities, disclosure concerns specifically the following metrics (so-called "Key Performance Indicators" or "KPIs"):

- The portion of revenue from the sale of goods or services associated with economic activities considered environmentally sustainable;
- The portion of capital expenditures (CapEx) and the share of operating expenses (OpEx) related to assets or processes associated with economic activities considered environmentally sustainable.

In July 2021, Regulation (EU) 2021/2178 supplementing article 8 of Regulation (EU) 2020/852 was published to further specify the subject matter and presentation of the aforementioned KPIs, as well as the method to be complied with for their measurement and the qualitative disclosures required to be included in their reporting. In 2023, this Regulation was amended by Annex V of Regulation 2023/2486, with specific reference to KPI reporting models.

For the reporting of KPIs related to the year ended 31 March 2025, the Group was required to report the eligible and aligned economic activities for all six climate and environmental targets.

Non-financial companies are required to determine KPIs ensuring consistency with respect to the financial disclosures and using the same currency as the consolidated financial statements, with the additional requirement

to include in their Sustainability Statement the references to the material financial statements' items for sales revenue and capital expenditure indicators.

IDENTIFICATION OF TAXONOMY-ELIGIBLE ACTIVITIES

In order to meet said requirements, the Piquadro Group conducted an assessment of its economic activities with the aim of identifying those considered eligible and aligned with the aforementioned targets. This activity was aimed at preparing the disclosures required by current legislation, also taking into account the interpretative guidance provided by the European Commission through the "Q&A".

At the end of these assessments, with reference to the year ends 31 March 2025, the proportion of turnover and operating expenses for "environmentally sustainable" economic activities was considered equal to 0%, in relation to both eligibility and alignment with the six environmental targets, including those regarding mitigation and adaptation to climate change. For capital expenditure, on the other hand, an eligibility of 5.4% was identified, while alignment resulted equal to zero. Any operating costs regarding energy efficiency measures were also assessed, with overall findings generating a negligible amount, thus determining a total Opex KPI value corresponding to zero.

MINIMUM SAFEGUARDS

Article 18.1 of the EU Taxonomy Regulation describes minimum safeguards, or "social minimum safeguard", as procedures implemented by a company to ensure that its economic activities are implemented in compliance with internationally recognised principles, set out within the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights (UNGPs). The guidelines identified by the Platform on Sustainable Finance in the "Final Report on Minimum Safeguards" published in October 2022 were also considered.

The minimum safeguards regard issues concerning human rights, taxation, fair competition, and the fight against corruption.

Following the assessment conducted, the Group concluded that compliance with the minimum safeguards, based on the OECD Guidelines and the United Nations Guiding Principles on Business and Human Rights (UNGPs) which the Group endorses, was not yet been completely exceeded and/or appropriately documented. However, a process aimed at identifying, assessing, and mitigating risks related to human rights, taxation, fair competition, and the fight against corruption is being implemented, as required by article 3(c) of Regulation 2020/852.

KPI CALCULATION METHOD

Turnover

For the calculation of the turnover KPI, the sum of revenues from the sale of goods and provision of services in accordance with IAS 1(82(a) and Directive 2013/34/EU were considered which defines, with regard to the denominator, "Net Turnover" as the revenues deriving from the sale of goods and provision of services net of VAT, returns and other added taxes.

CapEx

For the purposes of calculating the Capital Expenditure (CapEx) indicator, together with the denominator, the increases in PPE were considered, right-of-use assets and intangible assets with a defined useful life, net of decreases in tangible and intangible assets in progress, recognised in the year before amortisation and any revaluations, and excluding changes in fair value. The denominator includes, specifically, purchases of non-current tangible assets (IAS 16), non-current intangible assets (IAS 38), real estate assets (IAS 40) and assets for rights of use (IFRS 16). The numerator, which represents the share of these expenses referring to economic activities eligible for taxonomy requirements or eligibility plans, was 5.4%, while the share referring to activities actually aligned was zero for the reference year.

OpEx

For the purposes of calculating the Operational Expenditure (OpEx) indicator, the denominator included non-capitalised direct costs incurred during the reporting period and regarding research and development, building renovation measures, short-term leases, maintenance and repair, as well as all other direct expenses regarding the daily maintenance of property, plant and equipment, performed directly by the company or outsourced to authorised third parties, necessary to ensure its continuous and effective operation. The numerator, which should have represented the portion of such operating costs referable to economic activities aligned with taxonomy or to measures functional to their alignment, was equal to zero for the reference reporting period, as no costs were reported corresponding to the requirements.

In conclusion, it has been deemed appropriate to specify that, in performing said assessment and preparing the disclosure for Taxonomy, Corporate Management has adopted generally a prudent approach, based on its understanding, interpretation and state of current knowledge of applicable regulatory requirements. In this context, assessment of the reference technical legislation regarding additional future evolutions and/or interpretations could lead to changes in the assessments and in the process of calculating the KPIs for the next reporting year.

With reference to the disclosure pursuant to article 8, paragraphs 6 and 7 of Delegated Regulation (EU) 2021/2178 which provides for the use of the models listed in Annex XII for the disclosure of activities regarding nuclear and fossil gases, it should be noted that the Group does not conduct, nor finances and is not exposed to the activities contemplated in Model I, as explained below; therefore, no additional models have been reported.

Proportion of turnover from the sale of goods and provision of services associated with economic activities eligible and aligned to the taxonomy

Reporting period 2024/25	2024/25			Requirements for Substantial Contribution						DNSH requirements (do no material harm) (h)									
Economic activities (1)	Code (2) (a)	Turnover (3)	Portion of sales revenue 2024/25 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum safeguards (17)	Portion of sales revenue aligned (A.1.) or eligible (A.2.) to the taxonomy, 2023 (18)	Enabling activity category (19)	Transition activity category (20)
		Currency (EUR/000)	0%	Yes; No; NE/E; (b)(c)	Yes; No; NE/E; (b)(c)	Yes; No; NE/E; (b)(c)	Yes; No; NE/E; (b)(c)	Yes; No; NE/E; (b)(c)	Yes; No; NE/E; (b)(c)	Yes;No	Yes;No	Yes;No	Yes;No	Yes;No	Yes;No	Yes;No	0%	A	T
A. Taxonomy eligible activities																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%														0%		
Of which enabling		0	0%														0%	A	
Of which transitional		0	0%														0%		T
A.2 Taxonomy eligible but not environmentally sustainable activities (activities not aligned to taxonomy) (g)																			
Turnover of taxonomy eligible but not environmentally sustainable activities (not taxonomy aligned activities) (A.2)		0	0%														0%		
A. Turnover of taxonomy eligible activities (A.1+A.2)		0	0%														0%		
B. Taxonomy not eligible activities																			
Turnover of taxonomy not eligible activities (B)		183,611	100%																
TOTAL (A+B)		183,611	100%																

	Taxonomy aligned by target	Eligible for taxonomy by target
CCM	0%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

Proportion of capital expenditure arising out of goods or services associated with economic activities aligned to the taxonomy

Reporting period 2024/25	2024/25			Requirements for Substantial Contribution						DNSH requirements (do no material harm) (h)									
Economic activities (1)	Code (2) (a)	CapEx (3)	Portion of CapEx 2024/25 (4)	Climate change mitigation (5)	Adaptation to climate change (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate change mitigation (11)	Adaptation to climate change (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum safeguards (17)	Portion of CapEx aligned (A.1) or eligible (A.2) to taxonomy, 2023 (18)	Enabling activity category (19)	Transition activity category (20)
		Currency (EUR/000)	0%	Yes; No; NE/E; (b)(c)	Yes; No; NE/E; (b)(c)	Yes; No; NE/E; (b)(c)	Yes; No; NE/E; (b)(c)	Yes; No; NE/E; (b)(c)	Yes; No; NE/E; (b)(c)	Yes; No	Yes; No	Yes; No	Yes; No	Yes; No	Yes; No	Yes; No	0%	A	T
A. taxonomy eligible activities																			
A.1 Environmentally sustainable activities (taxonomy aligned)																			
CapEx of environmentally sustainable activities (aligned to taxonomy) (A.1)		0	0%														0%		
Of which enabling		0	0%														0%	A	
Of which transitional		0	0%														0%		T
A.2 Taxonomy eligible but not environmentally sustainable activities (activities not aligned to taxonomy) (g)																			
6.5 Transport by motorbikes, passenger cars and light commercial vehicles		6.5 CCM	868	4.7%	AM	NE/E	NE/E	NE/E	NE/E								0%		
7.3 Installation, maintenance and repair of energy efficiency equipment		7.3 CCM	135	0.7%	AM	NE/E	NE/E	NE/E	NE/E								0%		
CapEx of activities eligible for taxonomy but not environmentally sustainable (activities not aligned to taxonomy) (A.2)			1.002	5.4%	0%	0%	0%	0%	0%								0%		
A. CapEx of activities eligible for taxonomy A.1+A.2)			1.002	5.4%	0%	0%	0%	0%	0%								0%		
B. Activities not eligible for taxonomy																			
CapEx of activities not eligible for taxonomy (B)			17,522	94.6%															
TOTAL (A+B)			18,524	100%															

	Aligned to taxonomy by target	Eligible for taxonomy by target
CCM	0%	5.4%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

Proportion of OpEx from the sale of goods and provision of services associated with economic activities eligible and aligned to taxonomy

Reporting period 2024/25	2024/25			Requirements for Substantial Contribution							DNSH requirements (do no material harm) (h)								
Economic activities (1)	Code (2) (a)	OpEx (3)	Portion of OpEx 2024/25 (4)	Climate change mitigation (5)	Adaptation to climate change (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate change mitigation (11)	Adaptation to climate change (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum safeguards (17)	Portion of OpEx aligned (A.1) or eligible (A.2) to taxonomy, 2023 (18)	Enabling activity category (19)	Transition activity category (20)
		Currency (EUR/000)	0%	Yes; No; NE/E; (b)(c)	Yes; No; NE/E; (b)(c)	Yes; No; NE/E; (b)(c)	Yes; No; NE/E; (b)(c)	Yes; No; NE/E; (b)(c)	Yes; No; NE/E; (b)(c)	Yes; No; NE/E; (b)(c)	Yes; No	Yes; No	Yes; No	Yes; No	Yes; No	Yes; No	0%	A	T
A. Taxonomy eligible activities																			
A.1 Environmentally sustainable activities (aligned to taxonomy)																			
OpEx of environmentally sustainable activities (aligned to taxonomy) (A.1)		0	0%														0%		
Of which enabling		0	0%														0%	A	
Of which transitional		0	0%														0%		T
A.2 Taxonomy eligible but not environmentally sustainable activities (activities not aligned to taxonomy) (g)																			
OpEx of taxonomy eligible but not environmentally sustainable activities (activities not aligned to taxonomy) (A.2)		0	0%														0%		
A. OpEx of taxonomy eligible activities (A.1+A.2)		0	0%														0%		
B. Taxonomy not eligible activities																			
OpEx of taxonomy not eligible activities (B)		2,136	100%																
TOTAL (A+B)		2,136	100%																

	Aligned to taxonomy by target	Eligible for taxonomy by target
CCM	0%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

Model 1 – Nuclear and fossil gas Activities

Activities linked to nuclear energy		
1.	The company engages in finances or has exposure to the research, development, creation, and construction of innovative plants for the generation of electricity that generate energy from nuclear processes with a minimum amount of waste from the fuel cycle.	NO
2.	The company engages in finances or has exposure to the construction and safe operation of new nuclear plants for the generation of electricity or process heat, also for district heating purposes or for industrial processes such as the production of hydrogen, and improvements in their safety, with the aid of the best available technologies.	NO
3.	The company engages in finances or has exposure to the safe operation of existing nuclear plants which generate electricity or process heat, also for district heating purposes or for industrial processes such as the production of hydrogen, starting from nuclear energy and improvements in their safety.	NO
Fossil gas activities		
4.	The company engages in finances or has exposure to the construction or operation of plants for electricity generation using gaseous fossil fuels.	NO
5.	The company engages in finances or has exposure to the requalification or operation of plants for combined heating/cooling and electricity generation using gaseous fossil fuels.	NO
6.	The company engages in finances or has exposure to the construction, requalification, and operation of generating plants for heating/cooling using gaseous fossil fuels.	NO

E1 CLIMATE CHANGE

MANAGING IMPACTS, RISKS AND OPPORTUNITIES

Identification of climate change-related impacts, risks, and opportunities

As part of the double materiality assessment conducted by the Group, the company's exposure to impacts, risks and opportunities associated with climate change was systematically analysed.

The Piquadro Group has initiated a structured process of climate risk and opportunity assessment with the aim of understanding the potential implications of climate change on its business model. The activity was based on an analysis compliant with ESRS E1 standards and the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), with specific attention to both the direct impacts generated by its activities, and the risks and opportunities arising out of physical events and processes of transition to a low-carbon economy.

The assessment was developed using a four-phase model, which included analysis of the operational and geographical context, mapping of risks and opportunities, quantification of economic impacts, and a resilience analysis based on alternative climate scenarios. The boundary of the assessment included 171 assets located in 18 countries, including production sites, logistics centres, retailers, and franchises, with a particular focus on areas most exposed to extreme weather events. The risk assessment took into account several drivers, including likelihood of occurrence, the magnitude of the potential impacts and the duration of the associated effects.

Regarding physical risks, both acute risks (such as heat waves, floods, storms, and fires) and chronic risks (such as increased average temperatures, drought, and water stress) were considered¹. The data used originated from authoritative sources such as the IPCC and Copernicus and were processed through a proprietary tool developed and made available by the consultant who supported the Group in the assessment. This tool made it possible to estimate risk scores and Business Interruption Days (BIDs) on the basis of gross risks identified. The assessment made it possible to identify the potentially most vulnerable sites in the short term (by 2030), medium term (by 2040) and long term (by 2050) according to different climate scenarios (RCP 2.6, 4.5, 8.5), identifying potential impacts both in operational and economic terms, such as business interruption or damage to assets. The potentially most material risks were found to be related specifically to flood events and heat stress.

Although the physical risk assessment identified such vulnerabilities, the double materiality assessment did not highlight any material risks in relation to operations. To this end, it should be noted that for the final assessment of material risks, scenario 8.5 was considered and that this scenario was also taken into account within the context of the double materiality assessment.

For transition risks, the assessment included regulatory (e.g., evolution of REACH, EU ETS 2 and the Green Claims Directive), technological (such as failure to adapt to low-carbon technologies), market (changing consumer preferences towards sustainable products) and reputational risks. The assessment was developed based on an understanding of the regulatory and competitive environment, as well as business strategies, through a qualitative and quantitative approach that enabled the potential economic impact of risks to be estimated. No specific climate scenarios were used to identify transition risks, but consistency with the expectations of the European regulatory framework and industry best practices was nevertheless ensured. The assessment also considered the potential competitive advantages associated with proactive ecological transition, such as the adoption of alternative materials, energy efficiency and access to new market segments sensitive to sustainability.

All findings have been incorporated into the Group's strategic assessment, contributing to the definition of climate-material IROs. The process included a business model resilience assessment, aimed at testing the resilience of the business strategy against differentiated climate scenarios. The assessment showed that, even when no transition plan existed, the Group identified and mapped potential impacts and risks through robust and up-to-date methodological tools and adopted timely mitigation measures such as insurance coverage for extreme events.

¹ The assessment took into account the table of climate physical risks reported in Annex A of Delegated Regulation (EU) 2021/2139, with respect to which the potentially material risks for the analysed assets were identified.

Material impacts, risks, and opportunities

The double materiality process made it possible to identify certain material climate change-related impacts, risks, and opportunities. Current negative impacts primarily concern the generation of greenhouse gas (GHG) emissions deriving from the Group's activities (Scope 1 and 2), from activities performed upstream and downstream of the value chain (Scope 3), as well as the use of energy in manufacturing and marketing processes. Identified risks include physical risks associated with extreme weather events that may compromise supply along the upstream chain, transition risks associated with regulatory and market changes, and risks associated with rising energy costs. Disclosures were classified by sub-topic, the value chain phase concerned and most material time horizon. Currently no material financial effects of the material risks on the Group's financial position, profit or loss or cash flows exist.

Sub-topic	IRO	Description	Value Chain	Time horizon
Adaptation to climate change	Physical risk	Climate-related physical risks along the upstream value chain with consequences for the Group's supply chain	Upstream	Long term
Climate change mitigation	Current negative impact	Generation of GHG emissions related to Group activities (Scope 1 and 2)	Own operations	Short term
	Current negative impact	Generation of indirect GHG emissions related to the Group's upstream and downstream activities (Scope 3)	Upstream Downstream	Short term
	Transition risk	Climate-related transition risks in the Group's own operations	Own operations	Long term
Energy	Current negative impact	Use of energy in the Group's production process	Own operations	Short term
	Current negative impact	Use of energy in the Group's marketing and selling of products	Own operations	Short term
	Transition risk	Risk of increased energy costs	Own operations, Upstream	Long term

Climate change mitigation transition plan

At present, the Group has not yet implemented a specific transition plan for climate change mitigation aligned with the target of containing global warming in the terms defined by the Paris Agreement, and with a view to carbon neutrality. In this context, the Group will evaluate in the medium term the opportunity to define a structured decarbonisation plan.

Climate change mitigation and adaptation policies

In line with its environmental commitments, the Piquadro Group has defined specific policies aimed at managing climate change-related impacts, risks and opportunities, addressing both mitigation and adaptation aspects.

The Group's Environmental Policy expresses a clear commitment to comply with environmental regulations in force in the countries where it operates and to support international efforts to combat climate change. In this context, the Group promotes energy efficiency and the responsible use of resources along the entire value chain, also encouraging the use of renewable energy sources, where technically and economically feasible. The policy applies to Piquadro S.p.A. and all Group entities directly controlled by it, thus covering the entire business activity and its value chain, upstream and downstream, without exclusions. The Policy is approved by the Board of Directors, which guarantees its oversight and implementation through the Chief Executive Officer and the Chief Operations Officer. It is based on material external reference standards and regulations, including the UNI EN ISO 14001 standard, Legislative Decree 152/2006 and the Group Code of Ethics, and refers to endorsement of principles widely recognised internationally in environmental matters. The definition of the subject matter of the Policy takes into account the interests of the main stakeholders, including business partners and suppliers, to whom the Group encourages adoption of the same principles. Dissemination and implementation of the Policy are supported by in-company training and information tools, as well as by mechanisms for reporting any breaches, accessible to all recipients of the document.

These principles are also referred to in the Supplier Code of Conduct, which provides for the obligation for business partners to monitor and track their energy consumption, distinguishing between renewable and non-renewable sources, and to commit to reducing climate-altering emissions by improving operational efficiency. This commitment is part of a broader Group policy, aimed at promoting a shared approach to climate transition along the entire value chain, also actively involving external partners. The Code applies to all suppliers and sub-suppliers of the Piquadro Group, without geographical or operational limitations, and is subject to monitoring through audits and verification

mechanisms, also without prior notice, by the Group or appointed third parties. Its implementation falls within the responsibilities of the Purchasing area and the Operations Department, with the support of the Supervisory Body. The Code is based on generally accepted international references, such as the OECD guidelines, the ILO Conventions and the Model pursuant to Legislative Decree 231/2001 and provides for the active involvement of stakeholders through training, information, confidential reporting channels and periodic updates. The document is available to finished product suppliers through the Group's digital tools and is an integral part of the requirements for initiating and maintaining business relationships.

Climate change actions and resources²

In order to contribute to climate change mitigation, the Group has progressively introduced actions aimed at reducing its direct and indirect greenhouse gas emissions. Actions taken are notably in the area of decarbonisation levers regarding energy efficiency and the supply of energy from renewable sources.

Noteworthy actions already implemented include the installation of a photovoltaic system at the headquarters of Parent Piquadro in Gaggio Montano, to partially cover electricity demand at the facility. This measure has made it possible to reduce the emissions impact linked to the building's energy supply, thanks to the local generation of renewable energy.

In the reporting period, the commitment of Lancel Sogedi SA was also confirmed, which has continued purchasing electricity certified from renewable sources through Guarantees of Origin (GO), thus contributing to the progressive decarbonisation of its energy mix. This choice is part of a strategic direction aimed at limiting indirect emissions linked to energy consumption (Scope 2 market-based), in line with the European guidelines for climate transition.

Climate change mitigation targets and adaptation targets

Although measurable and result-oriented targets for climate change mitigation and adaptation have not yet been formalised, the Group has long been engaged in systematic monitoring of its greenhouse gas emissions. Starting from the 2018/19 reporting period, with comparative data collected from the previous year, the Group annually reports its energy consumption and direct and indirect emissions, as part of the environmental reporting process.

Continuous monitoring of emissions is a key tool for evaluating the trend of environmental performance over time, identifying any critical issues and guiding operational choices towards progressive decarbonisation. The assessments conducted, also with no predefined quantitative targets, enable the Group to maintain an up-to-date awareness of its climate impact, to support decisions consistent with the principles of sustainability and with the expectations of stakeholders.

METRICS

Energy consumption and energy mix

The energy mix of the Piquadro Group reflects the combination of different sources used to meet the energy needs of manufacturing plants, corporate offices and the store network. The primary sources used include natural gas and LPG for heating, petrol and diesel for motor vehicles, as well as electricity, both from purchases on the market and from self-generation through a photovoltaic system installed at the headquarters of the Parent. The following table shows the breakdown of the overall energy consumption and material division between fossil and renewable sources.

² The financial resources used for the adoption of the actions described in this section are not considered material, as they fall below the significance threshold defined by the Group.

Energy consumption and mix (MWh)³	2024/25
Consumption from coal and coal products	-
Consumption from crude oil and petroleum products	1,272.0
Consumption from natural gas fuel	556.7
Fuel consumption from other fossil sources	-
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	3,625.4
Total fossil energy consumption	5,454.1
Share of fossil sources in total energy consumption	92.2%
Consumption from nuclear sources	-
Share of consumption from nuclear sources in total energy consumption	-
Fuel consumption for renewable sources	-
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources ⁴	362.0
The consumption of self-generated non-fuel renewable energy	96.6
Total renewable energy consumption	458.6
Share of renewable sources in total energy consumption	7.8%
Total energy consumption	5,912.7

Energy intensity

The energy intensity index of the Piquadro Group was calculated using the consolidated data reported in the financial statements, in line with the requirements of the ESRS. All the main Group operating companies fall within the definition of activities belonging to sectors with a high climate impact, with the exception of Lancel International SA, an entity that exclusively performs brand and patent management for Maison Lancel.

In order to ensure full reconciliation with the consolidated accounting data, both energy consumption and net revenues were considered at Group level, also including the company excluded from the classification of high climate impact sector, whose contribution remains negligible for the purposes of the overall calculation⁵.

Energy intensity compared to net revenues (MWh/ €MM)	2024/25
Total energy consumption for activities in sectors with high climate impact (MWh)	5,912.7
Net revenues from activities in sectors with a high climate impact (€ million) ⁶	183.6
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors	32.2

Greenhouse gas (GHG) emissions

Calculation of the Group's greenhouse gas emissions follows an approach that complies with the main international methodological references, in particular the Greenhouse Gas Protocol. Direct emissions (Scope 1) included those generated by sources owned or controlled by the Group, such as the consumption of fuels for heating or powering company vehicles. These emissions are quantified on the basis of the actual consumption recorded and the material standard emission factors.

With regard to Scope 2, regarding indirect emissions arising out of the consumption of purchased electricity, the Group applies both the location-based method and the market-based method, providing transparent and complete

³ The conversion factors of the Department for Environmental Food & Rural Affairs (DEFRA), UK 2024 were used to calculate energy consumption in MWh.

Electricity consumption data for 7 Piquadro direct points of sale and one Lancel direct point of sale were estimated by analogy with other points of sale, based on their size and geographical location.

Electricity consumption of 44 Lancel brand outlets was estimated considering an annual consumption of 330kWh/sqm.

Most of these points of sale are located in airports or shopping centres whose contractual conditions do not enable timely reporting of the data.

⁴ Lancel Sogedi SA purchased part of the electricity from a renewable source certified through guarantees of origin.

⁵ It should be noted that Lancel International SA, a company exclusively engaged in brand management and administrative services, generated intercompany revenue from royalties of approximately € 200,000, corresponding to less than 0.1% of the Group's total consolidated revenue.

⁶ The amount reported coincides with the figure reported in the Consolidated Income Statement under "Revenue from sales" for year ends 31 March 2025.

reporting. The location-based method is based on average emission factors referring to the production of energy in the area where the energy is consumed, while the market-based method reflects emissions for energy actually purchased by the company through specific contracts, where supported by instruments such as guarantees of origin or renewable energy certificates.

The distinction between the two approaches enables the impact of energy supply choices and the contribution of sustainability-oriented strategies to be more accurately represented. Within this context, Lancel, active in France, purchased a portion of electricity from renewable sources through the use of contractual instruments, specifically Guarantee of Origin (GO) Certificates. This choice enabled the Group to reduce its Scope 2 emissions calculated according to the market-based approach by about 15 tonnes of CO₂ equivalent, equivalent to almost 1% of the total Scope 2 emissions resulting from the same method.

Scope 3 emissions, which represent the most material component of the Group's overall emissions, and which include indirect emissions along the entire value chain, are discussed in detail in the following sections.

Greenhouse gas emissions (tCO₂eq)	2024/25
Scope 1 GHG emissions	
Gross Scope 1 GHG emissions ⁷	422.3
Percentage of Scope 1 GHG emissions from regulated emissions trading schemes	-
Scope 2 GHG emissions⁸	
Gross Scope 2 GHG emissions (location-based) ⁹	1,231.9
Gross Scope 2 GHG emissions (market-based) ¹⁰	1,681.4
Scope 3 GHG emissions	
Total gross Scope 3 GHG emissions	71,627.9
1. Purchased goods and services	65,665.8
2. Capital goods	1,110.8
3. Fuels and energy-related activities	416.1
4. Upstream transportation and distribution	1,510.6
5. Waste in operations	458.9
6. Business travel	106.7
7. Employee commuting	878.6
9. Downstream transport	1,231.8
12. End-of-life treatment of sold products	4.0
14. Franchising	244.5
Total GHG emissions	
Total GHG emissions (location-based)	73,282.1
Total GHG emissions (market-based)	73,731.6

Scope 3 emissions

In the Piquadro Group's greenhouse gas emissions inventory, indirect emissions along the value chain (Scope 3) play a preponderant role compared to Scope 1 and 2, reflecting the features of the Group's business model, strongly oriented towards the design, purchase and distribution of goods manufactured by third parties. Scope 3 emissions totalled 97% of the Group's total emissions, confirming that the most material environmental impacts are located upstream and downstream of the value chain.

⁷ Scope 1 emissions were calculated by applying the emission factors of the Department for Environmental Food & Rural Affairs (DEFRA), UK 2024.

⁸ Scope 2 emissions are expressed in tonnes of CO₂, as the components of methane (CH₄) and nitrous oxide (N₂O) are negligible compared to the total greenhouse gas emissions in terms of CO₂ equivalent, as confirmed by the reference technical literature.

⁹ For the calculation of Scope 2 location-based emissions, the emission factors adopted refer to ISPRA 2025 for Italy and San Marino, AIB 2023 Production Mix for France, United Kingdom, Spain and Germany, TERNA 2019 for Russia and IGES Grid Emission Factors v.11.5 for China and Taiwan.

¹⁰ For the calculation of Scope 2 market-based emissions, the emission factors adopted refer to AIB 2023 Residual Mixes for Italy, San Marino, France, United Kingdom, Spain and Germany, TERNA 2019 for Russia and IGES Grid Emission Factors v.11.5 for China and Taiwan.

It should be noted that, for this reporting period, none of the categories was calculated based on primary data from suppliers or customers: the entire inventory was based on model calculation methods ("spend-based" or "activity-based" approach) and on secondary emission factors from generally accepted databases. Overall, the level of data uncertainty associated with Scope 3 emissions may be considered average, thanks to the use of consolidated methods, updated data and a sufficiently representative coverage of the main emission categories.

- Category 1 - Purchased goods and services

The Category 1 emissions inventory was split between purchased goods and services. In accordance with the GHG Protocol, calculation of the emissions associated with goods purchased was conducted for entities Piquadro, Lancel and The Bridge, while for services purchased, reporting exclusively concerned Piquadro.

For goods purchased, the average data method was adopted, based on physical data for the quantity, composition and materials of the items actually purchased over the period. Both raw materials and finished products were considered. The composition of the products used was taken by referring to the most representative and recurring materials for each item, weighted according to weight. The emission factors were obtained from the Ecoinvent (version 3.10) and Agrifootprint (version 6) databases, processed using the SimaPro 9.6.0.1 software. In total, the approach made it possible to estimate with greater accuracy the emissive impact associated with the purchase of wood, plastic, paper, leather, polyurethane, aluminium, rubber, nylon, polycarbonate, polyamide, polyester and other technical polymers, taking into account the product specificities of each company. The level of uncertainty was deemed medium, as the estimate was based on industry average data considered representative and on consolidated emission factors. Emissions attributed to the purchase of goods totalled 53% of Scope 3 emissions. Most emissions came from finished products, especially leather, polyester and polyurethane articles, which represent the main components by weight and emission intensity. Emissions for raw materials (including paper, plastic and wood) were calculated separately and integrated into the overall calculation.

For services purchased, a "spend-based" approach was used, applying monetary emission factors to the main categories of expenditure incurred for consulting, logistics, IT and other general services. The emission factors used for this component were taken from the EXIOBASE 3.8.2 database and refer to the economic activities most consistent with the nature of the services purchased. The level of uncertainty was deemed medium, as the estimate was based on aggregate expenditure values and generic emission factors, with limited specificity. The emissions estimated for this item totalled approximately 39% of Scope 3 emissions.

- Category 2 – Capital goods

This category includes emissions associated with the production of capitalised assets purchased by the Group during the reporting period, such as plant, machinery, furnishings, electronic equipment and other durable goods intended to be used for more than one reporting period.

The methodological approach adopted was "spend-based" and involved the application of monetary emission factors to capital expenditures, extracted from corporate accounts. The investment items were grouped by type (e.g., computer equipment, furniture, infrastructure, machinery) and associated with equivalent economic sectors for the purpose of allocating emission factors.

The emission factors used are taken from the EXIOBASE 3.8.2 database and refer to economic sectors consistent with the nature of the goods purchased, such as "Manufacture of electrical equipment", "Manufacture of furniture", "Construction activities" and "Manufacture of computer and electronic equipment". The emission values represent average estimates based on the carbon intensity of the entire life cycle of the asset (cradle-to-gate), including phases of extraction of raw materials, processing, assembly and transport. The level of uncertainty was medium, as the estimate was based on reliable internal expenditure data, although not directly linked to physical quantities or specific emission factors for each asset. Total emissions estimated for this category amounted to 2% of Scope 3 emissions. The main contribution was made by Piquadro, followed by Lancel and The Bridge, reflecting the different incidence of investments in durable goods incurred over the reporting period. The data were processed in the absence of primary data from suppliers, using standardised values and average assumptions for the entire life cycle of the goods. No distinctions were made based on useful life, geographical location of the supplier or embedded technology.

- Category 3 – Fuel and energy activities

This category includes indirect emissions arising out of the "upstream" phase of the energy chain, i.e., emissions regarding the extraction, production and transport of fuels and electricity purchased and consumed by the Group, but not included in Scope 1 and 2. This category included three main components: transmission and distribution losses

of electricity (T&D losses), upstream activities related to the generation of electricity (upstream electricity), and activities related to the chain of fossil fuels used (upstream fuels).

The emissions inventory was prepared for the four Group companies: Piquadro, Lancel, The Bridge and Unibest. Energy consumption data (electricity, methane gas and, where material, other fuels) were collected based on actual consumption reported over the period. For each energy carrier, the emission factors for the "upstream" phase and, in the case of electricity, also grid losses were identified.

The emission factors used for this category originate from the Ecoinvent database (version 3.10), applied through the SimaPro software 9.6.0.1. For electricity, the factor for upstream production and that for network losses were calculated separately, based on the national energy mix (Italy and France, depending on the company's headquarters). For natural gas and other fuels, upstream processes regarding extraction, refining and transport were considered. The level of uncertainty was deemed medium, as emissions were calculated from direct energy consumption and generally accepted standard emission factors, but also included secondary estimates associated with upstream phases. The overall emissions for this category corresponded to a non-material portion of Scope 3 emissions. The entire calculation was based on secondary data and internationally generally accepted model estimates, in the absence of primary data provided by energy operators.

- Category 4 - Upstream transport and distribution

This category included indirect emissions generated by the transport of goods purchased when the transport service was organised by the Group. These are emissions originating from third-party suppliers that engage in logistics activities on behalf of the Group; therefore they are configured as "upstream" emissions according to the requirements established by the GHG Protocol. The scope therefore included both the transport of materials and finished goods from suppliers to factories or warehouses, and those directed to customers in the event that the shipment is managed directly by the Group.

The emissions calculation was undertaken for all operating companies: Piquadro, Lancel, The Bridge and Unibest. The method adopted was "activity-based" which used data for the weight of the goods transported (in kilograms), the distance travelled (in kilometres) and the mode of transport used (road, sea, air). Where available, internal logistics documentation tracing origin, destination and type of shipment was considered. Whenever no specific data was available, conservative assumptions were made based on standard routes and methods.

The emission factors used came from the Ecoinvent database (version 3.10) and were processed with SimaPro software 9.6.0.1. The values included the direct emissions of the means of transport, in addition to the upstream phases of the fuel cycle. The level of uncertainty of the emissions calculation for this category was deemed medium, thanks to the use of specific data and consolidated methods, although certain conservative assumptions were necessary where there were no complete data. Total emissions for this category totalled approximately 2% of Scope 3 emissions. The higher incidence may be attributed to Lancel's logistics activities, which move material volumes over medium-long distances. The calculations were performed without primary data provided by the carriers but were based on reliable internal data for the weight and destination of goods, as well as on operational assumptions consistent with the Group's distribution structure.

- Category 5 – Waste from operations

This category included indirect emissions generated by the outsourced treatment of waste generated by the Group's operational activities. These are upstream emissions, as they can be attributed to third-party suppliers that manage waste once it leaves the organisation's direct operational boundary. Emissions related to the production of waste at suppliers or customers were excluded from the boundary.

The inventory was processed for three Group companies: Piquadro, The Bridge and Unibest. Lancel was not included in the reporting boundary, as municipal waste generated by offices and points of sale are not considered material with respect to industrial flows and are not systematically tracked within the management systems currently in use. The activity data were collected from internal disposal registers, broken down by type of waste and treatment methods (e.g., landfill, incineration, composting, recycling, etc.), with reference to the volumes provided for each product fraction.

Emissions were calculated by adopting an "activity-based" approach, multiplying the amount of waste managed by the corresponding emission factors for the specific treatment. The emission factors were selected from the Ecoinvent (version 3.10) and Agrifootprint (version 6) databases, processed using the SimaPro 9.6.0.1 software. The emission values considered the differences between organic, plastic, metal, paper and textile waste, as well as the various

treatment and disposal technologies. The level of uncertainty of the emissions calculation for this category was deemed medium, thanks to the use of detailed internal data and reliable emission factors. The inventory showed a total emission for this category corresponding to 1% of total Scope 3 emissions. This is consistent with the nature of the Group's activities, which are marked by lightweight, low-waste production processes. Emissions were primarily for the disposal of non-recyclable mixed waste, paper and textile waste.

- Category 6 – Business travel

This category included indirect emissions generated by trips made by Group employees for business-related reasons, using means of transport not owned by the company. In line with the methodological guidelines, travel by plane, train, rental car and other means was considered, provided that the costs were borne by the organisation.

The inventory was processed for three Group companies: Piquadro, Lancel and The Bridge. Activity data was collected through accounting systems and expense sheets, with a classification of costs by mode of transport. Where available, the kilometres travelled were also considered, while in the absence of specific information, the average distances were estimated based on the usual routes taken by staff and the type of expense incurred.

Calculation of emissions was made adopting a "spend-based" approach, using expenditure data, where available. The emission factors used for this component were taken from the EXIOBASE 3.8.2 database and refer to the economic activities most consistent with the nature of the travel purchased. The level of uncertainty in the calculation of emissions for this category was deemed medium, due to the combined use of expenditure data that may introduce variability in estimates. The total emissions attributed to this category corresponded to a marginal portion of Scope 3 emissions. The most material contributions were attributable to Lancel and The Bridge, due to the more complex commercial and relations-based activity at an international level. Calculations were made in the absence of primary data from travel service providers but based on an internal documentary basis and with conservative assumptions in line with good reporting practices.

- Category 7 – Employee commuting

This category included indirect emissions resulting from the daily journeys made by Group employees travelling from their homes to their places of work and vice versa, using means of transport not controlled by the organisation. These emissions were considered upstream of the value chain, as they were generated by third parties outside the direct organisational boundary, but connected to corporate activities.

Calculation of emissions was made for the following Group companies: Piquadro, Lancel and The Bridge. Basic data was collected through hirings based on geographic location of places of work, distribution of employees, and most common commuting habits. For each place of work, the average distance travelled per single journey, the average number of annual trips and the modal split among private car, public transport, carpooling, soft mobility and smart working were estimated.

Emissions were calculated adopting an "activity-based" approach, multiplying the distance travelled annually per worker by the number of employees and by the emission factors associated with the prevailing mode of transport. The emission factors used for this category originated from the Ecoinvent database (version 3.10), applied using the SimaPro software 9.6.0.1. The emission values considered the vehicle's direct emissions, energy consumption and, for electric vehicles, the national energy mix. The level of uncertainty of the emissions calculation for this category was deemed medium, considering the use of estimated data and assumptions based on internal surveys and behavioural models, which may introduce variability in estimates. Total emissions estimated for this category amounted to about 1% of Scope 3 emissions. The largest contribution was made by Piquadro, which has a greater number of staff and a more widespread geographical location than urban locations. Estimates were prepared in the absence of a structured survey system but were based on prudent assumptions and data consistent with the local area context and corporate culture.

- Category 9 – Downstream transport

This category included indirect emissions associated with the distribution of the Group's finished goods to end customers, when transport was managed and organised by independent third parties. In line with the provisions of the GHG Protocol, emissions deriving from the physical transport of goods sold were considered in this category, whenever the logistics service was not paid directly by the Group, but was, however, an integral part of the distribution process downstream of the value chain.

The emissions calculation was made for Piquadro, Lancel and The Bridge. Unibest was not included in the reporting boundary, as it does not directly manage distribution activities to the end customer. The inventory was created using an "activity-based" approach, based on activity data for weight transported, average delivery distances and modes of transport used. These data were estimated based on the main destinations of outflows, distribution channels used (direct retail, e-commerce, wholesale) and the usual routes travelled for each type of customer.

The emission factors were selected from the Ecoinvent (version 3.8) and Agrifootprint (version 6) databases, processed using the SimaPro 9.6.0.1 software. The emission values varied depending on mode of transport used (road, sea, air) and the payload. Emissions included both the direct components of transport and, where material, the upstream stages of fuel generation and distribution. The level of uncertainty in the calculation of emissions for this category was deemed medium, thanks to the use of detailed data on transport activities and the use of accepted emission factors, although certain estimates based on destinations and distribution channels may have introduced margins of approximation. Total emissions for this category totalled approximately 2% of Scope 3 emissions. The companies that made the highest contribution were The Bridge and Lancel, in relation to the extension of markets served and the overall volume of goods distributed through international channels. However, Piquadro's contribution was material, especially in relation to e-commerce shipments.

- Category 12 - End-of-life treatment of products sold

This category included indirect emissions generated by the treatment of products sold once they have reached the end of their useful life. These emissions were classified as "downstream", since they are the result of disposal, incineration or recycling activities performed by third parties on goods that permanently are no longer within an end-customer's disposal.

The inventory was prepared for Piquadro, Lancel and The Bridge. Unibest was not included in the reporting boundary, as it is not directly involved in the marketing of goods intended for autonomous use by the end user. The calculation was based on the quantities of goods sold over the reporting period, broken down by prevailing material. The main fractions considered included leather, polyurethane, polyester, plastic, paper and metal.

An "activity-based" approach was adopted, which involved the association between each material present in the product and an emission factor corresponding to the treatment method adopted at end of life (landfill, incineration, recycling). The composition of the products was reconstructed from internal technical data and based on the typical product features of the range sold. The emission factors applied came from the Ecoinvent database (version 3.10) and were processed via SimaPro software 9.6.0.1. The level of uncertainty of the emissions calculation for this category was deemed medium, since it was based on precise internal data for the composition of the products and on reliable emission factors, while considering certain assumptions about the end-of-life treatment method. The total emissions estimated for this category constituted a negligible proportion of total Scope 3 emissions. This was attributable both to the nature of the marketed products, marked by a long useful life, and to the material percentage of potentially recyclable materials. In addition, emissions were calculated assuming standardised and average conservative treatment scenarios, in the absence of precise data on actual consumer behaviour at end of life.

- Category 14 – Franchising

This category included indirect emissions associated with activities performed in franchise, or by third parties operating under the Group's brand but not falling within the boundary of organisational consolidation or direct operational boundary.

The emissions calculation was made for Piquadro, Lancel and The Bridge. Unibest was not included in reporting, as it does not manage franchise points of sale. The inventory was prepared by applying an estimated "activity-based" approach, based on estimates of average surface area of franchise stores, type of activity performed and standard energy consumption per square meter. As no primary data or direct measurements were available, average energy consumption per unit of commercial area was used, differentiated by country or prevailing geographical area.

The emission factors used for the conversion of energy consumption into climate-altering emissions came from the Ecoinvent database (version 3.10) and were processed using the SimaPro 9.6.0.1 software. The values considered reflected the reference national average electricity mix. In addition to electricity consumption, heating fuel consumption was also estimated where plausible. The level of uncertainty in the calculation of emissions for this category was deemed medium, due to the absence of direct data and the use of proxy estimates based on average consumption, which may have introduced variability in the estimates. The total emissions estimated for this category constituted a residual portion of total Scope 3 emissions. The findings reflected both the limited number of franchise

points of sale active in the reporting period, and the low energy consumption associated with this type of activity, generally linked to retail activities within delimited spaces.

- Excluded categories

The categories listed in the GHG Protocol for Scope 3 emissions include certain ones which were excluded from the Piquadro Group inventory for reasons attributable to non-significance or non-applicability, as specified below.

Category 8 – Upstream leased assets was not considered, as the Group adopts the operational supervisory criterion for the reporting of direct and indirect emissions. Consequently, all emissions from leased assets were already included in Scope 1 and 2, whenever such assets fall under the Group's operational supervisory. The separate reporting of this category would therefore have entailed a double count, which was not material for the purposes of the overall quantification of emissions.

Categories 10 – Intermediate processing of goods sold and category 11 – Use of goods sold are not applicable to the Group's business model. The products marketed by Piquadro, Lancel and The Bridge are finished goods ready for use, which do not require subsequent processing by the customer or involve energy consumption during the usage phase. As a result, no emissions associated with transformation processes or use by the end user were considered.

Category 13 – Downstream leased assets was not applicable, as the Group does not lease its own assets to third parties. All marketed products are sold outright and do not fall under business models based on rental, operational or financial leasing.

In the end, Category 15 – Investments is not applicable, as the Group does not hold interests in fully unconsolidated entities. The absence of investments in investee entities outside the consolidation boundary implies the absence of Scope 3 emissions attributable to this category.

Emission intensity

The intensity of the Piquadro Group's greenhouse gas emissions was calculated by comparing the total emissions expressed in tonnes of CO₂ equivalent to the Group's consolidated net revenue for the reference reporting period. This indicator makes it possible to assess the Group's emission efficiency in relation to its economic performance and to monitor the effectiveness of carbon footprint reduction actions.

Intensity measurement is conducted considering both the location-based approach, which reflects the average energy mix of the countries where the Group operates, and the market-based approach, which takes into account the specific sources of energy supply, specifically the purchase of energy from certified renewable sources.

GHG intensity compared to net revenue (tCO₂eq/€MM)	2024/25
Total GHG emissions (location-based) (tCO ₂ eq)	73,282.1
Total GHG emissions (market-based) (tCO ₂ eq)	73,731.6
Net revenue used to calculate GHG intensity (€MM) ¹¹	183.6
Total GHG emissions (location-based) versus net revenue	399.1
Total GHG emissions (market-based) versus net revenue	401.6

Emissions offsetting

The Piquadro Group confirmed its commitment to climate issues, continuing its activities to offset the greenhouse gas emissions generated in the previous period. Specifically, in 2024/25, the Group offset 1,857 tonnes of CO₂ equivalent, corresponding to direct (Scope 1) and indirect emissions from purchased electricity sources (Scope 2, market-based) for the 2023/24 reporting period.

In continuity with this approach, the Group has provided for the offsetting of emissions for the 2024/25 reporting period, totalling 2,104 tonnes of CO₂ equivalent. This forecast is not based on existing contractual arrangements. The offsetting transactions were conducted via the purchase of certified carbon credits, selected in accordance with requirements for environmental integrity and with benefit for local communities.

¹¹ The amount reported coincides with the figure reported in the Consolidated Income Statement under "Revenue from sales" for year ends 31 March 2025.

The carbon credits used were generated by reforestation and deforestation prevention projects in areas of high biodiversity. These included the Rio Anapu Pacaja project in Brazil which aims to preserve a large area of threatened tropical forest, contributing both to the reduction of CO₂ emissions and to the protection of biodiversity and local communities. In addition, the Group supported the Uttar Pradesh Agroforestry project in India, aimed at promoting sustainable agroforestry practices that combine reforestation with the economic development of rural communities, favouring the natural absorption of CO₂ and the improvement of the socio-economic conditions of the area.

Furthermore, besides offsetting emissions from its operating activities, the Piquadro Group extended its commitment to offsetting the carbon footprint related to the production of some leading products. Specifically, for about forty items of the best-selling lines of Piquadro and The Bridge brands, in the previous period, the carbon footprint was calculated and offset through the purchase of certified carbon credits, for a total of about 2,312 tonnes of CO₂ equivalent. In continuity with this approach, for the current reporting period, offsetting of the carbon footprint related to the production of about seventy items is planned, for an estimated total of about 2,705 tons of CO₂ equivalent.

The carbon credits purchased by the Group derive entirely from emission reduction projects, without the use of technological absorption projects. Credits are certified according to generally accepted quality standards¹² and have not been generated within the European Union. In addition, no offsetting achieved was considered within the meaning of article 6 of the Paris Agreement.

The Piquadro Group did not create greenhouse gas absorption and storage activities through its own operations or along the value chain. Therefore, the offsetting of emissions is done exclusively through the financing of projects outside its operational boundary, through the purchase of carbon credits on the voluntary market.

Internal carbon pricing

The Piquadro Group, at the reporting date of this report, did not adopt internal carbon pricing systems.

¹² Offsets already made were based on two types of certified credits: about 54% of the offset emissions were covered by Verified Carbon Units (VCUs) issued by the Verra standard as part of a REDD+ project; the remaining 46% were covered through Universal Carbon Registry (UCR) certified credits, generated by a biomass cogeneration project in India.

E2 POLLUTION

MANAGING IMPACTS, RISKS AND OPPORTUNITIES

Identification of pollution-related impacts, risks and opportunities

As part of the double materiality process, the Piquadro Group conducted an in-depth assessment of pollution-related impacts, risks and opportunities, focusing in particular on the production processes performed by the Group's main suppliers. This activity concerned examining the operational features along the upstream value chain, with reference to the possible effects on air, water and soil pollution deriving from the use of chemicals and wastewater disposal. The assessment of its own activities showed that the Group did not generate material direct impacts in terms of pollution, as it does not perform potentially polluting production activities internally.

Identification of impacts and risks was conducted starting from assessing of the production and treatment processes of the materials used by suppliers, as well as evaluating operating practices potentially associated with pollutant releases. Certain suppliers were also consulted through surveys, conducted as part of the double materiality assessment, aimed at understanding the perception of sustainability-material issues, including the management of pollution-related environmental impacts.

Material impacts, risks and opportunities

The double materiality process made it possible to identify current negative impacts and material risks associated with various forms of pollution along the upstream value chain. The main impacts were related to pollutant emissions from suppliers' activities, with potential effects on air, water and soil. Specifically, water pollution and the use of substances of concern were primarily attributable to leather suppliers, whose activities include tanning and finishing hides, processes that employ potentially hazardous chemicals. On the other hand, soil pollution is often associated with the production of accessories and synthetic components, such as those made of plastic or metal, which may generate solid waste and the dispersion of microplastics. The associated risks included increased costs to suppliers arising from compliance with environmental regulations, wastewater management and the need to contain harmful emissions, as well as exposure to penalties in the event of breaches, which were reflected on the Group via an increase in the purchase price of materials. Specific risks were also identified related to the use of substances of concern or of very high concern in leather processing, as well as the use of microplastics and synthetic polymers, which are the subject of increasing regulatory attention, in particular within the European regulatory context (e.g., REACH). Currently no material financial effects exist deriving from these impacts and risks. The Group's resilience with respect to such aspects is described in the following sections, which illustrate the mitigation and management actions currently in place.

Sub-topic	IRO	Description	Value Chain	Time horizon
Air pollution	Current negative impact	Pollutant emissions (non-GHG) deriving from the activities of the Group's suppliers	Upstream	Short term
	Risk	Increased supplier production costs to mitigate the effects of air pollutants	Upstream	Long term
Water pollution;	Current negative impact	Water pollution deriving from the activities of the Group's suppliers	Upstream	Short term
	Risk	Increased production costs of suppliers for the disposal of contaminated wastewater	Upstream	Long term
Soil pollution	Current negative impact	Soil pollution deriving from the activities of the Group's suppliers	Upstream	Short term
	Risk	Penalty and fine risk and increase in suppliers' production costs	Upstream	Long term
Substances of concern	Current negative impact	Use of substances of concern for leather processing by Group suppliers	Upstream	Short term
Substances of very high concern.	Current negative impact	Use of substances of very high concern for leather processing by Group suppliers	Upstream	Short term
	Risk	Risk of very strict regulations on the use of substances of very high concern (REACH)	Upstream	Long term

Microplastics	Risk	Risk of strict regulations on the use of synthetic polymers	Upstream	Short/medium term
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Pollution policies¹³

The Piquadro Group, while not directly generating material impacts in terms of pollution within its operations, recognises the environmental significance of the potential negative effects deriving from the activities performed along its value chain, specifically, with reference to air, water and soil pollution. Within this context, the Group has formalised its commitments in the Environmental Policy and in the Supplier Code of Conduct, promoting informed management of environmental risks and the protection of the environment as a common good.

Through the Environmental Policy, the Group is committed to raising awareness among business partners regarding the reduction of environmental impacts, encouraging an approach based on compliance with current regulations, limiting the use of hazardous substances and strengthening environmental responsibility. There is also a commitment to pay special attention to issues related to product safety and compliance with the main international standards on chemicals. The framework of commitments adopted reflects a long-term vision oriented towards the prevention and containment of indirect environmental impacts, while enhancing the culture of sustainability along the entire value chain.

Pollution-related actions and resources¹⁴

The Group implements a set of actions aimed at preventing and mitigating pollution risks associated with its supply chain, with particular attention to leather suppliers, where the main indirect environmental impacts are concentrated. The measures adopted were placed primarily at the top of the mitigation hierarchy, in particular in the prevention of pollution at source and in the progressive reduction of substances with a high environmental impact.

First, the Group has made Leather Working Group (LWG) certification mandatory for all direct leather suppliers, and their sub-suppliers. This standard, internationally generally accepted and aligned with the ZDHC (Zero Discharge of Hazardous Chemicals) guidelines, provides for the verification of compliance with the requirements regarding the management of chemicals and the reduction of environmental impact in production processes. The certification obligation also applies in the case of subcontracting and represents a requirement for selection and permanence within the supply chain.

In parallel, to monitor compliance with the REACH regulation, the Group annually conducts chemical and technical analyses on raw materials and finished products, selecting the components considered at greatest risk of non-conformity. The tests are conducted by specialised laboratories and their findings are stored at corporate headquarters, as well as at the laboratories themselves. This activity is configured as a supervisory and verification of compliance and is aimed at preventing the placing on the market of products containing prohibited substances or substances at risk to human health and the environment.

Pollution-related targets

Currently no measurable and formalised targets exist for reducing pollution along the value chain. However, the effectiveness of implemented actions and policies is monitored through regular and structured processes.

Monitoring is conducted through periodic audit of the validity of the LWG certifications held by leather suppliers and the findings of chemical analyses conducted on the materials at risk. Test findings and any non-conformities identified form the basis for assessing compliance with the requirements of the REACH legislation and the Group's supply specifications.

The ambition pursued is to ensure full compliance with environmental regulations in force in the countries where players operate along the supply chain, reducing the risk of using hazardous chemicals and promoting the transition to low-impact manufacturing practices. The indicators observed included the number of LWG certified suppliers, the extension of supervisory to sub-suppliers, and the outcome of chemical analyses conducted annually.⁴

¹³ For additional details on the Environmental Policy and the Supplier Code of Conduct, please refer to the section "Climate change mitigation and adaptation policies", which explains the minimum disclosure obligations for both policies (MDR-P)

¹⁴ The financial resources used for the adoption of the actions described in this section are not considered material, as they fall below the significance threshold defined by the Group.

E3 WATER AND MARINE RESOURCES

MANAGING IMPACTS, RISKS AND OPPORTUNITIES

Identification of water-related impacts, risks and opportunities

As part of the double materiality process, the Piquadro Group assessed the impacts, risks and opportunities related to the use of water resources, focusing in particular on the production processes of the Group's main suppliers. The Group's own activities were also assessed, which showed that the Group's processes do not involve the consumption of water resources. The assessment concerned the examination of activities upstream of the value chain, considering both the consumption of water resources in production processes and the risk of water scarcity.

In addition, an assessment of the geographical location of the main suppliers was conducted to determine any exposure to areas at increased risk of water stress. This assessment enabled a better understanding of the magnitude and likelihood of the negative impacts associated with water consumption.

Certain suppliers were consulted through surveys, conducted as part of the double materiality assessment, with the aim of identifying their perception on the environmental issues considered most material, including water resources management. On the other hand, no direct consultations were conducted with the local communities concerned.

Material impacts, risks and opportunities

The double materiality assessment highlighted a material impact and risk related to the use of large amounts of water in suppliers' production processes, in particular in leather tanning activities in the Group's supply chain. A current negative impact associated with the use of large amounts of water in suppliers' production processes was identified. In addition, a potential risk of water scarcity was identified that could compromise the operation of the supply chain in the long term. In particular, reduced availability of water could hinder skin tanning processes, which require high volumes of water, causing interruptions in production by suppliers. This could result in an increase in raw material costs and, consequently, in an increase in prices along the value chain. Both topics were located in the upstream phase of the value chain. Nono current financial effects on the Group's financial position related to the identified impacts and risks existed. The Group's resilience with respect to these aspects is further explored in the following sections, where the measures currently adopted for risk mitigation and management are illustrated.

Sub-topic	IRO	Description	Value Chain	Time horizon
Water consumption	Current negative impact	Use of large amounts of water in the production processes of the Group's suppliers	Upstream	Short term
	Risk	Scarcity of water resources for Group suppliers	Upstream	Long term

Water-related policies¹⁵

Based on current corporate policies and in line with industry benchmarks, the Piquadro Group has defined specific commitments regarding the protection and responsible use of water resources, with the aim of contributing to the mitigation of the negative impacts associated with water usage along the value chain.

In particular, the Group's Environmental Policy recognises the strategic importance of the sustainable management of water resources, committing to promote careful practices in contexts subject to water stress, both in its own operations and in the supply chain. This commitment translates into the desire to consider water consumption as a material parameter within the context of environmental assessments and the promotion, where possible, of an efficient and informed use of the resource.

To reinforce these commitments, the Supplier Code of Conduct requires all parties in the supply chain to adopt a responsible approach to water management. Specifically, suppliers are required to comply with the applicable regulations on water withdrawals and discharges, to minimise the withdrawal of resources, to encourage the reuse of water in processes and to improve the quality of discharges. The adoption of these principles contributes to the reduction of water usage and promotes a more sustainable use of natural resources.

¹⁵ For additional details on the Environmental Policy and the Supplier Code of Conduct, please refer to the section "Climate change mitigation and adaptation policies", which explains the minimum disclosure obligations for both policies (MDR-P)

Overall, the Group's approach to the topic of water is based on a preventive logic and ongoing improvement, in line with the expectations of stakeholders and with the main international references adopted for sustainability.

Water consumption actions and resources¹⁶

The Piquadro Group, in line with the commitments made in its Policies, promotes responsible management of water resources along the value chain, with particular attention to areas subject to water stress.

Within this context, one of the main actions taken concerned the selection of leather suppliers based on possession of the certification issued by the Leather Working Group (LWG), an internationally recognised standard that evaluates the environmental performance of tanneries. All leather suppliers of the Group are currently LWG certified or at the certification phase, and also in the case of products manufactured by third parties, the supply is restricted to the origin of certified tanneries.

LWG certification provides for an in-depth assessment of water management at production sites, including the obligation to monitor water consumption through appropriate tools, the adoption of practices aimed at improving water use efficiency and compliance with specific requirements for the treatment and discharge of wastewater, in order to prevent pollution and protect local water resources.

Through the systematic incorporation of this requirement into its supply processes, the Group contributes to mitigating environmental risks associated with the use of water resources, promoting higher standards within the supply chain. These actions are particularly material in contexts with greater water vulnerability, for which the Group provides for a careful evaluation of suppliers in terms of environmental performance, also with a view to preventing negative impacts on the ecosystem and local communities.

Water consumption targets

The Piquadro Group has not defined measurable and results-oriented targets for water consumption. Despite this, it monitors the effectiveness of actions taken through a qualitative verification activity based, in particular on compliance of leather suppliers with generally accepted standards, such as LWG certification, which includes strict water management requirements. This is complemented by analysis of information collected through supplier engagement activities, aimed at understanding the environmental practices adopted in production processes. These tools enable the Group to assess the degree of alignment of its supply chain with the commitments made, ensuring continuous monitoring of water sustainability topics.

¹⁶ The financial resources used for the adoption of the actions described in this section are not considered material, as they fall below the significance threshold defined by the Group.

E5 CIRCULAR ECONOMY

MANAGING IMPACTS, RISKS AND OPPORTUNITIES

Identification of impacts, risks and opportunities related to resources and the circular economy

The process of identifying the impacts, risks and opportunities related to the use of resources and the circular economy involved assessment of the Piquadro Group's own production processes and the main activities along the upstream and downstream value chain. The assessment included, specifically, the type of materials used, the use of recycled or renewable materials in products and packaging, the durability and repairability of products, as well as the management of waste generated in the production and post-consumer cycle. To support the identification process, an assessment of the composition of the products of the three Group brands – Piquadro, The Bridge and Lancel – was also conducted with the aim of evaluating the level of integration of circular economy principles.

Identification was conducted via an assessment of internal business processes, supplemented by the analysis of the practices adopted by the main suppliers. Circular economy requirements material to the sector were also considered, also based on market benchmark analyses and the main international sustainability standards.

To supplement understanding of the priority topics, certain suppliers were consulted via surveys, in order to identify their perception about the importance of sustainable materials management and promotion of reuse and reduction of waste. On the other hand, no direct consultations were conducted with the local communities concerned.

Material impacts, risks and opportunities

The double materiality process made it possible to identify material impacts, risks and opportunities regarding resource management and the principles of the circular economy. The current negative impacts that have emerged mainly concerned the use of non-recycled materials in packaging and the use of non-renewable raw materials in production processes. At the same time, positive impacts were identified related to the durability and repairability of the Group's products, which represent concrete levers to extend the life cycle of items placed on the market.

The adoption of alternative materials and the implementation of circular practices represent an opportunity to improve environmental performance and reduce dependence on virgin resources, with potential benefits at both operational and reputational levels. This also included the regulatory and operational risk related to waste management, which could have an impact on regulatory compliance and business efficiency. These aspects mainly affect the company's own operations, but certain opportunities also involved the upstream phase of the supply chain. The associated time horizons vary as short, medium and long term. At present, no direct financial effects resulting from the identified impacts and risks exist. The Group's resilience with respect to these aspects is further explored in the following sections, where the measures currently adopted for risk mitigation and management are illustrated.

Sub-topic	IRO	Description	Value Chain	Time horizon
Resource inflows, including use of resources	Current negative impact	Use of non-recycled materials in product packaging	Own operations	Short term
	Current negative impact	Use of non-renewable materials in the Group's production processes	Own operations	Short term
Outflows of resources related to products and services	Current positive impact	Product durability and resistance	Own operations	medium term
	Current positive impact	Product repairability	Own operations	medium term
	Opportunities	Opportunities in the adoption of alternative materials and circular economy practices	Own operations, Upstream	Medium/long term
Waste	Current negative impact	Waste generation	Own operations	Short term
	Risk	Regulatory and operational risks for proper management of the Group's waste	Own operations	Medium/long term

Resource use and circular economy policies¹⁷

The Piquadro Group promotes a responsible approach to resource management and the circular economy, both in its operational activities and along the value chain.

With reference to the influx and use of resources, the Group is committed to promoting the use of recycled and renewable materials and encouraging, including at its suppliers, responsible sourcing based on environmental and social sustainability requirements.

Product design is geared towards maximising durability and selecting materials that exhibit circularity features. In relation to resource outflows regarding products and services, the Group recognises the importance of developing solutions that favour the repairability and recyclability of items, thus contributing to the reduction of environmental impact throughout the life cycle of products.

Finally, with regard to waste management, the Group encourages the adoption of practices of reduction, sorting and reuse of materials, both at its own plants and at supply chain partners, promoting regulatory compliance and traceability of treatment, transport and disposal activities.

These commitments have been formalised in the Environmental Policy and the Code of Conduct for suppliers and reflect the Group's willingness to incorporate the principles of the circular economy into its overall environmental strategy.

Resource use and circular economy actions and resources¹⁸

The Piquadro Group promotes an approach to the use of resources based on circular economy principles, implementing tangible actions throughout the entire life cycle of the product, from the design phase to management of the waste generated. The actions implemented focused on reducing the use of virgin resources, increasing the use of recycled materials and promoting more sustainable production and consumption models.

From a design standpoint, the Group applies eco-design criteria aimed at increasing the durability and repairability of products. The introduction of design guidelines shared between the Group's brands – which include technical measures to promote accessibility to parts subject to wear and the use of replaceable components – enabled the useful life of the products to be extended and promotes the use of repairs, also through a dedicated after-sales service active internationally.

In parallel, Piquadro has adopted, for part of its articles, the PQ Recycled Index[®], a proprietary tool that enables the percentage of recycled material present in individual articles to be measured. This indicator guides the design choices and enables the content of secondary raw materials in the products to be progressively increased, in particular in the leather goods and luggage segment.

In production and logistics, the Group focuses on optimisation of packaging materials, with actions aimed at reducing volumes, the use of easily separable and recyclable materials, as well as the standardisation of packaging solutions to reduce waste. These actions resulted in a material reduction in the waste generated, the composition of which is mainly attributable to secondary packaging and packaging materials.

Finally, the Group's activities were based on the principles of the European waste hierarchy, aiming to prevent the production of waste through efficient design and, when this is not possible, to ensure adequate sorting and commencement of material recovery. The Group's production companies, The Bridge and Unibest, apply waste management procedures in line with current environmental legislation and encourage recycling and reuse within their sites. Correct sorting of materials and the reduction of waste is also promoted at points of sale.

Through these actions, the Piquadro Group has consolidated an integrated circular approach involving design, production, distribution and after-sales, helping to reduce pressure on natural resources and increase the resilience of its business model.

¹⁷ For additional details on the Environmental Policy and the Supplier Code of Conduct, please refer to the section "Climate change mitigation and adaptation policies", which explains the minimum disclosure obligations for both policies (MDR-P)

¹⁸ The financial resources used for the adoption of the actions described in this section are not considered material, as they fall below the significance threshold defined by the Group.

Resource use and circular economy targets

The Piquadro Group has not currently defined specific quantitative and measurable targets for resource use and circular economy. However, it monitors the effectiveness of policies and actions taken through a continuous process of qualitative and technical evaluation of its products and production processes, with the aim of gradually orienting the business model towards principles of greater sustainability and circularity.

The integration of circular economy requirements takes place during the product design and development phases, through the application of internal guidelines that promote durability, repairability and the use of recycled or renewable materials. Monitoring of the effective implementation of such requirements is based on operational data collected throughout the life cycle of the product, including the percentage of returns, analysis of the waste produced and the material disposal methods, as well as the flow of resources, evaluated mainly through measurement of the associated carbon footprint. Although no official target thresholds have been set, the Group has established as a qualitative reference an increasing level of integration of ecodesign principles into products and a progressive increase in the content of secondary materials, in particular in the luggage segment. Information collected through the monitoring of the materials used and the waste streams generated contributed to the assessment of the effectiveness of the actions implemented and formed the basis for the possible definition of specific targets in coming years.

METRICS

Resource inflows

Over the reporting period, the Piquadro Group monitored its resource inflows, with particular reference to the materials used in products and their packaging. The assessment was conducted by aggregating the information by macro categories in according to the definitions of technical and biological materials proposed by the Ellen MacArthur Foundation, in order to promote a vision directed at principles of the circular economy.

Technical materials include components of synthetic or mineral origin, designed to be kept in closed production circuits. This category includes plastics (such as polyurethane, polyamide, polycarbonate, and rPA), metals (including steel, zamak, zinc, and aluminium) and rubber. These materials are widely used in the products of all Group brands, with a predominance for the Piquadro brand, whose technological positioning is reflected in the use of high-performance materials. Plastic packaging is also considered technical material. Within this context, the Group uses fabrics certified according to the Global Recycle Standard (GRS), promoted by Textile Exchange, while ensuring traceability throughout the entire production chain, limiting the use of chemical substances and complying with environmental and social requirements.

Organic materials include resources of natural origin that, if properly managed, may be part of organic cycles. These include leather (sourced exclusively from suppliers certified to the Leather Working Group standard), natural fibres (such as cotton, wool and straw) and paper and wood packaging components. A portion of packaging and product merchandising is also made with recyclable materials, including FSC (Forest Stewardship Council®) certified paper, ecological inks based on soy and recycled cotton used for the rope of bag handles, testifying to the Group's commitment to more sustainable solutions also from the standpoint of accessory items. Leather is the most material organic material in quantitative terms for all brands, with a greater incidence in The Bridge and Lancel branded products, where artisanal design and traditional aesthetics enhance the use of natural materials. Specifically, for certain The Bridge products, leather treated with the vegetable tanning process is used, a very old and recognisable technique that exclusively uses natural tannins extracted from wood, bark, leaves and fruits. Compared to chrome tanning, vegetable tanning is marked by reduced environmental impact, the absence of substances that are toxic to humans and the environment, and better tolerability by individuals allergic to heavy metals. This workmanship gives the leather a unique aesthetic and tactile features, contributing to the products' distinctiveness.

In addition to the foregoing, the Group makes use of the ICEC certification for the traceability of raw materials upstream of the tannery, which certifies the degree of knowledge, by tanneries and roughers, of the origin of the hides, slaughterhouses and stations from which they originate. In addition, some product lines comply with the TS SC 410 standard "for a product system", which provides for the mapping of the traceability of hides on a wide range of items, with the attribution of a specific rating based on documented and verifiable information.

Overall, 54.7% of organic materials used comes from a supply chain considered sustainable, thanks to full traceability of certified leather. No critical raw materials or rare earths were currently identified in inflows. The adoption of this

classification enables the Group to improve monitoring of its environmental performance and to identify priority areas for the development of circular design practices and responsible procurement.

Products, materials and packaging ¹⁹	Total weight	Technical materials	Organic materials	
	tonnes	tonnes	tonnes	% from a sustainable supply chain
Leather	439.2	-	439.2	94.7%
Natural fibres	7.5	-	7.5	-
Plastics	636.2	636.2	-	-
Metals	113.3	113.3	-	-
Rubber	5.0	5.0	-	-
Packaging - Paper	337.7	-	337.7	13.3%
Packaging – Wood	58.3	-	58.3	-
Packaging - Plastic	10.3	10.3	-	-
Total	1,607.6	764.9	842.7	54.7%

The estimate of the weight of the recycled secondary components in the purchased materials totalled 9.4 tonnes²⁰ which compared to the total materials purchased, including those for packaging, represented about 0.6% of the total.

Resource outflows

Within the context of managing resource outflows, the Piquadro Group attributes a central role to the quality, durability and reparability of its products, as key factors for reducing the environmental impact over the life cycle. The design of products for the Group's brands – Piquadro, The Bridge and Lancel – is based on strict criteria of resistance and reliability, which guarantee a useful life longer than the average industry standards. This approach results in less need for product replacement, resulting in reduced use of virgin resources.

The Group's quality and design teams have developed specific technical specifications, which define strict performance standards that exceed the market average. For Lancel, for example, the process involves extensive testing already at the product development phase, including wear and jerk testing, as well as additional checks on materials and components. Since the previous reporting period, these tests have also been extended to Piquadro products, testifying to the Group's desire to standardise quality requirements throughout the range.

In line with Quality Guiding Rules, each component undergoes strict supervisorys, such as the exclusive use of REACH compliant materials, the adoption of high-quality edge paints, and the use of internal reinforcement systems for leather handles, shoulder straps and zippers, often supported by ripstop nylon inserts to prevent tearing.

Also, from the standpoint of reparability, the Piquadro Group stands out for the design attention paid to the option of extending the useful life of articles. Products are designed with a modular logic in mind, which facilitates access to parts subject to greater wear – such as handles and zippers – through specific design precautions, including the presence of service zippers. To support this, the Group offers a dedicated repair service for all brands, accessible through the sales network or through customer service.

Regarding recyclability, the nature of the products – mainly made of leather, metal and synthetic fabrics – enables high recyclability of the items once disassembled. Specifically, for the luggage sector, the Group has launched a project aimed at developing a fully recyclable suitcase.

¹⁹ Data are derived from a combination of information collected by the management system and estimates based on reasonable assumptions. The weight of the products purchased was measured using, where available, the direct information in the system; in the absence of such data, an average weight per product category was allocated, calculated based on available data. The percentage composition of the materials was estimated from analyses on representative articles, with application of these percentages to the total weights for each homogeneous cluster. For products not attributable to the main clusters, a standardised composition was adopted. The data for packaging materials were provided directly by the purchasing offices and reflect specific values for to the materials considered material.

²⁰ The weight of the recycled secondary components in the purchased materials referred to 110 items of the Piquadro brand only and was calculated by applying the percentages of recycled material identified by the PQ Recycled Index to each item, depending on the number of units and their weight. For items of the Piquadro brand for which the PQ Recycled Index was not available and for items of the other brands, it was prudently assumed that the weight of the recycled secondary components was zero.

In this regard, Research and Development plays a strategic role for the entire Group. On the reporting date year ends March 31, 2025, the Piquadro Group held a total of 848 active patents and designs, distributed among the three main brands.

For the Piquadro brand, design is managed internally with the occasional support of external industrial designers, according to an approach that integrates the guidelines provided by Product Marketing and the commercial network, with the aim of responding proactively to market needs. Design focuses on modular, transformable and functional items, designed to accompany users at different times of the day or on the move. Solutions created include collections equipped with coupling systems for wheeled carry-ons, convertible accessories such as backpack/travel organisers and products with high technical functionality. Packaging is also the result of careful sustainable design, using FSC-certified paper, eco-friendly inks and recycled cotton. On the reporting date, year ends 31 March 2025, Piquadro held 263 trademarks and 43 active patents and designs.

For The Bridge, R&D is rooted in the artisan tradition, complemented by ongoing updating of design and functionality aspects. Prototypes are created in an in-company laboratory and collections are the result of the work of a team of designers who translate market trends into offerings in line with the brand identity. New products are designed in consultation with the sales network and recently the offering was extended to include accoutrements such as belts, gloves and scarves, testifying to the ongoing evolution of the design approach. On the reporting date year ends 31 March 2025, The Bridge had 150 active trademarks; no designs were active on the same date, as the two previously registered designs were abandoned during the period.

Lancel's Research and Development takes place at the Paris headquarters, where a dedicated team works closely with the internal atelier to shape new products, enhancing the heritage of the Maison's archive designs. Innovation is combined with the tradition of French leather goods, thanks also to the involvement of skilled artisans in the creation of prototypes. Special attention is paid to the selection of materials, including fabrics derived from recycled sources or marked by distinctive visual effects such as glitter or marble. The creative approach is nourished via reinterpretation of the brand's historical heritage in a contemporary key, with a strong focus on functional elegance in the women's, men's, travel and gift segments. On the reporting date 31 March 2025, Lancel held 385 active trademarks and 90 registered designs, net of designs that were abandoned during the period.

Waste

The Piquadro Group systematically monitors and reports on the waste generated by its activities, for each of the three main operating entities: Piquadro, The Bridge and Unibest. The latter two are engaged in manufacturing activities, which give rise to more heterogeneous waste streams, consistent with the manufacturing nature of their processes, while Piquadro, with a weight of about 78% of the total, is mainly involved in logistics and packaging activities, giving rise to material volumes of packaging materials.

The main waste streams generated by the Group include paper, packaging materials (such as cardboard, plastic and protective materials), wood, iron and steel, as well as electrical components and organic waste. At the manufacturing units, such as The Bridge and UniBest, there are also leather processing rejects, typical of the cutting and finishing phases in leather goods production. The breakdown of waste therefore reflects both the nature of the activities performed and the specificities of the materials used throughout the manufacturing and distribution cycle.

Almost all of waste generated consists of non-hazardous materials, with a marginal incidence of waste classified as hazardous, mostly related to organic waste and electrical components. In line with the principles of the circular economy, the Group promotes responsible waste management, favouring sorting and recovery where possible, in compliance with current legislation.

Waste (tonnes)²¹	2024/25
Waste generated	227.16
Non-disposed hazardous waste	0.17
Non-disposed hazardous waste intended to be prepared for reuse	0.17
Non-disposed hazardous waste disposal intended for recycling	-
Non-disposed hazardous waste intended for other recovery operations	-
Non-disposed non-hazardous waste	190.75
Non-disposed non-hazardous waste intended to be prepared for reuse	20.33
Non-disposed non-hazardous waste disposal intended for recycling	170.42
Non-disposed non-hazardous waste intended for other recovery operations	-
Hazardous waste intended for disposal	-
Hazardous waste intended for disposal by incineration	-
Hazardous waste intended for disposal in landfill	-
Hazardous waste intended for disposal through other operations	-
Non-hazardous waste intended for disposal	36.24
Non-hazardous waste intended for disposal by incineration	36.24
Non-hazardous waste intended for disposal in landfill	-
Non-hazardous waste intended for disposal through other operations	-
Unrecycled waste	36.24
Percentage of unrecycled waste	15.95%

²¹ The data for waste generated refer exclusively to special waste generated by the Group's manufacturing and logistics activities. These data were the result of direct measurement and are collected through the tracking system used for mandatory disclosures to the competent authorities in the respective countries. Municipal waste generated by offices and points of sale was not considered material with respect to industrial flows and currently such waste is not tracked systematically within the management systems in use.

S1 OWN WORKFORCE

MANAGING IMPACTS, RISKS AND OPPORTUNITIES

Identification of own workforce-related impacts, risks and opportunities

As part of the double materiality assessment, the Piquadro Group examined the impacts, risks and opportunities for its workforce, assessing their connection with the business model and business strategy. The assessment included the entire company population, distributed in Italy, France, Spain, the United Kingdom, China, Russia and Taiwan, and focused on identifying potential areas of exposure to negative and positive effects related to employment practices and compliance with fundamental human rights.

The Group's workforce consists of employees, which include employees, factory workers, personnel employed in retail and commercial operators working in foreign markets, as well as non-employee workers, mainly consisting of temporary staff working at points of sale and manufacturing facilities.

Current positive impacts included the contribution make employment in the areas where the Group operates and the promotion of employee wellbeing, thanks also to training programmes that are widespread and accessible to all staff. These factors strengthen the sense of belonging and professional growth, contributing materially to organisational competitiveness and the retention of human capital.

Certain potential negative impacts were also identified, regarding specifically the risk of occupational accidents and the inadequacy of health and safety measures at operating locations. The assessment also considered the risk of discriminatory incidents and breaches of the principle of equal treatment, as well as, marginally, the legal and reputational risk deriving from any cases of labour exploitation or inadequate living conditions, specifically in the most critical geographical situations.

The assessment did not identify specific vulnerable categories within the workforce but acknowledged that certain risks may be more pronounced in relation to local situations or job types, with particular reference to employees located in countries where the Human Rights Index (HRI) is below average, such as China and Russia. Impacts and risks considered referred exclusively to the Group's own operations and have not been currently associated with material financial effects. However, human resource management remains a strategic area for corporate resilience and is overseen through ongoing monitoring and the adoption of preventive measures in line with international standards.

Material impacts, risks and opportunities

Sub-topic	IRO	Description	Value Chain	Time horizon
Working conditions	Current positive impact	Promotion of employment in the area	Own operations	Short term
	Current positive impact	Promotion of the wellbeing of employees and co-workers.	Own operations	Short term
	Potential negative impact	Occupational incidents	Own operations	Short term
	Risk	Risks related to the inadequacy of occupational health and safety measures	Own operations	Short term
Equal treatment and opportunities for everybody	Current positive impact	Provision of training courses for all employees	Own operations	Short term
	Potential negative impact	Episodes of discrimination	Own operations	Short term
Other occupational rights	Potential negative impact	Potential exploitation of child or forced labour and inadequate living conditions	Own operations	Short term
	Risk	Legal and reputational risk due to the use of child labour, forced labour or inadequate living conditions	Own operations	Short term

Own workforce engagement processes

The Piquadro Group recognises the central role of its workers as key stakeholders in defining corporate strategies and managing social impacts. To this end, it promotes ongoing dialogue with employees and their representatives,

incorporating their perspectives into decision-making processes concerning working conditions, wellbeing and career enhancement.

Engagement, for Piquadro and The Bridge, is organised via several structured and recurring occasions. Every year, management organises a meeting for all staff at corporate training hall, during which the main corporate projects are presented, including HR-related actions, thereby creating a space for dialogue with staff. This event is accompanied by the "HR Open Day", an action that provides for the monthly presence of the Human Resources team at manufacturing departments for a few hours, with the aim of addressing selected issues together with workers, collecting observations and answering questions directly and informally. Continuous dialogue with trade union representatives is also guaranteed through meetings that are scheduled four times a year. Finally, for the sales force there is a dedicated listening and interaction channel that enables the specific needs of active employees at the points of sale to be understood.

Employees were also involved at the impacts, risks and opportunities assessment phase as part of the double materiality assessment via a questionnaire, aimed at identifying the issues considered material by staff and integrating their perceptions into the process of prioritising those aspects most material to the Group.

With regard to Piquadro, the operational responsibility for the coordination of such processes lies with the Human Resources Department, which is responsible for using the contributions received and ensuring that the outcomes of exchanges with staff are considered in developing corporate policies. The effectiveness of engagement activities is monitored through the collection and analysis of emerging issues, actions taken and results achieved. The Group also makes direct channels available to workers to express concerns or needs, guaranteeing confidentiality and timeliness in the processing of reports. These include the whistleblowing system, also accessible anonymously, the dedicated e-mail address, the corporate intranet platform and the physical desks at each operational site, through which staff may directly contact HR. These tools, accessible at each operational site, enable staff to directly contact HR. The system also provides for the processing of complaints regarding personnel issues and processes aimed at ensuring the availability and effectiveness of such channels for all working situations, as defined by the Code of Ethics. The Group adopts specific measures to ensure protection from retaliation against those who make use of these tools, including workers' representatives.

While recognising the importance of the active engagement of workers and their trust in the use of the communication channels made available, the Group does not currently have a formalised procedure for systematically assessing the degree of staff awareness of such tools or the frequency or effectiveness of their use for reporting concerns or needs.

Own workforce policies

The Piquadro Group has adopted a set of policies and principles governing the management of impacts, risks and opportunities related to its own workforce, based on respect for human rights, the enhancement of people and the promotion of a healthy, fair and inclusive work environment. These policies refer to the main international references in the areas of labour rights, including the United Nations Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises. The Code of Ethics and the Occupational Health and Safety Policy outline the organisation's commitment to ensuring safe and healthy working conditions, respect for the dignity and integrity of persons, and equal treatment. The Code of Ethics establishes the explicit ban on forced, child or degrading labour, discrimination and harassment in the workplace. It also promotes freedom of association and the right to collective bargaining. These policies apply to all Group entities and all people working for them (including temp workers and interns) and are made available through training, information and publication tools on the corporate website. Responsibility for implementing the policies is attributed to the Board of Directors of the parent company and, with regard to health and safety, also to the Head of the Prevention and Protection Service and the Head of Human Resources, as shown in the relative Policy. Currently, the policies in question do not explicitly provide for the engagement of its own workforce in their definition or updating; however, the Group promotes worker participation through dialogue channels and structured reporting systems. Accident prevention and the promotion of a safety culture are a pillar of the company's commitment. The Group adopts an approach aimed at ongoing improvement and widespread responsibility for health and safety, through risk assessment processes, mandatory training and the appointment of figures dedicated to prevention.

The Group, through the Code of Ethics, is actively committed to promoting diversity and inclusion, fighting all forms of discrimination. The corporate policy protects gender equality and values individual specificities, with explicit reference to factors such as race, ethnicity, sexual orientation, age, disability, religion, political opinions or social

background. No specific affirmative actions for vulnerable groups have been planned, but respect for the principle of equal opportunities permeates all phases of the work-life cycle.

The Piquadro Group has prepared specific channels for reporting non-compliant behaviour or critical issues, as required by current legislation on whistleblowing. The system enables reports in oral, written or digital form to be submitted, ensuring the confidentiality of the identity of the whistleblower and protection from retaliation. Access to such tools is guaranteed to all workers, to which ample space is dedicated during training sessions. Reports are managed by the Supervisory Body, which evaluates their validity and ensures that they are considered in compliance with the planned timeframes and methods. Breach of the measures in place for protecting those who use the reporting systems is considered a serious breach of the Code of Ethics and may be deemed a disciplinary offence or breach of contract. In such cases, the penalties under the material collective labour agreements apply. In addition to disciplinary consequences, such conduct may give rise to additional penalties as established by current legislation on whistleblowing.

Overall, the policies adopted reflect the Group's desire to promote a work environment based on legality, ethics and the centrality of people, considered a strategic lever for competitiveness and long-term value creation.

Actions taken in relation to own workforce²²

During the reporting period, the Piquadro Group implemented a series of actions aimed at both preventing and mitigating potential negative impacts and generating positive effects on its own workforce, with a view to responsible risk management and the enhancement of material opportunities. Such measures, valid for Piquadro and The Bridge, were part of a broader approach based on the promotion of wellbeing within the organisation and the protection of the fundamental rights of workers, in accordance with current legislation and international labour principles.

The main actions taken by Piquadro and The Bridge included the updating of the work-related stress assessment, conducted according to the State Accident Insurance Agency (INAIL) methodology and with the active engagement of all material figures (employer, corporate physician, Safety and Prevention Service Manager (RSPP), Workers' Health and Safety Representative (RLS,) and departmental managers). This assessment made it possible to identify the primary, potentially stressful organisational and environmental factors and led to the adoption of specific corrective measures, including training sessions and procedural improvements.

In parallel, Piquadro and The Bridge have launched a process to realign health and safety documentation, with special focus on compliance with Legislative Decree 81/2008 and the GDPR. The measures implemented included the adoption of new operating procedures, the revision of the corporate emergency plan, the introduction of a safety executive manager and strengthening of mandatory training sessions.

To support the professional development of workers and with a view to fostering a corporate culture oriented towards innovation and ongoing updating, a performance evaluation system was introduced by Piquadro and The Bridge and training programmes financed through interprofessional funds were promoted. These programmes included courses on project management, the use of artificial intelligence and supply chain management. The Piquadro Academy may also be added to this list; an internal structure aimed at strengthening the technical and soft skills of employees through targeted training courses.

The process of identifying the actions to be taken is achieved via ongoing monitoring of training needs, the findings of risk assessments and feedback from periodic meetings with workers and their representatives and in-company working climate surveys. Assessment of the effectiveness of the measures adopted was conducted through the periodic review of the organisational wellbeing indicators conducted by the Human Resources Department for the Piquadro and The Bridge boundary, monitoring of sentinel events (such as absenteeism, accidents and turnover) and the direct engagement's workforce.

The Group's approach aims to ensure that business practices do not generate negative impacts, even in situations marked by operational pressure points. The attention paid to the psychosocial wellbeing of workers and the quality of the working environment reflects the desire to promote a safe, inclusive and people-enhancing professional environment.

²² The financial resources used for the adoption of the actions described in this section are not considered material, as they fall below the significance threshold defined by the Group.

Targets related to own workforce

On the reporting date, the Piquadro Group had not yet defined quantitative and measurable targets specifically geared to its own workforce. However, it constantly monitors the effectiveness of policies and actions taken in relation to material impacts, risks and opportunities, with the aim of ensuring the continuous improvement of working conditions and wellbeing within the organisation.

Monitoring is conducted through several consolidated tools and processes. These include internal working climate assessments and periodic occasions for encounters with workers, HR performance indicators (such as turnover, absenteeism, accidents, participation in training courses), as well as periodic assessments of work-related stress. These factors enable useful signals to guide management decisions and identify possible areas of intervention to be gathered.

Although no numerical targets have been formalised, the Group pursues an ambition level in line with its values and principles, aimed at ensuring safe, inclusive and stimulating work environments, capable of fostering the growth of people and their active participation in corporate life. Progress is evaluated on an annual basis, with reference to planned actions and the outcomes of monitoring and internal exchanges with staff.

METRICS

Profile of the undertaking's employees

The Piquadro Group has a skilled and excellence-oriented workforce, with specific skills in the areas of design, technological innovation and the manufacture of work-related leather goods and accessories. The Group adopts a flexible and dynamic organisational structure, suitable for managing the global presence and the ever-changing needs of the high-end fashion and accessories market.

The Group's workforce is predominantly female and evenly distributed in Italy, other European countries and the rest of the world, reflecting the Group's international vocation and multi-brand structure. Piquadro takes a responsible approach to personnel management, favouring open-ended employment contracts, which represent the prevailing contractual form, and full-time employment, guaranteeing employment stability and professional continuity.

The turnover rate for the reporting period was 39.1%, a value that reflects the dynamism of an organisation active in various markets and sectors. This figure highlights both the natural turnover dynamics linked to the retail sector, and the Group's commitment to flexibly manage its human resources, through the inclusion of new talent and upskilling.

Employees by gender²³

	2024/25
Female	721
Male	273
Other	-
Not reported	-
Total	994

²³ Employee data are reported as numbers at the end of the reporting period, without the use of full-time equivalents (FTEs). The Group did not apply conversion criteria for the calculation of ETBs, using the actual number of employees at the reporting date year ends 31.03.2025 as the basis for reporting employment disclosures. It should be noted that the data reported here may differ from that shown in other sections of the Consolidated Financial Statements (corresponding to a headcount of 1,019), as the latter refers to the average number of employees reported during the period, in accordance with the provisions of the applicable financial reporting principles, while for the purposes of this report, on the reporting date was considered.

Employees by country

	2024/25
China	191
France	295
Italy	433
United Kingdom	5
Russia	42
Spain	12
Taiwan	16
Total	994

Employees by contract type and broken down by gender²⁴

2024/25

	Female	Male	Other	Not reported	Total
Number of employees	721	273	-	-	994
Number of permanent employees	642	243	-	-	885
Number of temporary employees	78	28	-	-	106
Number of non-guaranteed hours employees	1	2	-	-	3
Number of full-time employees	610	247	-	-	857
Number of part-time employees	111	26	-	-	137

Employees by contract type and broken down by region

2024/25

	Italy	Europe	Rest of the World	Total
Number of employees	433	354	207	994
Number of permanent employees	390	293	202	885
Number of temporary employees	43	58	5	106
Number of non-guaranteed hours employees	-	3	-	3
Number of full-time employees	330	325	202	857
Number of part-time employees	103	29	5	137

Turnover

	2024/25
Total number of employees who left the company during the reporting period	389
Employee turnover rate during the reporting period ²⁵	39.1%

Coverage of collective bargaining and social dialogue

The Piquadro Group recognises the importance of collective bargaining and social dialogue as essential tools to ensure the protection of workers' rights and promote a fair, inclusive and collaborative working environment. The Group is committed to complying with local regulations on industrial relations in the countries where it operates,

²⁴ The contractual categories "open-ended", "fixed term" and "zero-hour contract" have been defined according to national legislation in force in the countries where the Group operates.

²⁵ The employee turnover rate was calculated by comparing the number of employees who left the Group in the reporting period, including terminations due to voluntary resignation, redundancies, retirements and deaths in service, to the total number of employees at the end of the reporting period.

encouraging the engagement of workers' representatives and encouraging constructive discussion on key issues such as working conditions, safety and staff wellbeing.

No agreements with its employees for representation by a European Works Council (EWC) exist, a works council of a European Company (SE) or a works council of a European Cooperative Society (SCE).

Coverage rate	Coverage of collective bargaining		Social dialogue ²⁶
	Employees - EEA	Employees - non-EEA	Workplace representation (EEA only)
0-19%			Spain
20-39%			Italy, France
40-59%			
60-79%			
80-100%	Italy, France, Spain		

Diversity metrics

The breakdown of the workforce by gender and age group reflects an organization marked by moderate gender diversity, both from the standpoint of female representation in senior roles and age. The presence of workers belonging to different generations represents an element of value for the organisation, which promotes cooperation and mutual enrichment. At the same time, periodic monitoring of the distribution of managerial roles is guaranteed to progressively promote more equitable access to positions of responsibility.

Number of senior managers by gender²⁷	2024/25
Female	2
% of total at Senior management level	22.2%
Male	7
% of total at senior management level	77.8%
Total	9

Number of employees by age group	2024/25
Under 30	190
% of employees under 30	19.1%
Between 30 and 50	568
% of employees between 30 and 50 years old	57.1%
Over 50	236
% of employees over 50	23.7%
Total	994

Training and skills development metrics

The Piquadro Group recognises the key importance of developing and training its resources, considering this endeavour added value to the organisation. In the 2024/2025 reporting period, a total of 6,360 training hours were delivered to Group employees.

In addition to mandatory courses on occupational health and safety, the Group offered specific training programmes, with a focus on Sales Strategy. These courses were held not only whenever new stores were opened, such as outlets or boutiques, but also for store managers of historical stores, selected for their professionalism, in-depth knowledge

²⁶ For the purposes of calculation, only employees employed at company offices where a workers' representative is present were included in the numerator. Although the points of sale fall within the definition of "establishment", prudentially they were not considered as included, since it is rare that in these employment situations, a workers' representative has been formally designated.

²⁷ In consideration of the business context, "senior management" means individuals framed with contractual managerial roles (dirigenti in Italian).

of the product and proven sales skills. During these sessions, product features, display methods and brand unique selling points were illustrated.

The Piquadro Group training approach therefore aims at enhancing both technical skills and managerial skills, ensuring constant updating in line with the evolutions of the market and technologies, and at supporting the enhancement of internal talent, thus contributing to the competitiveness and success of the organisation.

Average training hours by gender

	2024/25
Female	6.1
Male	7.3
Total	6.4

The percentage of employees who underwent an evaluation process reported in the period 2024/2025 was affected by the differentiated start of survey and monitoring activities at the various Group brands. Specifically, The Bridge brand began to systematically collect performance evaluation data only from September 2024, while Piquadro started this activity in June 2024. Otherwise, Lancel has already had a structured performance evaluation system in place for some time, thus contributing more materially to the overall figure for the period.

Employees who participated in periodic performance reviews by gender

	2024/25
Female	14.6%
Male	12.1%
Total	13.9%

Health and safety metrics

Safeguarding occupational health and safety is managed adopting a systemic and proactive approach, applied to the entire workforce, and based on strict compliance with regulations in force in the countries where the organisation is present. The target is to ensure safe and healthy working environments, through the adoption of preventive measures, continuous updating of safety protocols and an ongoing investment in employee training.

	2024/25
Percentage of own workforce covered by a health and safety management system based on statutory requirements and (or) generally accepted standards or guidelines	78.7%
Number of workforce fatalities due to work-related injuries and illnesses	-
Number of workforce fatalities due to work-related accidents	-
Number of workforce fatalities due to work-related illnesses	-
Number of fatalities and work-related illnesses of other workers operating at company sites	-
Number of fatalities due to work-related accidents of other workers operating at company building sites	-
Number of fatalities and work-related illnesses of other workers operating at company building sites	-
Number of work-related accidents recordable for own workforce	15
Work-related accident rate recordable for own workforce ²⁸	7.7
Number of recordable work-related illness cases in own workforce	-
Number of days lost due to work-related injuries and fatalities, work-related illnesses and fatalities as a result of illness.	97

Wage metrics and adequate pay

All employees of the Group receive adequate remuneration, in accordance with the regulatory and contractual requirements applicable in the countries where the organisation operates. This commitment is embodied in

²⁸ The accident rate was calculated by dividing the number of recordable work-related accidents by the total hours worked and multiplying the result by one million. This indicator represents the number of accidents per million hours worked.

compliance with remuneration standards that guarantee economic conditions capable of supporting the wellbeing and motivation of staff.

In support of a fair and transparent pay policy, key pay metrics are regularly monitored, including the average pay gap between women and men and the ratio of highest to median employee pay. These assessments made it possible to identify any internal inequalities and to take corrective actions aimed at promoting greater equity and inclusion within the organisation.

Gender pay gap

The gender pay gap was calculated by including the gross hourly pay of all employees and applying the method required by ESRS. The assessment took into account the differences in pay between men and women, highlighting the variations of the various professional levels.

Negative percentages indicated an average female salary higher than that of men, while positive percentages indicated an average male salary higher than that of women.

	2024/25
Senior managers	46.5%
White-collar workers	7.4%
Blue-collar workers	-0.3%
Total	24.3%

Total remuneration ratio

The annual total remuneration ratio was calculated by comparing the annual total remuneration of an individual with the highest salary at the company to the median annual total remuneration of employees, excluding the individual with the highest salary from the calculation. The resulting value, corresponding to 32.2, represented the ratio between the highest salary and the median salary at the organisation, providing an indication of the salary distribution within the Group.

The calculation included all employees and considered the various components of remuneration, including base salary, allowances, bonuses, commissions, profit sharing schemes, benefits in kind and long-term incentives, in accordance with corporate remuneration policies.

Incidents, complaints and severe human rights impacts

The Piquadro Group confirms that in the reference reporting period incidents regarding work, complaints filed through the channels provided and, in general, reports relating to incidents of discrimination or serious human rights impacts within its workforce were reported. The Group takes a robust approach to the protection of human rights, implementing policies and procedures aimed at preventing any form of breach and ensuring a safe and respectful working environment. In addition, no fines, penalties or compensation relating to these issues were reported, confirming the effectiveness of the measures adopted for the protection of workers and compliance with international standards and current regulations.

S2 WORKERS IN THE VALUE CHAIN

MANAGING IMPACTS, RISKS AND OPPORTUNITIES

Identification of impacts, risks and opportunities related to workers in the value chain

The double materiality assessment made it possible to identify potential negative impacts and material risks related to working conditions in the Piquadro Group value chain. The assessment was based on the evaluation of the geographical breakdown of suppliers, considering both the percentage weight of purchases and the human rights situation in the countries of supply.

The workers present in the Group's value chain included those employed at suppliers involved in the production phases of items, specifically at subcontractors that handle the final phase of the manufacture of bags, backpacks and other accessories. These workers perform manufacturing activities such as product cutting, assembling and packaging. At the same time, the value chain also included workers employed in the leather tanning chain, involved in the processing of raw materials into semi-finished products intended for production.

Areas of greatest exposure included China, India and Vietnam, where independent reports have highlighted critical issues such as excessive working hours, unhealthy working conditions, inadequate pay, child labour, forced labour and discrimination. Even in the absence of direct evidence attributable to its supply chain, the Group considers these aspects as potential material negative impacts.

Alongside these impacts, reputational and operational risks related to inadequate working conditions at suppliers were identified, which could negatively affect supply chain resilience and corporate reputation. These risks were located in the upstream phase of the value chain and are considered material in the short and medium term.

The adoption of responsible practices along the supply chain is also a strategic commitment for the Group in line with its sustainable vision. Establishing supply relationships based on respect for human rights and promoting decent working conditions contributes not only to the social sustainability of the activity, but also to the quality and continuity of production processes. This approach remains subject to ongoing monitoring, in line with the evolving regulatory environment and stakeholder expectations.

Material impacts, risks and opportunities

Sub-topic	IRO	Description	Value Chain	Time horizon
Working conditions	Potential negative impact	Labour exploitation practices, such as excessive working hours, unhealthy working conditions, or inadequate wages for workers in the value chain	Upstream	Short term
Other occupational rights	Potential negative impact	Human rights breaches in the value chain (e.g., child labour and discrimination, etc.) (potential negative impact)	Upstream	Short term
	Risk	Reputational and operational risks related to working conditions in the supply chain	Upstream	Short/medium term

Processes for engaging workers in the value chain

The Piquadro Group recognises the importance of protecting the rights and conditions of workers in its value chain, especially in geographical situations most exposed to social risks. Although there is no direct and structured engagement of these workers or their representatives, the Group promotes an approach of indirect engagement, entrusting its suppliers with the responsibility of ensuring safe, inclusive and human rights-friendly working environments.

The Group encourages suppliers to adopt and promote internal mechanisms and tools that guarantee their employees the option of reporting real or suspected human rights breaches. These aspects have been formalised in the Code of Conduct for Suppliers, which represents a key tool for the dissemination of the Group's ethical and social values along the value chain. In addition, through selection, qualification and monitoring activities, the Group verifies that partners adopt standards in line with its principles on human rights and working conditions.

Piquadro carefully considers the operating conditions of workers in countries where potential vulnerabilities are present, such as China, India or Vietnam, and periodically monitors the evolution of the regulatory and social environment also through independent sources. Although there are currently no direct reporting channels between the Group and suppliers' workers, the adoption of accessible and safe mechanisms by suppliers themselves is encouraged, so that workers' needs and concerns may be adequately addressed.

The Group is aware of the importance of progressively strengthening its listening and monitoring tools along the value chain, also in view of the evolution of international regulations and standards. In this perspective, it will continue to promote transparency and respect for human rights, considering the opportunity to introduce further tools to understand and integrate, even indirectly, the perspectives of workers along the supply chain.

Policies related to workers in the value chain²⁹

The policies in force are formalised primarily via the Supplier Code of Conduct, approved by the Board of Directors and adopted by all Group companies, as well as being referred to in commercial contracts with specific types of suppliers.

The Code applies to all Group entities and explicitly requires suppliers to adopt ethical, transparent and compliant behaviours, with particular reference to the following areas: respect for human and labour rights, prevention of child and forced labour, non-discrimination, freedom of association and collective bargaining, health and safety of workers, regular and dignified contractual conditions, as well as protection of animal and environmental welfare. The Group requires that these commitments are guaranteed along the entire supply chain, also extending them to authorised sub-suppliers, of which it requires prior disclosure and approval.

The Piquadro Group bases its stance on primary, international, generally accepted instruments in the area of workers' rights, including the United Nations Guiding Principles on Business and Human Rights, the International Labour Organization Declaration on Fundamental Principles and Rights at Work, as well as the OECD Guidelines for Multinational Enterprises. These references are expressly referred to in the Code and constitute the framework for the definition of the minimum standards of conduct expected by business partners.

The Group also provides mechanisms for the prevention, management and remedy of human rights breaches along the supply chain; for example, any reports of breaches of the Supplier Code of Conduct may be made to the human resources manager and the SB. In addition, as already mentioned, a whistleblowing system is active, accessible to all parties inside and outside the Group. Periodic monitoring activities are planned, also through audits at the production sites of third-party suppliers, aimed at verifying the effective application of the provisions. In the event of non-compliance, improvement plans are established or, in the most serious cases, termination of the contractual relationship.

The Group's policies explicitly address even the most serious risks that may emerge in the supply chain. Specifically, the use of forced or compulsory labour, child labour, discrimination and abusive disciplinary practices is prohibited. Transparency and traceability are also actively promoted along the supply chain, with specific disclosure obligations on the location of production units, the origin of raw materials and the identity of sub-suppliers involved.

To date, no verified cases of non-compliance with UN guiding principles, ILO conventions or OECD guidelines by suppliers or sub-suppliers have been reported to the Group, either upstream or downstream of the value chain. Monitoring will continue to be implemented on a regular basis to track potential emerging risks and ensure compliance with working conditions along the entire value chain.

Actions taken in relation to workers in the value chain³⁰

The Group has taken a series of concrete measures to prevent, mitigate and monitor negative impacts on workers along its value chain, with specific reference to first and second level suppliers. These actions are part of a broader strategy of social responsibility and traceability, aimed at ensuring decent working conditions and respect for human rights in procurement processes.

²⁹For additional details on the Supplier Code of Conduct, please refer to the section "Climate change mitigation and adaptation policies", which explains the minimum disclosure obligations for said policy (MDR-P)

³⁰ The financial resources used for the adoption of the actions described in this section are not considered material, as they fall below the significance threshold defined by the Group.

Noteworthy among the measures currently in place is the introduction of a structured social audit program on suppliers for outsourced processing, also known as "Fasonists", which started with Italian suppliers, and has the aim of being progressively extended to foreign suppliers. The audits were conducted through a specific checklist, focused on social aspects and the protection of workers' rights (working hours, health and safety, contractual regularity, freedom of association, absence of forced or child labour, absence of discrimination). The checklist makes it possible to assess the compliance of suppliers with the principles contained in the Supplier Code of Conduct, also integrating verification of the practices applied by sub-suppliers in material cases.

In parallel, the Group requires all direct suppliers and sub-suppliers of leather to be LWG (Leather Working Group) certified. This certification includes, in addition to environmental requirements, a social audit aimed at verifying compliance with international standards on labour rights, contractual conditions, occupational safety and social management systems. The adoption of this standard constitutes an upstream prevention and selection tool, which makes it possible to systematically monitor social risks in the supply chain.

The process of strengthening social practices along the supply chain has contributed to the achievement of an important recognition by Standard Ethics, an international rating agency specialising in sustainability and ethical finance. The Group been awarded again the Corporate Standard Ethics Rating "EE-" with Outlook "Positive", in consideration of the progress made in areas such as responsible supply chain management, health and safety protection, and the progressive alignment of policies with the main international standards on human rights. This positive assessment reflects the effectiveness of the actions taken and reinforces the Group's commitment to sustainable and transparent governance along the entire value chain, where, during the reporting period, no serious human rights issues or incidents were reported.

Targets related to workers in the value chain

Currently no measurable quantitative or qualitative targets have been set for workers in the value chain. Even in the absence of formalised targets, constant monitoring of the effectiveness of policies and actions adopted is still implemented, with special reference to respect for human rights and working conditions along the supply chain.

Monitoring is conducted primarily through the social audits initiated with first-level cut-and-assemble artisans, initially limited to the national boundary, but with extension also to foreign suppliers planned at a later date. This is complemented by audits on social compliance guaranteed by LWG certifications, mandatory for all direct suppliers and sub-suppliers of leather, which provide for specific requirements in matters of work and safety. The number and severity of non-conformities identified and the effectiveness of improvement plans activated following audits were also considered.

The current approach is based on a level of ambition aimed at the progressive strengthening of social protection in the supply chain, with the aim of increasing the coverage and quality of controls over time. The assessment factors used included operational indicators, such as the number of audits conducted, the extent of LWG certifications and the implementation of corrective measures by suppliers, starting from a time reference coinciding with the start of the audit programme.

S4 CONSUMERS AND END-USERS

MANAGING IMPACTS, RISKS AND OPPORTUNITIES

Identification of end consumer-related impacts, risks and opportunities

As part of the double materiality assessment process, the Piquadro Group conducted an assessment of the material impacts, risks and opportunities related to consumers and end users, assessing their relationship with its business model and business strategy. This assessment included both the physical products distributed through the Piquadro, The Bridge and Lancel brands, as well as digital services and communication activities that accompany the customer experience.

Potential negative impacts identified included the possibility of loss or improper handling of sensitive customer data, particularly in the context of e-commerce platforms and digital marketing activities. This impact, directly linked to the company's own operations, could involve legal and reputational risks.

The Group's consumers are not exposed to systemic impacts related to the intrinsic hazards associated with the products, nor to risks to health or physical integrity deriving from their ordinary use. Products sold are accessories and leather goods and luggage articles, the use of which does not involve material risks whenever the consumer complies with the instructions provided. However, the need to ensure clear, accessible and complete information is recognised, in particular with regard to product instructions for use and maintenance, the composition of materials and warranty terms and conditions.

No material positive impacts specifically attributable to vulnerable consumer groups have been identified, but it has been recognised that the quality and durability of products, combined with the option of access to repair services, indirectly contribute to customer satisfaction and protection, promoting more aware and sustainable consumption.

From a strategic standpoint, consumer confidence and satisfaction are a key competitive factor. Ongoing enhancement of the shopping experience, attention to data protection and transparency in communication are key opportunities to strengthen the reputation of the Group's brands, retain customers and consolidate long-term business performance.

Material impacts, risks and opportunities

Sub-topic	IRO	Description	Value Chain	Time horizon
Impacts related to information provided to consumers and/or end-users	Potential negative impact	Loss of sensitive consumer and end-user data due to insufficient cybersecurity measures	Own operations	Short term
	Risk	Legal and reputational risk due to loss of sensitive consumer and end-user data	Own operations	Short term

End consumer engagement processes

As part of its business model, the Piquadro Group recognises consumers and end users as a key group of stakeholders, whose satisfaction and protection are key factors for the strength and reputation of the brand. The interests and rights of customers directly influence the strategic and operational choices of the Group, focusing, in particular, on the quality of products, the security of personal data, information transparency and the availability of effective after-sales services.

With a view to integrating consumer expectations into the double materiality assessment, the Group engaged customers through a questionnaire, aimed at identifying and assessing the impacts, risks and opportunities that are most material to them. The Group adopts a structured approach to listening to customers, collecting reports and requests through dedicated digital channels, with the aim of continuously improving the quality of service and consolidating the relationship with its customers. The Group's three brands – Piquadro, The Bridge and Lancel – offer sections dedicated to customer care on their official websites. In these sections forms for sending requests and reports, contact numbers and email addresses may be accessed, ensuring direct contact with customer service. The piquadro.com site, specifically, has an in-depth and easily accessible FAQ area, which includes guides to using the online shop, shipping, payment and billing methods, withdrawal rights, warranty and repairs, product care and maintenance, security and privacy, registration with the brand's services and direct contacts for every need. The topics covered are designed to ensure a full, transparent and accessible shopping experience.

Customer care activities are a key moment of listening and direct engagement with users, aimed at collecting needs, complaints and suggestions and improving the quality of the offering. The operational responsibility for the process lies with the Marketing and Customer Service Department, with the coordination of the Quality department, which monitors the reports received and evaluates their outcomes with a view to continuous improvement. The effectiveness of these channels is subject to periodic monitoring also via analysis of customer service performance data.

The Group takes measures to ensure that all customers are aware of the existence of contact channels, promoting their use through its websites, newsletters and sales literature. Currently no specific tools to formally protect users from retaliation in the event of reports exist, but the management of requests takes place in a context of confidentiality, respect and protection of the individual.

To understand the viewpoint of consumers and potentially more vulnerable end users, such as young people or people with less familiarity with digital tools, the Group promotes the ease of use of its digital channels and the availability of clear and accessible information, also through precise categorisation of frequently asked questions and topic areas. Customer care processes are designed to respond in a timely manner to any critical issues that may be reported, activating the review of internal processes where necessary.

Policies related to end consumers

The Piquadro Group, despite not having a formalised and specific policy dedicated to consumers and end users, integrates respect for their rights and interests into its value system and business practices. These commitments are set out in the Code of Ethics, which recalls the fundamental principles of transparency, fairness, integrity and respect in relations with customers, which take tangible form via operational measures focused on the protection of privacy, information security and the accessibility of communication and assistance channels.

To protect consumers' rights regarding the protection of personal data, the Group has adopted a policy system compliant with the General Data Protection Regulation (GDPR), valid for all companies and brands. The policy is mainly focused on ensuring transparency in the collection, use and retention of personal data, with the general target of protecting the privacy of users, preventing risks of unauthorised access or misuse of data and ensuring full respect for the rights of data subjects. This system also enables opportunities related to a stronger relationship of trust with customers to be harnessed, improving user experience and communication. Its effectiveness is monitored through periodic updates of information, internal compliance checks and feedback received from users.

The scope of the policy covers all digital and communication activities aimed at consumers, in particular those linked to the official websites of brands, and associated online services. The policy covers the downstream value chain, in particular interaction with end customers and digital users, and applies predominantly in geographical areas where the Group operates, mainly in Europe. The policy does not extend directly to the upstream chain, except in cases where suppliers process personal data on behalf of the Group.

The highest management level responsible for implementation and monitoring of the policy is the Data Protection Officer (DPO), who operates under the supervision of General Management and the Compliance Committee, thus ensuring adequate governance and the allocation of the resources necessary for data protection.

Through implementation of this policy, the Group is committed to complying not only with the GDPR, but also with other European and international regulations, including the United Nations Guiding Principles on Business and Human Rights, the Global Compact and the OECD Guidelines for Multinational Enterprises, thus ensuring compliance with the highest standards on the protection of consumer rights.

The policy is made available to stakeholders through publication of the privacy and cookie policies, which may be accessed online on the official brand websites. In addition, the Group encourages engagement of users and other stakeholders through dedicated communication channels, which enable the collection of feedback and the continuous updating of policies according to evolving needs and regulations.

These documents clearly explain how the personal data of customers and digital users are collected, used and stored, including the rights granted to data subjects and how to exercise them. Respect for the human rights of consumers is also pursued through the adoption of practices that guarantee clear and accessible information, product safety, the availability of efficient after-sales services, as well as a dedicated customer care system. Listening and assistance activities also contribute to the direct engagement of customers and management of any reports, with the aim of promptly identifying critical situations and providing an effective remedy. To date, no breaches of the principles of the United Nations Global Compact or the OECD Guidelines for Multinational Enterprises along the downstream

value chain have been reported, nor incidents that have had a material negative impact on the human rights of consumers. The Group is committed to maintaining active monitoring of these aspects and to progressively strengthening its system of safeguards and protections, also in line with the United Nations guiding principles on business and human rights.

Actions taken in relation to end consumers³¹

In the reporting period, the Piquadro Group maintained application of consolidated practices, aimed at guaranteeing the quality of the service and compliance with regulatory compliance, representing continuous actions for the management of impacts, risks and opportunities related to consumers and end users.

Protection of personal data, cybersecurity, availability of product information and access to service channels are key factors for the Group's approach to customers and are systematically managed through corporate procedures and digital tools.

In the absence of further specific actions to be reported, the Group will continue to monitor the evolution of customer expectations and the regulatory environment, in order to assess the introduction of additional measures in line with future developments of the sustainability strategy.

Targets related to end consumers

The Group has currently not set measurable results-oriented targets in relation to impacts, risks or opportunities affecting end consumers. However, continuous monitoring of the effectiveness of existing policies and practices is ensured, specifically with regard to the protection of privacy, the quality of information and the handling of complaints.

These aspects are monitored through internal processes of supervisory and review of digital policies, customer service and monitoring of online interactions, with the aim of ensuring full compliance with applicable regulations and maintaining high standards of transparency and reliability towards customers.

³¹ The financial resources used for the adoption of the actions described in this section are not considered material, as they fall below the significance threshold defined by the Group.

G1 BUSINESS CONDUCT

MANAGING IMPACTS, RISKS AND OPPORTUNITIES

Identification of business conduct-related impacts and opportunities

As part of the double materiality assessment, the Piquadro Group conducted a process to identify the material impacts, risks and opportunities associated with business conduct, considering its direct operations, business relationships and value chain. The assessment examined requirements of a geographical, sectoral and organisational nature, assessing specifically the features of the activities implemented in the various operational areas of the Group, the reference regulatory contexts and the degree of exposure to reputational and legal risks.

The exercise involved an assessment of internal safeguards, corporate policies and operating procedures, with special attention to the issues of corporate integrity, transparency, corruption prevention, whistleblower protection and responsible supplier management. Factors such as the presence of supervisory tools including whistleblowing, the dissemination of ethical and behavioural codes, and the existence of training and awareness programmes on ethical issues were also evaluated.

Material impacts, risks and opportunities

The assessment identified that impacts and risks related to business conduct were mainly concentrated in the Group's own operations, specifically in relation to the management of corporate culture, relationships with suppliers, the protection of whistleblowers and prevention of corruption. An additional potential impact was identified in the supply chain, in relation to animal welfare, an issue addressed through the adoption of the Supplier Code of Conduct.

From the perspective of impacts, an effective positive impact was identified deriving from the promotion of a corporate culture based on integrity, inclusiveness, legality and transparency, factors that contribute to the strengthening of the Group's reputation and the creation of an ethical and responsible working environment. At the same time, potential negative impacts were identified, such as retaliation against whistleblowers, failure to evaluate suppliers according to ESG requirements, possible breaches of animal welfare rights in the supply chain, and illegal or non-transparent conduct by internal personnel.

These impacts derive directly from the Group's organisational model and operational structure, which, operating on an international scale and through a diverse network of suppliers and partners, is exposed to ethical, legal and reputational risks. The response to these impacts takes the form of the implementation of the 231 Model, the Code of Ethics, the internal reporting system and periodic audits, as well as the adoption of procedures for purchasing and management of suppliers.

The Group does not recognise, at present, material direct financial impacts or risks of material adjustments to book values in the financial statements. However, it continues to closely monitor emerging risk signals and strengthen its governance safeguards in line with regulatory developments and stakeholder expectations. The Group's resilience with respect to these aspects is further explored in the following sections, where the measures currently adopted for risk mitigation and management are illustrated.

Sub-topic	IRO	Description	Value Chain	Time horizon
Corporate culture	Current positive impact	The Group promotes the fundamental values of moral integrity, compliance with standards, inclusivity, enhancement of human resources, social and environmental responsibility and transparency	Own operations	Short term
Whistleblower protection	Potential negative impact	Potential retaliation against whistleblowers	Own operations	Short term
Animal welfare	Potential negative impact	Possible practices breaching animal rights in the supply chain	Upstream	Short term
Managing supplier relationships, including payment practices	Potential negative impact	Indirect negative social and environmental impacts in the supply chain due to failure to assess suppliers' sustainability practices	Own operations	Short term
Active and passive corruption	Potential negative impact	Conduct in breach of codes, laws or regulations and unlawful acts of collusion/corruption	Own operations	Short term

Corporate culture and business conduct policies

The Piquadro Group's corporate culture is based on principles of integrity, legality, responsibility and transparency, placing ethics at the centre of strategic and operational choices. This approach translates into the adoption of structured policies and tools aimed at promoting responsible conduct, preventing illicit behaviour and ensuring sustainable management in line with stakeholder expectations.

The commitment to business conduct is expressed in the Code of Ethics and in the Organisation, Management and supervisory Model pursuant to Legislative Decree 231/2001. The Code of Ethics, applicable to the entire boundary of the Group, defines the reference values and principles of conduct with which directors, employees, co-workers, suppliers and partners are required to comply. It promotes compliance with current legislation, fair competition, the protection of human rights, environmental sustainability and transparency in business dealings.

The 231 Model, formally adopted by Piquadro S.p.A. and The Bridge S.p.A., strengthens the prevention system through specific organisational protocols, supervisory tools and the activity of the Supervisory Board. This document aims to prevent the commission of crimes, protecting the integrity of the company and strengthening a corporate culture based on ethics, legality and accountability. The model applies to business processes material to identified crime risks, with special reference to the prevention of negative impacts related to corruption, corporate crime, occupational health and safety and environmental protection. Its operation is subject to an ongoing monitoring process, entrusted to the Supervisory Board, which verifies the effectiveness and adequacy of the measures adopted, proposing any updates.

The Model applies to the entire business organisation in Italy and is extended, within the limits of regulatory and operational compatibility, also to outsourced activities and to third parties with whom the company has material relationships. Only persons not operating under the supervisory or direction of the companies, or for whom there is no identifiable crime-risk, were excluded from the boundary. Recipients of the Model include members of corporate bodies, employees, co-workers, strategic suppliers and business partners.

Responsibility for implementation of the Model is entrusted to the highest level of the company, with a central role allocated to the Chief Executive Officer, who promotes its application and ensures its integration within the internal supervisory system. The activity of the Supervisory Board, an autonomous and independent body, constitutes an additional monitoring tool to support the overall effectiveness of the Model.

In defining and updating the Model, the interests and expectations of the main stakeholders are considered, through assessment of the internal and external environment, information flows and reports. Active employee participation, mandatory training and dedicated communication channels help to ensure widespread knowledge of the Model and its concrete implementation. The document is available for internal individuals and is also disclosed to contractual partners involved in sensitive processes, in order to strengthen the shared commitment to crime prevention.

Promotion of corporate culture is achieved via training and awareness-raising actions aimed at staff, internal communication and the activation of reporting tools, including a whistleblowing channel that guarantees confidentiality and protection from retaliation. The effectiveness of the internal supervisory system is constantly monitored also through compliance with policies, engagement of employees via ongoing enhancement measures and the updating of ethical safeguards, in line with regulatory developments and stakeholder requests.

To complete its value system, the Group has adopted a Supplier Code of Conduct that defines the ethical, social and environmental principles to which all partners are required to comply. The Code includes a specific section dedicated to animal welfare, which requires recipients to ensure respect for the dignity of animals throughout all stages of their lives, in accordance with international regulations and the principles established by the European Commission, the World Organization for Animal Health (OIE) and the CITES Convention.

Prevention of bribery and corruption

The Piquadro Group adopts an integrated approach to the prevention of bribery and corruption, based on a system of organisational and procedural safeguards aimed at ensuring the transparency, integrity and fairness of corporate behaviour, in line with Italian and international regulations. Although it does not have an autonomous anti-corruption policy, the Group manages the risk of corrupt behaviour through the application of the 231 Organisational Model, adopted by Piquadro S.p.A. and The Bridge, which its Special Parts govern crimes of active (supply-side) bribery,

and through the Code of Ethics and the Operating Procedure for the purchase of goods and services, which also cover profiles relating to passive bribery.

In accordance with Directive (EU) 2019/1937 on whistleblowing and national transposition legislation, the Group has established an internal reporting system that enables all employees of Piquadro and The Bridge companies to report, in a confidential and protected manner, any unlawful conduct or conduct contrary to the Code of Ethics. The channel is accessible through a dedicated platform, and the reports are managed by the Supervisory Board, made up of third parties independent of the function potentially involved, in order to guarantee impartiality and confidentiality. The effectiveness of this system is monitored periodically, and the Group has provided specific measures to protect whistleblowers against any retaliation.

The company functions considered most exposed to the risk of bribery include the commercial departments, due to relations with agents and intermediaries; purchasing and administration, due to management of suppliers; human resources due to the selection of personnel; and marketing and communications, specifically with reference to sponsorships linked to public entities or institutions.

All employees of Piquadro and The Bridge, including those operating in the functions most exposed to the risk of active and passive bribery, are currently covered by specific mandatory training programmes relating to the Code of Ethics and the Organisation, Management and supervisory Model pursuant to Legislative Decree 231/2001³².

The Code of Ethics is formally communicated at the company onboarding stage and refreshed at special periodic updating sessions. In relation to the 231 Model, in the last two reporting periods, two in-person training events were organised: the first, held in October 2023, was aimed at the function managers of Piquadro and The Bridge; the second, held at the Milan headquarters in April 2024, involved staff from the commercial area. Although no autonomous and specific courses dedicated exclusively to fighting bribery currently exist, corruption risks have already been integrated into the subject matter of existing training. To further strengthen training coverage, the deployment of a digital course has been planned that will be extended to the entire Piquadro and The Bridge corporate workforce. During the 2024/25 reporting period, no cases of active or passive bribery were identified nor were any reports received regarding such cases. The outcomes of any investigations, where conducted, are communicated to top management through the safeguards provided for by the 231 Model, including the action of the Supervisory Board.

Payment practices and supplier relations management

The management of relations with suppliers is based on requirements of transparency, fairness and responsibility, with the aim of ensuring continuity of supplies, compliance with current regulations and attention to social and environmental impacts along the value chain. The Piquadro Group adopts an Operating Procedure for the purchase of goods and services that defines in a timely manner the methods of selection, evaluation and management of suppliers, promoting impartiality, traceability and supervisory at all phases of the procurement process. However, this procedure does not include specific measures to prevent late payments.

Business relationships are based on principles of fairness and payment terms are governed in a clear and consistent manner. For most suppliers, standard payment terms are NET60 days from receipt of the invoice, with extensions of up to NET90 for special product categories, based on contractual arrangements. These standard terms also apply to small and medium-sized enterprises.

During the reporting period, the average payment term was 105 days³³ and 59% of the value of the invoices paid in the period was paid within the agreed terms. No legal proceedings regarding late payment were pending.

The social and environmental aspects in the supply chain, already explored in the dedicated sections, form an integral part of the assessment and management of the supply chain. The Supplier Code of Conduct, adopted by all Piquadro

³² The functions most exposed to the risk of bribery covered by the training programmes described represented 54.6% of the total of these functions at Group level. The percentage refers to employees who work in these functions at Piquadro and The Bridge, while employees of the other Group entities are currently excluded.

³³ The information underlying the calculation derives from the accounts payable of the three main companies in the group: Piquadro S.p.A., The Bridge S.p.A. and Lancel Sogedi S.A. A sample of the most representative suppliers was selected for the aforementioned companies, specifically:

- 18 suppliers for The Bridge S.p.A., corresponding to 59% of payments made during the period by the company.
- 10 suppliers for Lancel Sogedi S.A., corresponding to 30% of the payments made during the period by the company.
- 20 suppliers for Piquadro S.p.A., corresponding to 54% of payments made during the period by the company.

This indicator was calculated considering the actual payment days commencing from the date of invoice issue.

Group companies, establishes clear principles regarding respect for human rights, environmental protection and ethical responsibility. Specifically, leather suppliers are required to hold the Leather Working Group (LWG) certification, which guarantees sustainable practices. In addition, for certain selected suppliers there are specific audits aimed at verifying compliance with the established requirements.

APPENDIX

LIST OF DISCLOSURE REQUIREMENTS

ESRS 2 - GENERAL DISCLOSURES	Reference	Page	Notes
BP-1 – General basis for preparation of sustainability statements	Methodological note	55	
BP-2 – Disclosures in relation to specific circumstances	Methodological note	55	
GOV 1 - The role of administrative, management and supervisory bodies	Administrative, management and supervisory bodies	60	
GOV-2 – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	Administrative, management and supervisory bodies	61	
GOV-3 – Integration of sustainability-related performance in incentive schemes	Remuneration Policies	61	
GOV-4 – Statement on due diligence	Statement on due diligence	62	
GOV-5 – Risk management and internal control over sustainability reporting	Internal control over sustainability reporting	62	
SBM-1 – Strategy, business model and value chain	Business model and strategy	56	
SBM-2 – Interests and views of stakeholders	Stakeholder Engagement	58	
SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	Double Materiality Assessment	65	
IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities	Double Materiality Assessment	63	
IRO-2 – Disclosure requirements in ESRS covered by the undertaking's sustainability statement	Disclosure obligations and determination of material disclosures	67	

ESRS E1 – CLIMATE CHANGE	Reference	Page	Notes
ESRS 2 GOV-3 – Integration of sustainability-related performance in incentive schemes	Remuneration Policies	61	
E1 1 - Transition plan for climate change mitigation	Climate change mitigation transition plan	76	
ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	Identification of climate change-related impacts, risks and opportunities	75	
ESRS 2 IRO-1 – Description of the processes to identify and assess climate-related material impacts, risks and opportunities	Identification of climate change-related impacts, risks and opportunities	75	
E1-2 – Policies related to climate change mitigation and adaptation	Climate change mitigation and adaptation policies	76	
E1-3 – Actions and resources in relation to climate change policies	Climate change policy actions and resources	77	
E1-4 – Targets related to climate change adaptation	Climate change mitigation and adaptation targets	77	
E1-5 - Energy consumption and mix	Energy consumption and energy mix	77	

E1-6 - Gross Scope 1, 2, 3 GHG emissions and total GHG emissions	Greenhouse gas (GHG) emissions	78	
E1-7 - GHG removals and GHG mitigation projects financed through carbon credits	Emissions offsetting	84	
E1-8 - Internal carbon pricing	Internal carbon pricing	85	
E1-9 – Anticipated financial effects from material physical and transition risks and potential climate-related opportunities			Phase-in

ESRS E2 – POLLUTION	Reference	Page	Notes
ESRS 2 IRO-1 – Description of the processes to identify and assess pollution-related material impacts, risks and opportunities	Identification of pollution-related impacts, risks and opportunities	86	
E2-1 – Policies related to pollution	Pollution-related policies	87	
E2-2 - Actions and resources related to pollution	Pollution-related actions and resources	87	
E2-3 - Targets related to pollution	Pollution-related targets	87	
E2-4 - Pollution of air, water and soil			In accordance with paragraph 133 of ESRS 1, the Group has the option not to report information relating to this disclosure requirement, as it refers exclusively to the value chain
E2-5 - Substances of concern and substances of very high concern			In accordance with paragraph 133 of ESRS 1, the Group has the option not to report information relating to this disclosure requirement, as it refers exclusively to the value chain
E2-6 – Anticipated financial effects from pollution-related impacts, risks and opportunities			Phase-in

ESRS E3- WATER AND MARINE RESOURCES	Reference	Page	Notes
ESRS 2 IRO-1 – Description of the processes to identify and assess water and marine resource-related material impacts, risks and opportunities	Identification of water-related impacts, risks and opportunities	88	
E3-1 – Policies related to water and marine resources	Water-related policies	88	
E3-2 – Actions and resources related to water and marine resources	Water consumption actions and resources	89	
E3-3 – Targets related to water and marine resources	Water consumption targets	89	
E3-4 - Water consumption			In accordance with paragraph 133 of ESRS 1, the Group has the option not to report information relating to this disclosure requirement, as it refers exclusively to the value chain
E3-5 – Anticipated financial effects from impacts, risks and opportunities related to water and marine resources			Phase-in

ESRS E5 – USE OF RESOURCES AND THE CIRCULAR ECONOMY	Reference	Page	Notes
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ESRS 2 IRO-1 — Description of the processes to identify and assess the material impacts, risks and opportunities related to the use of resources and the circular economy	Identification of impacts, risks and opportunities related to resources and the circular economy	90	
E5-1 - Policies related to resources use and circular economy	Resource use and circular economy policies	91	
E5-2 - Actions and resources related to resource use and circular economy	Resource use and circular economy actions and resources	91	
E5-3 - Targets related to resource use and circular economy	Resource use and circular economy targets	92	
E5-4 - Resource inflows	Resource inflows	92	
E5-5 - Resource outflows	Resource outflows; Waste	93; 94	
E5-6 – Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities			Phase-in

ESRS S1 – OWN WORKFORCE		Reference	Page	Notes
ESRS 2 SBM-2 – Interests and views of stakeholders	Own workforce engagement processes		96	
ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	Identification of own workforce-related impacts, risks and opportunities		96	
S1-1 – Policies related to own workforce	Own workforce policies		97	
S1-2 – Processes for engaging with own workers and workers' representatives about impacts	Own workforce engagement processes		96	
S1-3 – Processes to remediate negative impacts and channels for own workers to raise concerns	Own workforce engagement processes		96	
S1-4 – Taking actions on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	Actions taken in relation to own workforce		98	
S1-5 – Targets related to the managing material negative impacts, advancing positive impacts and managing material risks and opportunities	Own workforce targets		99	
S1-6 - Characteristics of the undertaking's employees	The organisation's employee profile		99	
S1-7 - Characteristics of non-employee workers in the undertaking's own workforce				Phase-in
S1-8 - Collective bargaining coverage and social dialogue	Coverage of collective bargaining and social dialogue		100	Phase-in for employees in non-EEA countries
S1-9 - Diversity metrics	Diversity metrics		101	
S1-10 – Adequate wages	Wage metrics and adequate pay		102	
S1-11 - Social protection				Phase-in
S1-12 - Persons with disabilities				Phase-in
S1-13 - Training and skills development metrics	Training and skills development metrics		101	

S1-14 - Health and safety metrics	Health and safety metrics	102	Phase-in restricted to non-employee workers
S1-15 - Work-life balance metrics			Phase-in
S1-16 - Compensations metrics (pay gap and total compensation)	Wage metrics and adequate pay	102	
S1-17 - Incidents, complaints and severe human rights impacts	Incidents, complaints and severe human rights impacts	103	

ESRS S2 - WORKERS IN THE VALUE CHAIN	Reference	Page	Notes
ESRS 2 SBM-2 – Interests and views of stakeholders	Processes for engaging workers in the value chain	104	
ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	Identification of impacts, risks and opportunities related to workers in the value chain	104	
S2-1 - Policies related to workers in the value chain	Policies related to workers in the value chain	105	
S2-2 – Processes for engaging with the value chain workers about impacts	Processes for engaging workers in the value chain	104	
S2-3 – Processes to remediate negative impacts and channels for value chain workers to raise concerns	Processes for engaging workers in the value chain	104	
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, and effectiveness of those action	Actions taken in relation to workers in the value chain	105	
S2-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Targets related to workers in the value chain	106	

ESRS S4 – CONSUMERS AND END USERS	Reference	Page	Notes
ESRS 2 SBM-2 – Interests and views of stakeholders	End consumer engagement processes	107	
ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	Identification of end consumer-related impacts, risks and opportunities	107	
S4-1 – Policies related to consumers and end users	Policies related to end consumers	108	
S4-2 – Processes for engaging with consumer and end-user about impacts	End consumer engagement processes	107	
S4-3 – Processes to remediate negative impacts and channels for consumers and end users to raise concerns	End consumer engagement processes	107	
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	Actions taken in relation to end consumers	109	
S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Targets related to end consumers	109	

ESRS G1 – BUSINESS CONDUCT	Reference	Page	Notes
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ESRS 2 GOV 1 - The role of the administrative, supervisory and management bodies	Administrative, management and supervisory bodies	60
ESRS 2 IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities	Identification of business conduct-related impacts and opportunities	111
G1-1 - Corporate culture and business conduct policies	Corporate culture and business conduct policies Prevention of active and passive bribery	111
G1-2 - Management of relations with suppliers	Payment Practices and supplier relationship management	112
G1-3 - Prevention and detection of corruption and bribery	Prevention of active and passive bribery	111
G1-4 - Confirmed incidents of corruption or bribery	Prevention of active and passive bribery	111
G1-5 – Political influence and lobbying activities		Not material
G1-6 - Payment practices	Payment Practices and supplier relationship management	112

LIST OF DATAPPOINTS IN CROSS-CUTTING AND TOPICAL STANDARDS THAT DERIVE FROM OTHER EU LEGISLATION

Disclosure Requirement and related datapoint		SFDR	Pillar 3	Benchmarks	EU Climate Law	Site/Materiality
ESRS 2 GOV-1 21(d)	Board's gender diversity	•		•		60
ESRS 2 GOV-1 21(e)	Percentage of board members who are independent			•		61
ESRS 2 GOV-4 30	Statement on due diligence	•				62
ESRS 2 SBM-1 40(d)i	Involvement in activities related to fossil fuel activities	•	•	•		NM
ESRS 2 SBM-1 40(d)ii	Involvement in activities related to chemical production	•		•		NM
ESRS 2 SBM-1 40(d)iii	Involvement in activities related to controversial weapons	•		•		NM
ESRS 2 SBM-1 40(d)iv	Involvement in activities related to cultivation and production of tobacco			•		NM
ESRS E1-1 14	Transition plan to reach climate neutrality by 2050				•	76
ESRS E1-1 16(g)	Undertakings excluded from Paris-aligned Benchmarks		•	•		NM
ESRS E1-4 34	GHG emission reduction targets	•	•	•		77
ESRS E1-5 38	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	•				78
ESRS E1-5 37	Energy consumption and mix	•				78
ESRS E1-5 40-43	Energy intensity associated with activities in high climate impact sectors	•				78
ESRS E1-6 44	Gross Scope 1, 2, 3 and Total GHG emissions	•	•	•		79
ESRS E1-6 53-55	Gross GHG emissions intensity	•	•	•		84
ESRS E1-7 56	GHG removals and carbon credits				•	84
ESRS E1-9 66	Exposure of the benchmark portfolio to climate-related physical risks			•		Phase-in
ESRS E1-9 66(a)	Disaggregation of monetary amounts by acute and chronic physical risk		•			Phase-in
ESRS E1-9 66(c)	Location of significant assets at material physical risk		•			Phase-in
ESRS E1-9 67(c)	Breakdown of the carrying value of its real estate assets by energy-efficiency		•			Phase-in
ESRS E1-9 69	Degree of exposure of the portfolio to climate-related			•		Phase-in
ESRS E2-4 28	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	•				NM
ESRS E3-1 9	Water and marine resources	•				88
ESRS E3-1 13	Dedicated policy	•				88
ESRS E3-1 14	Sustainable oceans and seas	•				NM
ESRS E3-4 28(c)	Total recycled and reused water	•				NM
ESRS E3-4 29	Total water consumption in m3 per net revenue on own operations	•				NM
IRO-1 - E4 16(a)i	-	•				NM
IRO-1 - E4 16(b)	-	•				NM
IRO-1 - E4 16(c)	-	•				NM
ESRS E4-2 24(b)	Sustainable land / agriculture practices or policies	•				NM
ESRS E4-2 24(c)	Sustainable oceans / seas practices or policies	•				NM
ESRS E4-2 24(d)	Policies to address deforestation	•				NM
ESRS E5-5 37(d)	Non-recycled waste	•				95
ESRS E5-5 39	Hazardous waste and radioactive waste	•				95
SBM-3 - S1 14(f)	Risk of incidents of forced labour	•				96
SBM-3 - S1 14(g)	Risk of incidents of child labour	•				96

ESRS S1-1	20	Human rights policy commitments	•		97
ESRS S1-1	21	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8		•	97
ESRS S1-1	22	Processes and measures for preventing trafficking in human beings	•		97
ESRS S1-1	23	Workplace accident prevention policy or management system	•		97
ESRS S1-3	32(c)	Grievance/complaints handling mechanisms	•		96
ESRS S1-14	88(b)(c)	Number of fatalities and number and rate of work-related accidents	•	•	102
ESRS S1-14	88(e)	Number of days lost to injuries, accidents, fatalities or illness	•		102
ESRS S1-16	97(a)	Unadjusted gender pay gap	•	•	103
ESRS S1-16	97(b)	Excessive CEO pay ratio	•		103
ESRS S1-17	103(a)	Incidents of discrimination	•		103
ESRS S1-17	104(a)	Non-respect of UNGPs on Business and Human Rights and OECD	•	•	103
SBM-3 - S2	11(b)	Significant risk of child labour or forced labour in the value chain	•		104
ESRS S2-1	17	Human rights policy commitments	•		105
ESRS S2-1	18	Policies related to value chain workers	•		105
ESRS S2-1	19	Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	•	•	105
ESRS S2-1	19	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions		•	105
ESRS S2-4	36	Human rights policy commitments	•		105
ESRS S3-1	16	Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines	•		NM
ESRS S3-1	17	Human rights issues and incidents	•	•	NM
ESRS S3-4	36	Human rights issues and incidents	•		NM
ESRS S4-1	16	Policies related to consumers and end-users	•		108
ESRS S4-1	17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	•	•	108
ESRS S4-4	35	Human rights issues and incidents	•		109
ESRS G1-1	10(b)	United Nations Convention against Corruption	•		111
ESRS G1-1	10(d)	Protection of whistleblowers	•		111
ESRS G1-4	24(a)	Fines for violation of anti-corruption and anti-bribery laws	•	•	111
ESRS G1-4	24(b)	Standards of anti- corruption and anti-bribery	•		111

**INDEPENDENT AUDITOR'S
REPORT ON THE CONSOLIDATED SUSTAINABILITY STATEMENT
PURSUANT TO ARTICLE 14-BIS OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010**

**To the Shareholders of
Piquadro S.p.A.**

Conclusion

Pursuant to artt. 8 and 18, paragraph 1 of Legislative Decree no. 125 of September 6, 2024 (hereinafter also the “Decree”), we have carried out a limited assurance engagement on the consolidated sustainability statement of Piquadro S.p.A. and its subsidiaries (hereinafter also the “Piquadro Group”) for the year ended on March 31, 2025, prepared pursuant to Art. 4 of the Decree, included in the specific section of the management report.

Based on the work performed, nothing has come to our attention that causes us to believe that:

- the consolidated sustainability statement of Piquadro Group for the year ended on March 31, 2025 is not prepared, in all material respects, in accordance with the reporting principles adopted by the European Commission pursuant to the Directive (EU) 2013/34/EU (*European Sustainability Reporting Standards*, hereinafter also “ESRS”);
- the information included in the paragraph “EU Taxonomy” of the consolidated sustainability statement is not prepared, in all material respects, in accordance with art. 8 of Regulation (EU) No. 852 of June 18, 2020 (hereinafter also the “Taxonomy Regulation”).

Basis for conclusion

We conducted the limited assurance engagement in accordance with the assurance standard of the sustainability report - “Principio di Attestazione della Rendicontazione di Sostenibilità - SSAE (Italia)”. The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the level of assurance that would have been obtained had we performed a reasonable assurance engagement.

Our responsibilities pursuant to that standard are further described in the paragraph *Auditor’s responsibilities for the limited assurance of the consolidated sustainability statement* of this report.

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

Sede Legale: Via Santa Sofia, 28 - 20122 Milano | Capitale Sociale: Euro 10.688.930,00 i.v.

Codice Fiscale/Registro delle Imprese di Milano Monza Brianza Lodi n. 03049560166 - R.E.A. n. MI-1720239 | Partita IVA: IT 03049560166

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We are independent in accordance with the independence and other ethical requirements applicable under Italian law to the limited assurance engagement of the consolidated sustainability statement.

Our firm applies International Standard on Quality Management (ISQM Italia) 1, which 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.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our conclusion.

Other matter

The comparative information for the year ended on March 31, 2024 presented in the consolidated sustainability statement in the paragraph “EU Taxonomy” has not been verified.

Responsibility of the Directors and the Board of Statutory Auditors of Piquadro S.p.A. for the consolidated sustainability statement

The Directors are responsible for developing and implementing the procedures performed to identify the information reported in the consolidated sustainability statement in accordance with the ESRS (hereinafter the “double materiality assessment process”) and for disclosing this process in the paragraph “Double Materiality Assessment” of the consolidated sustainability statement.

The Directors are also responsible for the preparation of the consolidated sustainability statement, which includes the information identified as part of the double materiality assessment process, in accordance with the requirements of Art. 4 of the Decree, including:

- compliance with ESRS;
- compliance of the information included in the paragraph “EU Taxonomy” with art. 8 of the Taxonomy Regulation.

Such responsibility involves designing, implementing and maintaining, within the terms established by the law, such internal control that the Directors determine necessary to enable the preparation of the consolidated sustainability statement in accordance with the requirements of the art. 4 of the Decree that is free from material misstatements, whether due to fraud or error. Furthermore, the abovementioned responsibility involves the selection and application of appropriate methods in elaborating information and making assumptions and estimates about specific sustainability information that are reasonable in the circumstances.

The Board of Statutory Auditors is responsible for overseeing, within the terms established by law, the compliance with the provisions set out in the Decree.

Inherent limitations in the preparation of the consolidated sustainability statement

The information provided by Piquadro Group regarding Scope 3 emissions is subject to greater inherent limitations compared to those related to Scope 1 and 2 emissions. This is due to the lower availability and relative accuracy of the data used to define the information on Scope 3 emissions, both quantitative and qualitative, in relation to the value chain as disclosed in the paragraph “Methodological Note - Use of estimates and uncertainty in value chain data”.

Auditor’s responsibilities for the limited assurance of the consolidated sustainability statement

Our objectives are to plan and perform procedures to obtain limited assurance about whether the consolidated sustainability statement is free from material misstatements, whether due to fraud or error, and to issue an assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, could influence the decisions of users taken on the basis of consolidated sustainability statement.

As part of the limited assurance engagement in accordance with the Principio di Attestazione della Rendicontazione di Sostenibilità - SSAE (Italia), we exercise professional judgment and maintain professional skepticism throughout the engagement.

Our responsibilities include:

- considering risks to identify and assess the disclosure where a material misstatement is likely to arise, either due to fraud or error;
- designing and performing procedures to verify disclosures in the sustainability statement where material misstatements are likely to arise. The risk of not detecting a material misstatement due to fraud is higher than the risk of not identifying a material misstatement due to error, as fraud may involve collusion, falsifications, intentional omissions, misrepresentations, or the override of internal control;
- the direction, supervision and performance of the limited assurance engagement of the consolidated sustainability statement. We remain solely responsible for the conclusion on the consolidated sustainability statement.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence as the basis for expressing our conclusion.

The procedures performed on the consolidated sustainability statement are based on our professional judgement and included inquiries, primarily with the personnel of Piquadro Group responsible for the preparation of information included in the consolidated sustainability statement, analysis of documents, recalculations and other procedures aimed to obtain evidence as appropriate.

Specifically, we performed the following main procedures partly in a preliminary phase before year end and then in a final phase up to the the date of issuance of this report:

- understanding the business model, Piquadro Group's strategies and the context in which the Group operates with reference to sustainability matters;
- understanding the processes underlying the generation, collection, and management of qualitative and quantitative information included in the consolidated sustainability statement, including an analysis of the reporting perimeter;
- understanding the process carried out by Piquadro Group for the identification and evaluation of material impacts, risks and opportunities, based on the principle of double materiality, with reference to sustainability matters;
- identification of the information where a risk of material misstatement is likely to arise, taking into considerations, among others, risk factors related to the generation and collection of the information, to the existence of estimates and to the complexity of the calculation methods, as well as qualitative and quantitative factors related to the nature of such information;
- design and performance of procedures, based on the professional judgment of the auditor of the consolidated sustainability report, to respond to identified risks of material misstatement also with the support of Deloitte network specialists, in particular with reference to specific environmental information;
- understanding of the process set up by Piquadro Group to identify eligible economic activities and determine their aligned nature according to the requirements of the Taxonomy Regulation, and verifying the related information included in the consolidated sustainability statement;
- comparison of the information reported in the consolidated sustainability statement with the information included in the consolidated financial statements pursuant to the applicable financial reporting framework, or with the accounting data used for the preparation of the financial statements, or with the management data accounting in nature;

- verification of the structure and presentation of the information included in the consolidated sustainability statement in accordance with ESRS, included the information related to the materiality assessment process;
- obtaining the representation letter.

DELOITTE & TOUCHE S.p.A.

Signed by
Stefano Montanari
Partner

Bologna, Italy
July 4, 2025

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



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>(in thousands of Euro)</i>	Notes	31/03/2025	31/03/2024
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	(1)	2,296	1,694
Goodwill	(2)	4,658	4,658
Right-of-use assets	(3)	40,825	37,996
Property, plant and equipment	(4)	12,563	12,447
Non-current financial assets	(5)	2	2
Receivables from others	(6)	1,506	1,770
Deferred tax assets	(7)	3,772	3,637
TOTAL NON-CURRENT ASSETS		65,621	62,203
CURRENT ASSETS			
Inventories	(8)	43,079	37,255
Trade receivables	(9)	38,115	36,108
Other current assets	(10)	7,242	7,995
Derivative assets	(11)	63	392
Tax receivables	(12)	2,293	898
Cash and cash equivalents	(13)	32,612	35,092
TOTAL CURRENT ASSETS		123,404	117,740
TOTAL ASSETS		189,025	179,943

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>(in thousands of Euro)</i>	Notes	31/03/2025	31/03/2024
LIABILITIES			
EQUITY			
Share Capital		1,000	1,000
Share premium reserve		1,000	1,000
Other reserves		(2,084)	(1,623)
Retained earnings		57,338	53,810
Group profit (loss) for the year		11,584	10,528
TOTAL EQUITY ATTRIBUTABLE TO THE GROUP		68,838	64,715
Capital and Reserves attributable to minority interests		0	0
Profit/(loss) for the year attributable to minority interests		0	0
TOTAL EQUITY ATTRIBUTABLE TO MINORITY INTERESTS		0	0
TOTAL EQUITY	(14)	68,838	64,715
NON-CURRENT LIABILITIES			
Borrowings	(15)	4,246	5,729
Payables to other lenders for lease agreements	(16)	17,105	19,608
Other non-current liabilities	(17)	4,821	5,481
Provision for employee benefits	(18)	3,134	3,251
Provisions for risks and charges	(19)	3,014	2,816
TOTAL NON-CURRENT LIABILITIES		32,320	36,885
CURRENT LIABILITIES			
Borrowings	(21)	12,300	9,708
Payables to other lenders for lease agreements	(22)	25,949	20,983
Derivative liabilities	(23)	0	0
Trade payables	(24)	38,418	35,534
Other current liabilities	(25)	9,131	9,053
Tax payables	(26)	2,069	3,065
TOTAL CURRENT LIABILITIES		87,867	78,343
TOTAL LIABILITIES		120,187	115,228
TOTAL EQUITY AND LIABILITIES		189,025	179,943

CONSOLIDATED INCOME STATEMENT

<i>(in thousands of Euro)</i>	Notes	31/03/2025	31/03/2024
REVENUES			
Revenues from sales	(27)	183,610	180,269
Other income	(28)	3,246	5,276
TOTAL REVENUES (A)		186,856	185,545
OPERATING COSTS			
Change in inventories	(29)	(5,809)	(268)
Costs for purchases	(30)	40,537	35,593
Costs for services and leases and rentals	(31)	76,429	73,841
Personnel costs	(32)	42,913	42,554
Amortisation, depreciation and write-downs	(33)	15,494	18,001
Other operating costs	(34)	921	991
TOTAL OPERATING COSTS (B)		170,485	170,712
OPERATING PROFIT (LOSS) (A-B)		16,371	14,833
FINANCIAL INCOME AND COSTS			
Financial income	(35)	1,254	1,824
Financial costs	(36)	(2,360)	(2,098)
TOTAL FINANCIAL INCOME AND COSTS		(1,106)	(274)
PROFIT (LOSS) BEFORE TAX		15,265	14,559
Income taxes	(37)	(3,681)	(4,031)
PROFIT/(LOSS) FOR THE YEAR		11,584	10,528
attributable to:			
EQUITY HOLDERS OF THE PARENT COMPANY		11,584	10,528
MINORITY INTERESTS		0	0
(Basic) Earnings/(Loss) per share in Euro	(38)	0.232	0.211

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Profit/ (Loss) for the year (A)	11,584	10,528
Components that can be reclassified to profit or loss		
Profit (loss) arising from the translation of financial statements of foreign companies	106	(538)
Profit (loss) on cash flow hedge instruments, net of related tax effects	(250)	(326)
Components that cannot be reclassified to profit or loss:		
Actuarial gains / (losses) on defined-benefit plans, net of related tax effects	313	11
Total Profits/(Losses) recognised in equity (B)	169	(853)
Total comprehensive Income /(Loss) for the year (A) + (B)	11,753	9,675
Attributable to		
- the Group	11,753	9,675
- Minority interests	0	0

It should be noted that the items of the consolidated Statement of Comprehensive Income are reported net of the related tax effect. For more details, reference should be made to Note 7.

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

(in thousands of Euro)

Description	Other reserves											Capital and Reserves attributable to minority interests	Profit / (Loss) attributable to minority interests	Total equity attributable to the Group and minority interests
	Share capital	Share premium reserve	Translation reserve	Fair value reserve	Reserve for Employee Benefits	Treasury shares reserve	Other reserves	Total Other reserves	Retained earnings	Group Profit/ (Loss)	Equity attributable to the Group			
Balances at 31 March 2023	1,000	1,000	2,781	611	(239)	(3,460)	556	249	52,308	6,502	61,059	0	0	61,059
Profit / (Loss) for the period										10,528	10,528	0	0	10,528
<u>Other comprehensive result at 31 March 2023</u>														
- Exchange differences from translation of financial statements in foreign currency			(538)					(538)			(538)			(538)
- Reserve for actuarial gains (losses) on defined - benefit plans					11			11			11			11
- Fair value of financial instruments				(326)				(326)			(326)			(326)
Other comprehensive Income/(Loss)	0	0	(538)	(326)	11			(853)			(853)			(853)
Comprehensive Income/(Loss) for the period	0	0	(538)	(326)	11			(853)		10,528	9,675			9,675
- Negative reserve for purchase of treasury shares in portfolio						(1,096)		(1,096)			(1,096)			(1,096)
- Distribution of dividends to shareholders									(5,000)		(5,000)			(5,000)
- Allocation to stock grant reserve							78	78			78			78
- Allocation of profit (loss) for the year ended 31 March 2023 to reserves									6,502	(6,502)	0			0
Balances at 31 March 2024	1,000	1,000	2,243	285	(228)	(4,556)	634	(1,623)	53,810	10,528	64,715	0	0	64,715
Profit/ (Loss) for the period										11,584	11,584	0	0	11,584
<u>Other comprehensive result at 31 March 2024</u>														
- Exchange differences from translation of financial statements in foreign currency			106					106			106			106
- Reserve for actuarial gains (losses) on defined - benefit plans					313			313			313			313
- Fair value of financial instruments				(250)				(250)			(250)			(250)
Other comprehensive Income/(Loss)	0	0	106	(250)	313			169			169			169
Comprehensive Income/(Loss) for the period	0	0	106	(250)	313			169		11,584	11,753			11,753
- Negative reserve for purchase of treasury shares in portfolio						(797)		(797)			(797)			(797)
- Distribution of dividends to shareholders								0	(7,000)		(7,000)			(7,000)
- Award of treasury shares for stock grant						78	(78)	0			0			0
- Allocation to stock grant reserve							167	167			167			167
- Allocation of profit (loss) for the year ended 31 March 2024 to reserves									10,528	(10,528)	0			0
Balances at 31 March 2025	1,000	1,000	2,349	35	85	(5,275)	723	(2,084)	57,338	11,584	68,838	0	0	68,838

CONSOLIDATED STATEMENT OF CASH FLOWS

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Profit/(Loss)	11,584	10,528
Adjustments for:		
Income taxes	3,681	4,031
Depreciation of property, plant and equipment/Amortisation of intangible assets and rights of use	14,651	16,157
Write-downs of property, plant and equipment/intangible assets and rights of use	349	997
Other provisions	(140)	380
Accrual to provision for bad debts	495	847
Adjustment to the provision for employee benefits	229	2,135
Net financial costs/(income), including exchange rate differences	1,106	1,211
Cash flows from operating activities before changes in working capital	31,955	36,286
Change in trade receivables (gross of the provision)	(2,502)	(8,704)
Change in inventories	(5,684)	(207)
Change in other current assets	1,016	(1,048)
Change in trade payables	1,852	(2,402)
Change in provisions for risks and charges	109	(2,949)
Change in other current liabilities	(414)	(1,163)
Change in tax receivables/payables	(2,264)	774
Cash flows from operating activities after changes in working capital	24,068	20,586
Payment of taxes	(3,808)	(5,317)
Interest paid	(100)	260
Cash flow generated from operating activities (A)	20,160	15,530
Investments in intangible assets	(1,576)	(632)
Disinvestments from intangible assets	0	0
Investments in property, plant and equipment	(3,151)	(2,766)
Disinvestments from property, plant and equipment	0	0
Equity investments	0	0
Changes generated from investing activities (B)	(4,727)	(3,398)
Financing activities		
Change in short- and medium/long-term borrowings	1,109	(11,883)
- <i>New issues of long-term borrowings</i>	<i>12,000</i>	<i>0</i>
- <i>Repayments and other net changes in borrowings</i>	<i>(10,891)</i>	<i>(11,883)</i>
Change in financial instruments	0	0
Changes in treasury shares held in portfolio	(797)	(1,096)
Lease instalments paid	(481)	(11,459)
Other minor changes	0	0
Payment of dividends	(7,000)	(5,000)
Cash flow generated from/(absorbed by) financing activities (C)	(18,018)	(29,438)
Change in the translation reserve (D)	106	(538)
Net increase (decrease) in cash and cash equivalents (A+B+C+D)	(2,480)	(17,844)
Cash and cash equivalents at the beginning of the period	35,092	52,936
Cash and cash equivalents at the end of the period	32,612	35,092



Significant events during the financial year

On 23 July 2024 the Shareholders' Meeting of Piquadro S.p.A. approved the Financial Statements at 31 March 2024, and the distribution of a unit dividend of Euro 0.148320 to the shareholders, for a total amount of approximately Euro 7 million, taking account of no. 2,769,450 treasury shares, equal to 5.5389% of its share capital held by Piquadro on that date. The dividend was paid as from 7 August 2024, by detachment of coupon no. 15 on 5 August 2024.

The ordinary shareholders' meeting also approved the First Section of the Remuneration Report for the financial year that will end on 31 March 2025, which describes the Company's Policy concerning the fees due to the Directors, the members of the board of statutory auditors', and key management of the Company, in the implementation of the provisions of Article 123-ter, paragraphs no.3-bis and 6, of the TUF (*Testo Unico della Finanza*, Consolidated Act on Finance). Furthermore, the Shareholders' Meeting gave its favourable opinion on the Second Section of the Remuneration Report, and the fees paid in accordance with the aforesaid Article 123-ter, paragraph 4, of the TUF.

The Shareholders' Meeting also approved:

(a) to revoke the previous authorisation to purchase and make acts of disposition of treasury shares granted in execution of the resolution passed by the Ordinary Shareholders' Meeting held on 20 July 2023;

(b) to authorise the purchase of the Company's ordinary shares, in one or more tranches, up to the maximum number permitted by law, having regard to treasury shares held directly, and to those held by subsidiaries.

According to Article 2357, paragraph 1, of the Italian Civil Code, all purchases may be carried out within the limits of distributable profits and available reserves resulting from the most recent financial statements as duly approved, with a consequent reduction in equity, pursuant to Article 2357-ter, paragraph 3, of the Italian Civil Code, in the same amount, through the recognition of a specific item with a negative sign among balance sheet liabilities. Any purchase, sale, exchange or contribution of shares shall be accompanied by any appropriate accounting record in compliance with the provisions of law and applicable accounting standards. In any case of sale, exchange or contribution, the corresponding amount may be reused for additional purchases, until the expiry of the time limit set out for the authorisation given by the Shareholders' Meeting, without prejudice to any quantitative and expenditure limits, as well as to the terms and conditions laid down by the Shareholders' Meeting. The authorisation to purchase the shares is granted, as from the date of this resolution, until the approval of the financial statements at 31 March 2025. The purchase price of the shares shall be determined from time to time, having regard to the methods selected to carry out the transaction, and in accordance with legislative, regulatory provisions or permitted market practices, within minimum and maximum limits that can be determined according to the following criteria:

(i) in any case the minimum consideration for the purchase shall not be less, by 20%, than the reference price that the stock shall have recorded on the trading day prior to every individual transaction;

(ii) in any case, the maximum consideration for the purchase shall not be higher, by 10%, than the reference price that the stock shall have recorded on the trading day prior to every individual transaction.

Should the purchase of treasury shares be made within the scope of any market practice referred to in CONSOB resolution no. 16839/2009, the purchase price set for any proposed trading shall not exceed the higher of the price set for the most recent independent transaction and the current purchase price of the highest independent proposed trading in the market in which proposed purchases are launched, without prejudice to any additional limit set out in the resolution itself. The abovementioned transactions shall be carried out, on one or more occasions, by purchasing shares, pursuant to Article 144-bis, paragraph 1, letter b, of the Issuers' Regulation, on regulated markets or multilateral trading systems, which do not allow any direct matching of proposed purchase trading with predetermined proposed sales trading, according to operating procedures set out in the regulations governing the organisation and operation of the markets themselves, in compliance with Article 2357 and ff. of the Italian Civil Code, the equality of treatment of shareholders and any applicable legislation, including regulatory provisions, in force, including the principles referred to in Article 132 of the TUF, as well as with Regulation (EU) no. 596/2014 of 16 April 2014 and related implementing provisions, if applicable. The purchases may take place according to procedures other than those specified above pursuant to Article 132, paragraph 3, of Legislative Decree no. 58/1998, or any other provision applicable from time to time on the day of the transaction;

(c) to authorise, pursuant to and for the purposes of Article 2357-ter of the Italian Civil Code, any act of disposition, on one or more occasions, of any share that has been purchased according to this resolution, or that in any case is already held in the Company's portfolio, even well before having reached the maximum amount of shares that can be purchased, and any possible repurchase of the shares themselves to the extent that the treasury shares held by the Company do not exceed the limit set out in the authorisation. The authorisation to acts of disposition of the shares is granted, as from the date of this resolution, without any time limit.

The consideration for any sale of treasury shares, which will be set by the Board of Directors, with the right of sub-delegating powers to one or more directors, may not be less by 20% at least, than the reference price that the stock

shall have recorded on the trading day prior to every individual transaction. Should the sale of treasury shares be carried out within the scope of the permitted market practices referred to above, without prejudice to any additional limit set out in CONSOB resolution no. 16839/2009, the sales price of any proposed trading shall not be less than the lower of the price of the most recent independent transaction and the current sales price of the lowest independent proposed trading in the market in which proposed sales are launched. Should the treasury shares be the object of trading, exchange, contribution or any other act of non-cash disposition, the financial terms and conditions of the transaction shall be laid down based on its nature and features while also taking account of the market performance of the Piquadro S.p.A. stock. Any act of disposition of shares may take place according to such procedures as may be considered to be the most appropriate in the interest of the Company, and in any case in compliance with the applicable regulations and permitted market practices; and

(d) to grant the Board of Directors and, through it, any managing director, jointly and severally between them, the amplest powers required for the actual and full execution of the resolutions referred to in the points above in compliance with the provisions laid down in Article 132 of the TUF and the disclosure obligations referred to in Article 144-*bis*, paragraph 3, of the Issuers' Regulation and, if required, the disclosure obligations required by the abovementioned market practices and by Regulation (EU) no. 596/2014 of 16 April 2014, and related implementing provisions, if applicable, with the right to proceed with the purchase and acts of disposition of treasury shares, within the limits of the provisions laid down above, including through specialist intermediaries, also pursuant to and for the purposes of the abovementioned market practice governing operations in support of liquidity permitted by CONSOB under resolution no. 16839 of 19 March 2009, and pursuant to Regulation (EU) no. 596/2014 of 16 April 2014, and related implementing provisions, if applicable.

The Shareholders' Meeting also took steps to make new additions to the Board of Directors by appointing a new director, pursuant to Article 17.3 of the Company's By-Laws, since the list voting mechanism was not applicable, with the majorities required by law. In particular, the Shareholders' Meeting resolved to appoint Mr Tommaso Palmieri, as Director of the Company, who was born in Bologna, on 12 June 1999, tax code no. PLMTMS99H12A944S, and who will remain in office until the Shareholders' Meeting for the approval of the financial statements for the FY 2024/2025, and whose fees will be included in the total amount as determined by the Ordinary Shareholders' Meeting held on 25 July 2022.

Finally, the Shareholders' Meeting resolved to amend certain paragraphs of Articles 12, 13 and 20 of the Company's By-Laws in order to stipulate, as permitted by Article 11 of the Capital Bill, which was definitively approved by the Parliament on 24 February 2024, that attendance and voting at shareholders' meetings shall take place exclusively through the Company's designated representative, in accordance with the procedures laid down provisionally under Decree Law no. 18/2020 ("Cure Italy Decree"), and that, should the Company opt for the "compulsory" use of the Designated Representative, all entitled persons may also, or only, attend shareholders' meetings through appropriate means of telecommunication, without the need for the Chairman, Secretary and/or Notary Public to be in the same place.

As at 13 June 2025, Piquadro S.p.A. held no. 2,769,450 treasury shares, equal to 5.5389% of the share capital while its subsidiaries did not hold any share in the Parent Company.

The invasion of Ukraine by the Russian Federation, undertaken in February 2022, has given rise to various consequences in economic and financial terms worldwide. This conflict, which is still ongoing, has caused, since the first months, high volatility, even in currencies, which has been reduced only partially, and has entailed the issue of targeted restrictive sanctions (individual sanctions against individuals), economic sanctions and diplomatic measures against the Russian Federation on the part of the United States of America, the United Kingdom and the European Union. Among economic sanctions, we must note those regarding the export of luxury goods, in response to which, in the early stages of the invasion, the Piquadro Group suspended logistics and invoicing operations to the Russian subsidiary, both towards DOSs and towards Russian multi-brand customers, which were then regularly resumed, since the scope of these sanctions had not restricted the Group's exports. It is specified that the Group has no suppliers of goods in Russia and Ukraine.

The effects for the Piquadro Group resulting from the conflict include, first and foremost, the direct impact arising from the exchange rate trends, to which the Piquadro Group responded by raising its selling prices to the public in Russia as from the first months of the conflict. Nevertheless, sales of Piquadro Group products at DOSs were not significantly affected by this situation, in terms of sales volumes.

Among indirect impacts, although there has been a decline in the inflation rate, the population's spending capacity is weakened, reverberating on consumer products, and consequently affecting GDP growth.

In the financial year 2024/2025, the Piquadro Group continued its sales to wholesale customers from the Russian Federation while also keeping all directly-operated retail stores open. The Piquadro Group's sales in Russia accounted for 1.93% of consolidated turnover at 31 March 2025 (2.16% at 31 March 2024).

As at the same date, the assets held by the Group in Russia amounted to about Euro 2.9 million, specifically relating to:

- i. rights of use pertaining to sales outlets (Euro 0.5 million);
- ii. inventories (Euro 1.3 million);
- iii. cash and cash equivalents (Euro 0.2 million);
- iv. receivables (Euro 0.1 million);
- v. property, plant and equipment (Euro 0.1 million);
- vi. non-current financial assets (Euro 0.1 million);
- vii. other current assets (Euro 0.6 million).

On the basis of the information available to date, the recoverability of the aforementioned amounts does not show any critical issue, without prejudice to the normal uncertainty regarding the evolution of the context.

In relation to the volatility of this scenario, our Management continues to monitor the situation in order to safeguard the Piquadro Group's assets, wealth and business continuity while taking any necessary measure to ensure that its activities are carried out in accordance with applicable regulations.

The Group's business

Piquadro S.p.A. (hereinafter also referred to as "Piquadro", the "Company" or "the Parent Company") and its subsidiaries (collectively "the Piquadro Group" or "the Group") design, produce and market leather goods - bags, suitcases and accessories - characterised by attention to design and functional and technical innovation.

The Company was established on 26 April 2005. The Share Capital has been subscribed through the contribution of the branch of business relating to operating activities on the part of the former Piquadro S.p.A (now Piquubo S.p.A., the ultimate company controlling the Company), which became effective for legal, accounting and tax purposes on 2 May 2005.

Effective from 14 June 2007, the registered office of Piquadro S.p.A. was moved from Riola di Vergato (Bologna), via Canova no. 123/O-P-Q-R to Località Sassuriano 246, Silla di Gaggio Montano (Bologna).

As of today's date, the Company is owned by Marco Palmieri through Piquubo S.p.A., which is 100% owned. Piquubo S.p.A., in fact, holds 93.34% of the Share Capital of Piquadro Holding S.p.A., which in its turn holds 68.37% of the Share Capital of Piquadro S.p.A., a Company which is listed on the Milan Stock Exchange since 25 October 2007.

It should be noted that for a better understanding of the economic performance of the Company and of the Group, reference is made to the extensive information reported in the Report on operations prepared by the Directors.

The data of these financial statements can be compared to the same of the previous financial year, except as reported below.

These financial statements were prepared by the Board of Directors on 16 June 2025 and will be submitted to the Shareholders' Meeting called on first call for 28 July 2025.

Structure and content of the consolidated financial statements and the relevant Accounting Standards

In compliance with Regulation (EU) no. 1606/2002, the consolidated financial statements of Piquadro S.p.A. at 31 March 2024 were prepared in accordance with the IAS/IFRS (International Accounting Standards and International Financial Reporting Standards, hereinafter also referred to as "IFRS") issued by the International Accounting Standards Board ("IASB") and endorsed by the European Union, as supplemented by the related interpretations issued by the International Financial Reporting Standards Interpretations Committee (IFRS IC), which was previously named Standing Interpretations Committee (SIC), as well as by the related measures issued in the implementation of article 9 of Legislative Decree no. 38/2005.

Basis of preparation

This document reports the consolidated financial statements, including the consolidated statement of financial position, the consolidated Income Statement, the consolidated Statement of Comprehensive Income, the consolidated

statement of cash flows and the statement of changes in consolidated equity for the financial years ended 31 March 2025 and 31 March 2024 and the related explanatory notes.

IFRS means all the “International Financial Reporting Standards” (IFRS), all the International Accounting Standards (IAS), all the interpretations of the International Financial Reporting Interpretations Committee (IFRIC), previously named Standing Interpretations Committee (SIC).

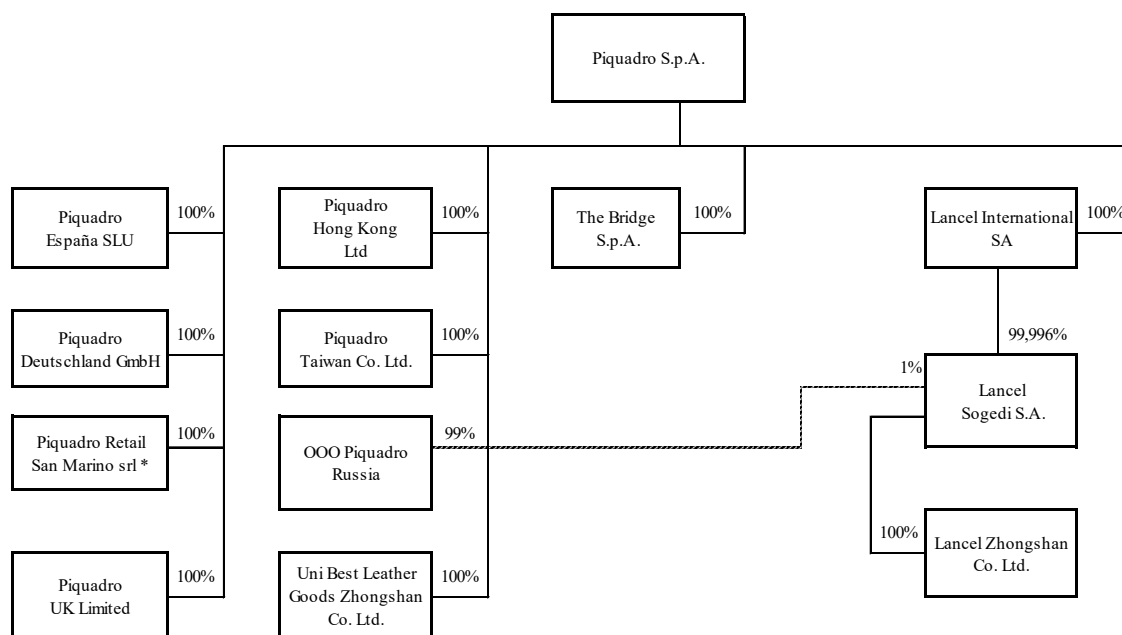
Specifically, it should be noted that IFRS were consistently applied to all periods presented in this document.

As to the procedures for presentation of the financial statements’ schedules, the Company adopted the distinction “current/non-current” for the statement of financial position, the single-step scheme for the Income Statement, classifying costs by nature and the indirect method of representation for the Statement of Cash Flows. The Statement of Comprehensive Income is presented in a separate document, as permitted by IAS 1 (revised) with respect to the Income Statement. The consolidated financial statements were prepared in Euro, i.e. the current money used in the economies in which the Piquadro Group mainly operates.

All amounts included in the tables of the following explanatory notes, except as otherwise indicated, are expressed in thousands of Euro.

Chart of the Group structure

For the purpose of providing a clear representation, below is reported the chart of the Piquadro Group structure at 31 March 2025:



* company in liquidation

Consolidation area

The consolidated financial statements at 31 March 2025 include the separate financial statements of the Parent Company Piquadro S.p.A. and the financial statements of all the companies in which it retains control, either directly or indirectly.

The financial statements being consolidated were prepared as at 31 March 2025, i.e. the reporting date of the consolidated financial statements and include those especially prepared and approved by the Boards of Directors of the individual Companies, as appropriately adjusted, if required, in order to be brought in line with the Accounting Standards of the Parent Company.

The complete list of the equity investments included in the consolidation area at 31 March 2025 and 31 March 2024, with the related Shareholders’ Equity and Share Capital recognised according to local Accounting Standards (as the subsidiary companies have prepared their separate financial statements according to local regulations and Accounting

Standards, and have prepared the consolidation file according to IFRS functionally to the consolidation into Piquadro) are reported in the tables below:

Consolidation area at 31 March 2025

Name	HQ	Country	Currency	Share Capital (local currency /000)	Shareholders' equity (local currency/000)	Control %
Piquadro S.p.A.	Gaggio Montano (BO)	Italy	EUR	1,000	48,014	Parent Company
Piquadro España SLU	Barcelona	Spain	EUR	898	883	100%
Piquadro Deutschland GmbH	Munich	Germany	EUR	25	150	100%
Uni Best Leather Goods Zhongshan Co. Ltd.	Guangdong	People's Republic of China	CNY	25,646	7,989	100%
Piquadro Hong Kong Co. Ltd.	Hong Kong	Hong Kong	HKD	2,000	480	100%
Piquadro Taiwan Co. Ltd.	Taipei	Taiwan	TWD	25,000	31,493	100%
Piquadro UK Limited	London	United Kingdom	GBP	1,000	988	100%
OOO Piquadro Russia	Moscow	Russia	RUB	20	185,193	100%
Piquadro Retail San Marino	San Marino	San Marino	EUR	26	28	100%
The Bridge S.p.A.	Scandicci (FI)	Italy	EUR	50	18,286	100%
Lancel International SA	Lugano	Switzerland	CHF	35,090	23,033	100%
Lancel Sogedi	Paris	France	EUR	20,000	2,625	100%
Lancel Zhongshan	Guangdong	People's Republic of China	CNY	14,000	12,824	100%

Consolidation area at 31 March 2024

Name	HQ	Country	Currency	Share Capital (local currency /000)	Shareholders' equity (local currency/000)	Control %
Piquadro S.p.A.	Gaggio Montano (BO)	Italy	EUR	1,000	49,936	Parent Company
Piquadro España SLU	Barcelona	Spain	EUR	898	874	100%
Piquadro Deutschland GmbH	Munich	Germany	EUR	25	155	100%
Uni Best Leather Goods Zhongshan Co. Ltd.	Guangdong	People's Republic of China	CNY	25,646	4,311	100%
Piquadro Hong Kong Co. Ltd.	Hong Kong	Hong Kong	HKD	2,000	543	100%
Piquadro Taiwan Co. Ltd.	Taipei	Taiwan	TWD	25,000	30,650	100%
Piquadro UK Limited	London	United Kingdom	GBP	1,000	990	100%
OOO Piquadro Russia	Moscow	Russia	RUB	20	175,473	100%
Piquadro Retail San Marino	San Marino	San Marino	EUR	26	24	100%

The Bridge S.p.A.	Scandicci (FI)	Italy	EUR	50	13,468	100%
Lancel International SA	Lugano	Switzerland	CHF	35,090	22,969	100%
Lancel Sogedi	Paris	France	EUR	20,000	2,989	100%
Lancel Italia	Gaggio Montano (BO)	Italy	EUR	100	70	100%
Lancel Zhongshan	Guangdong	People's Republic of China	CNY	14,000	12,822	100%

Accounting policies

The accounting standards and consolidation principles adopted in the preparation of these Consolidated Financial Statements are consistent with those applied to prepare the Consolidated Financial Statements at 31 March 2025, while also taking account of the information provided below in relation to the new accounting standards, amendments and interpretations applicable from 1 April 2024.

The directors have assessed whether the going-concern assumption can be applied to prepare the consolidated financial statements, concluding that this requirement is adequate since there is no doubt about the ability to continue as a going concern. The situation triggered by the continuing conflict between Russia and Ukraine was taken into account in making this assessment.

The accounting policies used in preparing the consolidated financial statements at 31 March 2025 are set out below.

Consolidation criteria and techniques

The consolidated financial statements include the financial statements of the Company and of the companies over which it exercises control, either directly or indirectly, starting from the date when the control was acquired up to the date when control ceases. In this case, control is exercised both by virtue of the direct or indirect possession of the majority of voting shares and as a result of the exercise of a dominant influence expressed by the power to affect, also indirectly by virtue of contractual or legal agreements, the financial and operational decisions of the entities, obtaining the relative benefits thereof, also regardless of shareholding relations. The existence of potential voting rights exercisable as at the reporting date is taken into account for the purposes of determining control.

The companies that the Parent Company Piquadro S.p.A. controls, either directly or indirectly, and either legally or in practice, are consolidated according to the line-by-line consolidation method, which consists in reporting all the asset and liability items in their entirety from the date on which control was acquired up to the date when control ceases.

The main consolidation criteria adopted for the application of the line-by-line method are the following:

subsidiary companies are consolidated starting from the date when control is actually transferred to the Piquadro Group and cease to be consolidated on the date when control is transferred outside the Piquadro Group; if required, adjustments are made to the financial statements of subsidiary companies in order to bring the accounting criteria used in line with those adopted by the Piquadro Group; assets and liabilities, income and charges of companies consolidated on a line-by-line basis are fully recognised in the consolidated financial statements; the book value of the equity investments is derecognised against the corresponding portion of Equity of the investee companies, entering the individual elements of balance sheet assets and liabilities at their current value at the date of acquisition of control. Any residual difference, if positive, is entered under the asset item "Goodwill"; if negative, in the Income Statement; debt and credit relationships, costs and revenues, financial income and charges between Companies consolidated on a line-by-line basis, as well as the effects of all transactions effected between the same are derecognised; the portions of Equity and of the result for the period attributable to minority interests are indicated separately in consolidated Equity and Income Statement, respectively.

Financial statements expressed in currencies other than that of the Piquadro Group's consolidated financial statements, i.e. the Euro, are consolidated following the methodology described above after translating them into Euro. The translation is made as follows:

- (i) assets and liabilities are translated using the exchange rates prevailing at the reporting date of the consolidated financial statements;
- (ii) costs and revenues are translated at the average exchange rate of the financial year;
- (iii) exchange rate differences generated by the translation of the economic values at a rate other than the closing rate and those generated by the translation of the opening Equity at an exchange rate other than the closing rate of the reporting period are classified under a special Equity item up to the sale of the equity investment;
- (iv) goodwill and fair value adjustments generated by the acquisition of a foreign company are recognised in the related currency as assets and liabilities of the foreign entity and are translated using the period-end exchange rate.

The financial statements expressed in a foreign currency other than that of the Countries which have adopted the Euro are translated into Euro by applying the rules indicated above. Below are reported the exchange rates applied for the FY 2024/2025 and 2023/2024 (foreign currency corresponding to Euro 1.00):

Foreign Currency	Average exchange rate (*)		Closing exchange rate (*)	
	2024/2025	2023/2024	31/03/2025	31/03/2024
Hong Kong Dollar (HKD)	8.37	8.49	8.41	8.46
Renminbi (RMB)	7.75	7.78	7.84	7.81
Taiwan Dollar (TWD)	34.86	34.07	35.89	34.60
Swiss Franc (CHF)	0.95	0.96	0.95	0.98
Great Britain Pound (GBP)	0.84	0.86	0.84	0.86
US Dollar (USD)	1.07	1.08	1.08	1.08
Russian Rouble (RUB)	100.29	97.47	91.59	100.12

(*) The exchange rates have been rounded up to the second decimal figure.

Intangible assets

Intangible assets purchased or internally produced are entered under assets when it is probable that the use of the asset will generate future economic benefits and when the cost of the asset may be determined reliably. These assets are valued at their purchase or production cost.

Intangible assets relate to assets without an identifiable physical substance, which are controlled by the company and are able to generate future economic benefits, as well as any possible goodwill.

The rates applied are:

Development Costs	25%
Patents	33.3%
Trademarks	10%
Concessions	33.3%

(i) Research and Development costs

Research costs are charged to the Income Statement in the financial year in which they are incurred. Development costs are instead entered under intangible assets where all the following conditions are fulfilled:

- the project is clearly identified and the related costs can be identified and measured reliably;
- the technical feasibility of the project has been demonstrated;
- the intention to complete the project and to sell the intangible assets generated by the project has been demonstrated;
- a potential market exists or, in the case of internal use, the benefit of the intangible asset has been demonstrated for the production of the intangible assets generated by the project;

- the technical and financial resources necessary for the completion of the project are available.

Amortisation of Development costs entered under intangible assets will start from the date when the result generated by the project is marketable. Amortisation is made on a straight-line basis over a period of 4 years, which represents the estimated useful life of capitalised expenses.

(ii) Industrial patent and intellectual property rights, Licences and other Rights

Charges relating to the acquisition of industrial patent and intellectual property Rights, Licences and other Rights are capitalised on the basis of the costs incurred for their purchase.

Amortisation is calculated on a straight-line basis so as to allocate the cost incurred for the acquisition of the right over the shorter of the period of the expected use and the term of the related contracts, starting from the time when the acquired Right may be exercised; usually, this period has a duration of 5 years.

(iii) Trademarks

Trademarks have a definite useful life and are valued at cost. Amortisation is calculated on a straight-line basis in order to distribute their value over the estimated useful life and in any case for a period not exceeding 10 years.

(iv) Goodwill

Goodwill arising from the acquisition of subsidiaries, classified under non-current assets, is stated, upon initial recognition, at the cost consisting of the excess consideration paid and of the amount stated for minority interests, recognised as at the date of acquisition, compared to the identifiable net assets acquired and the liabilities assumed by the Piquadro Group. If the consideration is less than the fair value of the net assets of the acquired subsidiary, the difference is stated through profit or loss. Goodwill is regarded by the Piquadro Group as an asset with indefinite useful life. Accordingly, this asset is not amortised but is tested for impairment periodically. Goodwill is allocated to the operating units that generate cash flows that are identifiable separately and are monitored in order to allow the impairment test to be conducted.

Right-of-use assets

The asset for the right to use leased assets is initially valued at cost, and subsequently amortised or depreciated over the lease term. The cost includes:

- the initial amount of lease liabilities;
- incentives received under the lease agreement;
- initial direct costs incurred by the lessee;
- any estimated costs that will be incurred by the lessee to restore the leased asset to the conditions existing prior to the lease inception date, in accordance with the provisions of the lease agreement.

The Group has decided not to apply IFRS 16 for contracts containing a lease which has an intangible asset as underlying asset.

Property, plant and equipment

Property, plant and equipment are entered at their purchase price or production cost, including any directly attributable additional charges required to make the assets available for use.

Costs incurred subsequent to the purchase are capitalised only if they increase the future economic benefits inherent in the asset to which they refer.

The assets whose sale is highly probable as at the reporting date of the financial statements are classified under current assets under item "Current assets available for sale" and measured at the lower of the book value and the related fair value, net of estimated selling costs. The sale of an asset classified under non-current assets is highly probable when the Management has defined, by a formal resolution, a plan for the disposal of the asset (or of the disposal group) and activities have been started to identify a purchaser and to complete the plan. Furthermore, the asset (or the disposal group) has been offered for sale at a reasonable price compared to its current fair value. The sale is expected to be completed within a year of the date of classification and the actions required to complete the sale plan show that it is improbable that the plan can be significantly amended or cancelled.

Leases in which the lessor substantially retains the risks and rewards attached to ownership of the assets are classified as operating leases. Costs for rentals arising from operating leases are charged to the Income Statement on a straight-line basis on the basis of the contract term.

No depreciation is carried out on tangible assets intended for transfer, which are valued at the lower of the entry value and their fair value, net of disposal charges.

The rates applied are:

Land	Unlimited useful life
Buildings	3%
Leasehold improvements (shops)	17.5%*
Machinery and moulds	17.5%
General systems	17.5%
Industrial and business equipment	25%
Office electronic machines	20%
Fittings	12%
Motor vehicles and means of internal transport	20%
Cars	25%

* Or over the term of the lease agreement should the same be lower and there is not reasonable certainty of the renewal of the same at the natural expiry of the contract.

Should the asset being depreciated be made up of elements that can be clearly identified and whose useful life significantly differs from that of the other parts making up the asset, depreciation is made separately for each of the parties making up the asset (component approach).

Ordinary maintenance costs are fully charged to the Income Statement. Costs for improvements, refurbishment and transformation increasing the value of property, plant and equipment are charged as an increase in the relevant assets and depreciated separately.

Financial charges directly attributable to the construction or production of a tangible asset are capitalised as an increase in the asset under construction, up to the time when it is available for use.

The recoverability of the entry value of property, plant and equipment is verified by adopting the criteria indicated in point “Impairment losses of assets” below.

Business combinations

Business combinations are accounted for by applying the so-called purchase method (as defined by IFRS 3 (revised) “Business combinations”). The purchase method requires, after having identified the purchaser within the business combination and having determined the acquisition cost, all assets and liabilities acquired (including the so-called contingent liabilities) to be measured at fair value. Goodwill (if any) is determined only on a residual basis as the difference between the cost of the business combination and the relevant portion of the difference between acquired assets and liabilities measured at fair value. If negative, it is recognised as a positive component of the result for the period in which the business combination takes place. Transaction costs are directly charged to the Income Statement.

The consideration (if any) subject to condition resulting from the business combination agreement is measured at fair value on the acquisition date and are included in the value of the consideration transferred for the combination for the purposes of determining goodwill.

Minority interests on the acquisition date are measured at fair value or based on the proportional value of net assets of the acquiree. The measurement method is chosen for each transaction.

If business combinations are carried out in steps, the interest previously held by the Piquadro Group in the acquiree is measured at fair value on the date of acquisition of control and the resulting profit or loss (if any) is recognised in the income statement.

Business combinations of entities under common control

Business combinations of entities under common control are business combinations of entities which are ultimately controlled by the same persons both before and after the business combination and the control is not of a temporary nature. The presence of minority interests in each of the entities being combined before or after the combination transaction is not significant in order to determine whether the combination involves entities under common control. Business combinations of entities under common control are accounted for so that the net assets of the acquired entity and of the acquiring entity are recognised at the book values they had in the respective accounts before the transaction (continuity of values), without recognising, in the consolidated financial statements, surplus values (if any) arising from these combinations and accounted for in the separate financial statements of the Company.

Equity investments in associated companies and other companies

If existing, investments in associated companies are valued at Equity.

Equity investments in other companies are measured at fair value; if the fair value cannot be estimated reliably, the investment is valued at cost. After initial recognition, these investments are measured at fair value through other comprehensive income. This approach does not include any interest that is held for sale only, whose fair value changes are recognised through profit (or loss) for the period. The risk arising from any possible losses exceeding the carrying amount of the investment is recognised in a specific provision to the extent in which the investing company is committed to fulfilling legal or constructive obligations to the investee or in any case to covering its losses.

The recoverability of their entry value is verified by adopting the criteria indicated in point “Impairment losses of assets”.

Receivables and other non-current and current assets

Financial assets

Financial assets, as required by IFRS 9, are classified, according to the management methods applied by the Piquadro Group and based on the related features of contract cash flows, into the following categories:

- Amortised Cost: this category includes financial assets that are held for the sole purpose of collecting contract cash flows. They are measured at amortised cost, with proceeds recognised through profit or loss based on the effective interest rate method.

- Fair value through other comprehensive income (“FVOCI”): this category includes financial assets the contract cash flows of which exclusively consist of the payment of principal and interest and that are held in order to collect contract cash flows, as well as flows deriving from their sale. They are measured at fair value. Interest income, foreign exchange gains and losses, impairment losses (and related value write-backs) of financial assets classified as assets at FVOCI, are accounted for through profit or loss; other changes in the fair value of assets are accounted for among OCI. Upon the sale or reclassification of these financial assets to other categories, because of a change in the business model, cumulative profits or losses recognised in OCI are reclassified to profit or loss.

- Fair value through profit or loss (“FVTPL”): this category includes residual items concerning financial assets that do not fall within the categories of Amortised Cost or FVOCI, such as, for example, financial assets acquired for trading purposes or derivatives, or assets designated at FVTPL on the part of the Management upon initial recognition. They are measured at fair value. Any profits or losses arising from this measurement are recognised through profit or loss.

FVOCI for equity instruments: financial assets consisting of equity instruments issued by other entities (i.e. interests in companies other than subsidiaries, associates and jointly-controlled companies), which are not held for trading purposes, can be classified in the category of FVOCI. This option can be applied on an instrument-by-instrument basis and provides for any change in the fair value of these instruments to be recognised in OCI, without being recycled to profit or loss, either upon their transfer or upon their impairment. Only the dividends arising from these instruments will be recognised through profit or loss.

The fair value of financial assets is determined on the basis of the listed offer prices or through the use of financial models. The fair value of unlisted financial assets is estimated by using appropriate valuation techniques adapted for the specific situation.

Measurements are carried out on a regular basis in order to establish whether there is any objective evidence that a financial asset or a group of assets may have reported an impairment loss. If there is objective evidence, the impairment loss is recognised as a cost in the income statement for the period.

Trade receivables

Upon initial recognition they are measured at fair value, while trade receivables without any significant financial component are valued at the transaction price. The measurement of their recoverable value is made on the basis of the Expected Credit Losses model required by IFRS 9.

They are measured at fair value upon initial recognition and then at amortised cost, using the effective interest method. They are stated net of a provision for bad debts, which is entered as a direct deduction from the receivables themselves to adjust their measurement at their presumed realisable value. Expected credit losses are estimated by using an allocation matrix broken down by maturities of overdue amounts, making reference to the entity's past experience of credit losses, as well as to an analysis of the creditors' financial position, as adjusted to include specific factors of the creditor and a valuation of the current and expected trend in these factors on the reporting date of the financial statements.

An accrual due to impairment losses on trade receivables is recognised when there is any objective evidence that the Piquadro Group will not be able to collect any and all amounts according to the initial terms and conditions. The amount of the accrual is charged to profit or loss.

Inventories

Inventories are valued and entered at the lower of the purchase or production cost, including additional charges, as determined according to the weighted average cost method, and the value of presumed realisable value inferable from the market performance.

Cash and cash equivalents

The item relating to cash and cash equivalents includes cash, current bank accounts, demand deposits and other short-term high-liquidity financial investments, which are readily convertible into cash, or which can be transformed into cash and cash equivalents within 90 days of the date of original acquisition and are subject to a non-significant risk of changes in value.

Impairment of assets

Assets with an indefinite useful life are not amortised and are tested for impairment at least annually, as well as whenever there is evidence of any possible impairment loss. Assets subject to amortisation are tested for impairment whenever events or changes in situations indicate that the book value might not be recoverable. The impairment loss is recognised in an amount equal to the excess book value compared to recoverable value, equal to the greater of current value, net of selling costs, and value in use. In order to assess an impairment loss, assets are grouped at the lowest level for which cash flows are expected to arise which can be identified separately (cash generating units) as required by IAS 36. The abovementioned impairment test necessarily requires the use of subjective evaluations based on the information available within the Piquadro Group, target market prospects and historical trends. Furthermore, if it is assumed that a potential impairment loss might have occurred, the Piquadro Group proceeds with its determination by using appropriate valuation techniques. The same impairment tests and the same valuation techniques are applied to intangible assets and property, plant and equipment with definite useful life when there is any evidence that there might be difficulties in recovering the related net book value through their use. The correct identification of any indicator of a potential impairment loss, as well as the estimates for its determination, mainly depend on factors and conditions that can vary over time, even significantly, thus affecting the evaluations and estimates made by the Directors.

The recoverable value is calculated in accordance with the criteria set out in IAS 36 and is determined as value in use by discounting the expected cash flow from the use of the asset or of a CGU, as well as from the value that is expected from its disposal at the end of its useful life. This process entails the use of estimates and assumptions to determine both the amount of future cash flows and the corresponding discount rates. Future cash flows are based on the most recent economic and financial plans prepared by the Management of each CGU with reference to the operation of production assets and to the market context.

In determining the discounting of future cash flows, the Management uses many assumptions, including estimates of future increases in sales, gross margin, operating costs, investments, changes in working capital, and the weighted average cost of capital (discount rate), in consideration of the risks specific to the business or Cash Generating Unit. The expected cash flows used in the model are determined during the Piquadro Group's budgeting and planning processes and represent the best forecast estimate, based on multi-year plans, as updated annually, reviewed by the Management and approved by the Board of Directors of the Parent Company Piquadro S.p.A. The carrying value attributed to the cash generating unit is determined by reference to the balance sheet using criteria of direct, where applicable, or indirect allocation.

If there is evidence that an impairment loss, recognized in previous years and relating to assets other than goodwill, may no longer exist or may have decreased, the recoverable amount of the asset is estimated once again, and if it is higher than the net book value, the latter is increased up to the recoverable amount. The reinstatement of value may not exceed the book value that would have been determined (net of write-down and amortisation and depreciation) if no impairment loss was recognised in the previous years, and is accounted for through Profit or Loss.

Shareholders' Equity

The Share Capital is made up of the outstanding ordinary shares and is entered at its nominal value. Costs relating to the issue of shares or options are classified as a reduction in Equity (net of the tax benefit related thereto) as a deduction of the income arising from the issue of such instruments.

In case of purchase of treasury shares, the price paid, including directly-attributable additional charges (if any), is deducted from the Group's Equity up to the time of cancellation, reissue or disposal of the shares. When the said treasury shares are resold or reissued, the price received, net of directly-attributable additional charges (if any) and of the related tax effect, is accounted for as an increase in the Group's Equity.

Entries are made in the translation reserve at the time of recognition of the exchange rate differences relating to the consolidation of the Companies which prepare the financial statements in a currency other than the Euro.

Entries are made in the legal reserve through provisions recognised pursuant to article 2430 of the Italian Civil Code, or the reserve is increased to an extent equal to the 20th part of the net profits achieved by the Parent Company until the reserve in question reaches a fifth of the Share Capital of the Parent Company. Once a fifth of the Share Capital is reached, if for whatever reason the reserve is decreased, it shall be replenished with the minimum annual provisions as indicated above.

Hedging financial instruments

The Piquadro Group carries out transactions in derivative financial instruments to hedge exposure to foreign exchange and interest rate risks. The Piquadro Group does not hold financial instruments of a speculative nature, as required by the risk policy approved by the Board of Directors. Consistently with IFRS 9, hedging financial instruments are accounted for according to the procedures laid down for hedge accounting if all the following conditions are fulfilled:

- at inception of the hedge, there is formal documentation of the hedging relationship and the company's risk management objective and strategy for undertaking the hedge;
- the hedge is expected to be highly effective in offsetting changes in fair value (fair value hedge) or cash flows (cash flow hedge) that are attributable to the hedged risk;
- for cash flow hedges, any forecast transaction being hedged is highly probable and presents an exposure to the changes in cash flows which could finally affect the economic result for the period ;
- hedge effectiveness is reliably measurable, i.e. the fair value or cash flows of the hedged item and the fair value of the hedging instrument can be reliably measured;
- the hedge must be assessed on an on-going basis and be highly effective for the entire life of the derivative.
-

The criterion for measuring hedging instruments is represented by their fair value as at the designated date. The fair value of foreign exchange derivatives is calculated in relation to their intrinsic value and time value. On each closing date of the financial statements, hedging financial instruments are tested for effectiveness, in order to verify whether the hedge meets the requirements to be qualified as effective and to be accounted for according to hedge accounting. When the financial instruments are eligible for hedge accounting, the following accounting treatments will be applied:

Fair value hedge - If a derivative financial instrument is designated as a hedge of the exposure to changes in fair value of a balance sheet asset or liability attributable to a specific risk that might impact the Income Statement, the profit or loss arising from the subsequent measurements at fair value of the hedging instrument are recognised in the Income Statement. The profit or loss on the hedged item, attributable to the hedged risk, modify the book value of this item and are recognised in the Income Statement.

Cash flow hedge - If a derivative financial instrument is designated as a hedge of the exposure to changes in future cash flows of an asset or liability entered in the accounts or of a forecast transaction which is highly probable and which could have effects on the Income Statement, changes in fair value of the hedging instrument are taken to the Statement of Comprehensive Income, the ineffective portion (if any) is recognised in the Income Statement.

If a hedging instrument or a hedging relationship are terminated, but the transaction being hedged has not yet been carried out, the combined profits and losses, which have been entered under the Statement of Comprehensive Income up to that time, are recognised in the Income Statement at the time when the related transaction is carried out.

If the transaction being hedged is no longer deemed probable, the profits or losses not yet realised and deferred to Equity are immediately recognised in the Income Statement.

If the hedge accounting cannot be applied, the profits or losses arising from the measurement at fair value of the derivative financial instrument are immediately entered in the Income Statement.

Earnings per share

Basic

Basic earnings per share are calculated by dividing the Group's economic result by the weighted average of the ordinary shares outstanding in the financial year, excluding treasury shares (if any).

Diluted

Diluted earnings per share are calculated by dividing the Group's economic result by the weighted average of the ordinary shares outstanding in the financial year, excluding treasury shares (if any). For the purposes of the calculation of the diluted earnings per share, the weighted average of outstanding shares is modified by assuming the conversion of all potential shares having dilutive effects, while the Group's net result is adjusted to take account of the effects, net of taxes, of the conversion.

Financial liabilities

Financial liabilities are initially accounted for at fair value, net of transaction costs incurred. Subsequently they are stated at amortised cost; the differential between the amount collected, net of transaction costs, and the amount to be repaid is accounted for through profit or loss on the basis of the term of the loans, using the effective interest method. In the case of non-substantial amendments to the terms and conditions of a financial instrument, the difference between the present value of flows as changed (determined by using the effective interest rate of the instrument outstanding at the date of the change) and the book value of the instrument is stated through profit or loss.

The loans are classified among current liabilities if the Group has not any unconditional right to defer the repayment of the liability for at least 12 months after the reporting date.

Financial liabilities are derecognised from the balance sheet when the specific contract obligation is extinguished. This also occurs when the existing contract terms and conditions are amended, if the new terms and conditions have changed the initial arrangements significantly.

Lease liabilities

Lease liabilities are measured at the present value of payments due for fixed rents not yet paid at the inception date of the lease, as discounted using the lessee's incremental borrowing rate. Liabilities for leased assets are subsequently increased by interest that accrues on these liabilities and decreased in correlation with lease payments. In addition, lease liabilities may increase or decrease in value in order to reflect reassessments or lease modifications of future lease payments that are made after the inception date.

Financial instruments and IFRS 7

The category of financial instruments

The disclosure required by IFRS 7, which allows the assessment of the significance of the Group's financial instruments and the nature of risks associated thereto, is reported in different paragraphs of these explanatory notes.

Risk factors

The Piquadro Group is exposed to risks associated with its own business, which are specifically referable to the following cases:

- (i) Credit risk arising from business transactions or financing activities;
- (ii) Liquidity risk relating to the availability of financial resources and to the access to the credit market;
- (iii) Market risk which is identified in detail as follows;
 - Foreign exchange risk, relating to operations in currencies other than currencies of denomination;
 - Interest rate risk, relating to the Group's exposure on financial instruments which bear interest.

Credit risk

The operational management of this risk is delegated to the Credit Management function which is shared by the Administration, Finance and Control Department with the Sales Department and is carried out as follows:

- (i) assessing the credit standing of the customers;
- (ii) monitoring the related expected incoming flows;
- (iii) the appropriate payment reminder actions;
- (iv) debt collection actions, if any.

The write-down necessary to bring the nominal value in line with the expected collectable value has been determined by analysing all of the expired loans in the accounts and using all the available information on individual debtors. Receivables which are the object of disputes and for which there is a legal or insolvency procedure have been fully written down, while fixed write-down percentages have been applied to all the other receivables, again taking account of both legal and actual situations. Below is reported the statement summarising changes in the Provision for bad debts.

<i>(in thousands of Euro)</i>	Provision at 31 March 2025	Provision at 31 March 2024
Balance at the beginning of the period	4,357	4,344
Accrual	701	847
Change in the consolidation area	0	0
Uses	(268)	(834)
Total Provision for bad debts	4,791	4,357

Breakdown of loans

As required by IFRS 7, below is reported a breakdown of expired loans:

<i>(in thousands of Euro)</i>		Loans falling due	Expired loans			Provision for bad debts
31/03/2025	Amount in the accounts		1-60 days	61-120 days	Over 120 days	
<i>DOS</i>	857	857	0	0	0	-
<i>Wholesale</i>	37,258	31,783	3,973	1,687	4,607	(4,790)
Total	38,115	32,640	3,973	1,687	4,607	(4,790)

<i>(in thousands of Euro)</i>		Loans falling due	Expired loans			Provision for bad debts
31/03/2024	Amount in the accounts		1-60 days	61-120 days	Over 120 days	
<i>DOS</i>	1,846	1,846	-	-	-	-

<i>Wholesale</i>	34,262	30,623	4,183	1,819	1,993	(4,356)
Total	36,108	32,469	4,183	1,819	1,993	(4,356)

Liquidity risk

The financial requirements of the Piquadro Group are affected by the collection dynamics from customers in the Wholesale channel, a segment which is mainly made up of points of sale/shops; as a consequence, credits are highly fragmented, with variable average payment times.

Nevertheless, the Piquadro Group is effortlessly capable of financing the growing requirements of net working Capital, through the cash flows generated by operations, including the short-term receipts generated by the DOS channel and, when necessary, through recourse to short-term loans.

In support of the above, below are reported the main ratios of financial management.

	31 March 2025	31 March 2024
Cash Ratio (*)	0.37	0.45
Quick Ratio (**)	0.92	1.03
Current Ratio (***)	1.41	1.50
Net Financial Position/EBITDA	0.96	0.74
Interest coverage ratio (****)	14.80	54.14

(*) Cash and cash equivalents/Current liabilities

(**) (Current assets- inventories)/Current liabilities

(***) Current assets, including inventories/Current liabilities

(****) Operating result/Financial income (charges)

The various liquidity ratios reported above (Cash, Quick and Current Ratios) show that the Piquadro Group's current operations have a good ability to generate cash flows which ensure an adequate coverage of short-term commitments. In addition, the management ratios do not show any problematic aspects as regards the coverage of costs deriving from the debt structure through operating profitability.

Furthermore, policies and processes have been adopted which are aimed at optimising the management of financial resources, thus reducing liquidity risks:

- (i) maintaining an adequate level of available funds;
- (ii) obtaining adequate credit lines;
- (iii) monitoring the perspective liquidity conditions, in relation to the corporate process.

Liquidity schemes:

Type of instruments	Amount in the accounts	Within 1 year	From 1 year to 5 years	Beyond 5 years	Total
31/03/2025					
Payables to banks for loans	16,546	12,300	4,246	0	16,546
Payables to banks for credit lines	0	0	0	0	0
Trade payables	38,418	37,891	273	254	38,418
Other borrowings (leases)	43,054	25,949	12,553	4,552	43,054
Derivative liabilities	0	0	0	0	0
Total	98,018	76,227	16,985	4,806	98,018

Type of instruments	Amount in the accounts	Within 1 year	From 1 year to 5 years	Beyond 5 years	Total
31/03/2024					
Payables to banks for loans	15,437	9,708	5,729	0	15,437

Payables to banks for credit lines	0	0	0	0	0
Trade payables	35,534	35,534	0	0	35,534
Other borrowings (leases)	40,591	20,983	14,251	5,357	40,591
Derivative liabilities	0	0	0	0	0
Total	91,562	64,542	20,183	5,528	91,562

Below are reported the main assumptions for the table above:

- Loans payable: the future cash flows have been provided directly by the banks concerned;
- Current bank accounts: by virtue of the worst case in which the worst scenario is equal to the repayment on demand of the use of the credit line, the related cash out has been charged to the first time band;
- Foreign exchange forwards: the cash out in Euro has been reported which has been envisaged as per contract at the time of the subscription of the derivative instruments;
- Finance leases: instalments, plus interest, have been reported.

As at 31 March 2025, the Piquadro Group relied on about Euro 16,546 thousand of credit lines from loans (about Euro 15,437 thousand at 31 March 2024). As regards the balance of Working capital, and specifically the coverage of payables to suppliers, it is also ensured by the amount of net trade receivables, which amounted to Euro 38,115 thousand at 31 March 2025 (Euro 36,108 thousand at 31 March 2024).

Market risk

Foreign exchange risk

The Piquadro Group is subject to market risk arising from fluctuations in the exchange rates of the currencies, as it operates in an international context in which transactions, mainly those with suppliers, are settled in US Dollars (USD); furthermore, wages and salaries of the employees of the subsidiary Uni Best Leather Goods in Zhongshan Co. Ltd. are paid in Renminbi. It follows that the Group's net result is partially affected by the fluctuations in the USD/Euro exchange rate and, to a lesser extent, the Renminbi/Euro exchange rate.

The necessity to manage and control financial risks has induced the Management to adopt a risk containment strategy, better defined as "hedge accounting policy". This consists in continuously hedging the risks relating to purchases over a time period of six months on the basis of the amount of the orders issued that shall be settled in US dollars. This conduct can be classified as a "Cash flow hedge" or the hedge of the risk of changes in the future cash flows; these flows can be related to assets or liabilities entered in the accounts or to highly probable future transactions. In compliance with IFRS 9, the portion of profit or loss accrued on the hedging instrument, which is considered effective for hedging purposes, has been recognised directly in the Statement of Comprehensive Income and classified under a special Equity reserve.

During the financial year ended 31 March 2025, the Parent Company executed forward currency contracts for USD 12,200 thousand, equal to an aggregate counter-value of Euro 11,101 thousand, with an average exchange rate of USD 1.099. Furthermore, it should be noted that some Piquadro Group Companies are located in Countries which do not belong to the European Monetary Union, i.e. China, Hong Kong, Taiwan, the United Kingdom and Russia. As the relevant currency is the Euro, the Income Statements of these companies are translated into Euro at the average exchange rate for the period and, the revenues and margins being equal in the local currency, any changes in the exchange rates may entail effects on the Euro counter-value of revenues, costs and economic results. The effects of these changes, as well as those deriving from the translation of Balance sheets, are recognised immediately in the Statement of Comprehensive Income, as required by the Accounting Standards.

For an analysis of the effects of these risks, reference is made to the table reported below (sensitivity analysis):

		Foreign exchange risk (FER)				
		+10% Euro/USD		-10% Euro/USD		
	Book value	Of which subject to FER	Profits (Losses)	Other changes in Equity	Profits (Losses)	Other changes in Equity
Financial assets						
Cash and cash equivalents	32,612	791	(67)	0	81	0
Trade receivables	38,115	235	(21)	0	26	0
Derivative financial instruments	63	0				
			(88)	0	107	0
Financial liabilities						
Borrowings	16,546		0	0	0	0
Payables to other lenders for lease agreements	43,054		0	0	0	0
Trade payables	38,418	6,266	(570)	0	696	0
Derivative financial instruments	0					
			(570)	0	696	0
Total effect at 31/03/2025			(658)	0	803	0

		Foreign exchange risk (FER)				
		+10% Euro/USD		-10% Euro/USD		
	Book value	Of which subject to FER	Profits (Losses)	Other changes in Equity	Profits (Losses)	Other changes in Equity
Financial assets						
Cash and cash equivalents	35,092	1,582	(133)	0	163	0
Trade receivables	36,108	5	(1)	0	1	0
Derivative financial instruments	392					
			(134)	0	163	0
Financial liabilities						
Borrowings	15,437		0	0	0	0
Payables to other lenders for lease agreements	40,591		0	0	0	0
Trade payables	35,534	2,456	(183)	0	200	0
Derivative financial instruments	0					
			(183)	0	200	0
Total effect at 31/03/2024			(317)	0	363	0

The variability parameters applied were identified in the context of changes that are reasonably possible on exchange rates with all other variables being equal.

Interest rate risk

Interest rate risk (IRR)	
+50 bps on IRR	-50 bps on IRR

	Book value	Of which subject to IRR	Profits (Losses)	Other changes in Equity	Profits (Losses)	Other changes in Equity
Financial assets						
Cash and cash equivalents	32,612	32,612	163		(163)	
Trade receivables	38,115	0				
Derivative financial instruments	63	0				
			163	0	(163)	0
Financial liabilities						
Borrowings	16,546	16,546	(83)		83	
Trade payables	35,534	0				
Other borrowings (leases)	43,054	43,054	(215)		215	
Derivative financial instruments	0	0				
			(298)	0	298	0
Total effect at 31/03/2025			(135)	0	135	0

Interest rate risk (IRR)							
				+50 bps on IRR		-50 bps on IRR	
	Book value	Of which subject to IRR	Profits (Losses)	Other changes in Equity	Profits (Losses)	Other changes in Equity	
Financial assets							
Cash and cash equivalents	35,092	35,092					
Trade receivables	36,108	0	175		(175)		
Derivative financial instruments	392	0					
			175	0	(175)	0	
Financial liabilities							
Borrowings	15,437	15,437	(77)		77		
Trade payables	35,534	0					
Other borrowings (leases)	40,591	40,591	(203)		203		
Derivative financial instruments	0	0					
			(280)	0	280	0	
Total effect at 31/03/2024			(105)	0	105	0	

The variability parameters applied were identified in the context of changes that are reasonably possible on exchange rates with all other variables being equal.

Capital risk management

The Piquadro Group manages the Capital with the objective of supporting the core business and optimising the value for Shareholders, while maintaining a correct structure of the Capital and reducing its cost.

The Piquadro Group monitors the Capital on the basis of the gearing ratio, which is calculated as the ratio between net debt and net Invested Capital.

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Net Financial Position	(30,156)	(23,774)
Equity	68,838	64,715
Net invested capital	98,994	88,489
Gearing ratio	(30.46)%	(26.87)%

Risks associated with the cost and availability of raw materials

The manufacture of Piquadro, Lancel and The Bridge-branded products requires high-quality raw materials. The price and availability of these materials depend on a wide range of factors, which are largely beyond the Group's control and difficult to predict. Despite the fact that in recent years the Piquadro Group has always managed to secure an adequate procurement of high-quality raw materials, it cannot be ruled out that the emergence of any further tensions on the supply side could lead to difficulties in procurement, thus causing a significant increase in costs with adverse effects on the results of its operations. In order to limit the risks associated with potential unavailability of raw materials in the time frame required for production, the Piquadro Group adopts a multi-sourcing strategy of supplier diversification and schedules purchases with a medium-term time horizon.

Risks associated with Cyber Security

The growing interrelationship between technology and business and the increasing use of networks for sharing and transferring information entails various and numerous risks associated with the vulnerability of information systems in use. Despite the path to strengthening cyber security and in-house and third-party expertise, the rapid technological evolution and the increasing sophistication and frequency of cyber-attacks expose the Piquadro Group to the potential risk of cyber threats, which could affect relevant data and information possessed by the Group, such as, for example, strategic plans that are not disclosed to the market, resulting in damage to the results of its operations, capital or image. In this regard, the Piquadro Group is further strengthening the cyber risk management model that it has adopted, which includes procedural, training, risk assessment and periodic review issues, including in relation to third parties. This model has the ultimate goal of ensuring the implementation of robust protection and business continuity tools and processes, which include the adoption of the best technologies and methodologies to identify and protect the Company and the Group from cyber threats.

Employee benefits

Employee benefits substantially include the Provisions for Employee Severance Pay (TFR, *Trattamento di Fine Rapporto*) of the Italian Company of the Piquadro Group and pension funds.

Law no. 296 of 27 December 2006, the 2007 Finance Law, introduced considerable amendments as regards the allocation of funds of the Provision for TFR. Until 31 December 2006, TFR was included within the scope of post-employment benefit plans, of the “defined benefit” type of plans and was measured according to IAS 19, using the Projected Unit Credit method made by independent actuaries. This calculation consists in estimating the amount of the benefit that an employee will receive on the alleged date of termination of the employment relationship using demographic and financial assumptions. The amount that is thus calculated is then discounted back and re-proportioned on the basis of the length of service built up against the total length of service and is a reasonable estimate of the benefits that each employee has already accrued with respect to the work performed. Actuarial gains and losses arising from changes in the actuarial assumptions used are recognised in the Income Statement.

As a result of the reform of supplementary pension schemes, the Provision for TFR, as regards the portion accrued from 1 January 2007, is to be considered as being substantially assimilated to a “defined contribution plan”. In particular, these amendments introduced the possibility for workers to choose where to allocate the TFR that is accruing. In companies with more than 50 employees, the new TFR flows may be allocated by the worker to selected pension schemes or kept in the company and transferred to INPS (*Istituto Nazionale di Previdenza Sociale*, National Social Security Institute).

In short, following the reform on supplementary pension schemes, the Piquadro Group has carried out an actuarial measurement of the TFR accrued before 2007, without further including the component relating to future pay increases. On the contrary, the portion accrued after 2007 has been accounted for according to the procedures attributable to defined contribution plans.

Provisions for risks and charges

Provisions for risk and charges cover certain or probable costs and charges of a fixed nature, whose timing or amount was uncertain at the closing date of the financial year. Provisions are recognised when:

- it is probable that a current obligation (legal or constructive) exists as a result of past events;
- it is probable that the fulfilment of the obligation will require the payment of a consideration;
- the amount of the obligation can be estimated reliably.

Provisions are entered at the value representing the best estimate of the amount that the Piquadro Group would rationally pay to discharge the obligation or to transfer it to third parties at the closing date of the period. When the financial effect of time is significant and the payment dates of the obligations can be estimated reliably, the provision is discounted back; the increase in the Provision connected with the passage of time is charged to the Income Statement under item “Financial income (Charges)”. The Provision for supplementary clientele indemnity, as well as any other Provisions for risks and charges, is set aside on the basis of a reasonable estimate of the future probable liability, taking account of the available elements and also taking account of the estimates made by independent third-party actuaries.

Income taxes

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

Current taxes are determined on the basis of a realistic forecast of charges to be paid in the application of the tax regulations in force; the related debt is reported net of advances, taxes withheld and tax credits that can be offset, under item “Current tax payables”. If there is a credit, the amount is reported under item “Current tax receivables” under current assets.

Deferred tax assets and liabilities are calculated on the temporary differences between the values of assets and liabilities entered in the accounts and the corresponding values recognised for tax purposes. Deferred tax assets are entered when it is probable that they will be recovered. Deferred tax assets and liabilities are classified under non-current assets and liabilities and are offset if they refer to taxes that can be offset.

The balance of the set-off is entered under item “Deferred tax assets” if positive and under item “Deferred tax liabilities” if negative”.

Both current and deferred taxes are recognised under item “Income tax expenses” in the Income Statement, except when these taxes are originated from transactions whose effects are recognised directly in Equity. In this case, the contra-entry of the recognition of the current tax debt, of deferred tax assets and liabilities is charged as a reduction in the Equity item from which the effect being recorded originated.

Deferred tax assets and liabilities are calculated on the basis of the tax rates which are expected to be applied in the tax year when these assets will be realised, or these liabilities will be discharged.

Furthermore, for a better representation of the rules laid down under “IAS 12 – Income Taxes” in relation to the offsetting of deferred taxation, the Piquadro Group has deemed it appropriate to reclassify portions of deferred tax assets and liabilities where there is a legal right to set-off current tax assets and the corresponding current tax liabilities.

Currency translation

Receivables and payables initially expressed in a currency other than the functional currency of the Company which recognises the receivable/payable (foreign currency) are translated into the functional currency of said Company at the exchange rates prevailing at the dates on which the related transactions take place. The exchange rate differences realised on the occasion of the collection of receivables and the payment of debts in foreign currency are entered in the Income Statement. As at the reporting date of the financial statements, receivables and payables in foreign currency are translated at the exchange rates prevailing at that date, charging any changes in the value of the receivable/payable to the Income Statement (estimated foreign exchange gains and losses).

Revenue recognition

Revenues are recognised at the time of the transfer of all the risks and charges arising from the ownership of the transferred assets.

Revenues and income are recognised net of returns, discounts, allowances and premiums, as well as of the taxes connected to the sale or performance of services.

With reference to the main types of revenues achieved by the Piquadro Group, they are recognised on the basis of the following criteria and as required by IFRS 15:

Sales of goods - Retail segment. The Piquadro Group operates in the retail business through its own network of DOSs. Revenues are accounted for at the time of the delivery of the goods to the customers, when all the risks are substantially transferred. Sales are usually collected directly or through credit cards.

Sales of goods - Wholesale segment. The Piquadro Group distributes products in the Wholesale market. The related revenues are accounted for at the time of the shipment of the goods, when all the risks are substantially transferred.

Performance of services. These revenues are accounted for proportionally to the state of completion of the service rendered as at the relevant date.

Sales based on repurchase commitments. Revenues and receivables from the buyer are recognised at the time of the delivery of the goods, while reversing the value of the sold goods from the assets. As at the reporting date, revenues and receivables are reversed on the basis of the sales made by the buyer in relation to the sold goods, with a consequent change in the item "Inventories".

Right of return. Some contracts allow the customer to return the goods within a certain period of time. The Piquadro Group uses the expected value method to estimate the goods that will not be returned since this is the best method to forecast the amount of the variable consideration to which the Piquadro Group will be entitled. IFRS 15's guidance on the restrictions on the recognition of variable consideration applies to the determination of the amount of variable consideration that can be included in the transaction price. The Group makes an adjustment to revenues and recognises a liability for reimbursements in the case of goods that are expected to be returned. The right to return an asset (and the corresponding adjustment to cost of sales) is also granted for the right to receive the goods from the customer.

Financial income and revenues from services are recognised on an accruals basis.

Cost recognition

Costs are recognised when they relate to goods and services purchased and/or received during the period or relate to the systematic apportionment of an expense from which future benefits derive that can be apportioned over time.

Financial charges and charges from services are recognised on an accruals basis.

Leases and rentals

Lease payments, as defined by IFRS 16, which are related to contracts involving low-value assets or whose term is 12 months or less (short-term leases) are recognized through profit or loss as expenses for the period. The Group has set the threshold for deeming the individual underlying asset as low-value at Euro 5,000.

The variable portions of lease payments under contracts that provide for such a case and lease payments under contracts containing a lease with an underlying intangible asset are also recognized through profit or loss as expenses for the period.

Financial income and costs

These include any and all financial items charged to the Income Statement for the period, including interest expense accrued on borrowings, calculated using the effective interest method (mainly current account overdrafts, medium/long-term loans), foreign exchange gains and losses, profits and losses from derivatives (according to the accounting policies set out above), dividends received, the amount of interest arising from the accounting treatment of leased assets (IFRS 16) and provisions for personnel (IAS 19). Interest income and expense are charged to the Income Statement for the period in which they are realised or incurred, except for capitalised costs (IAS 23).

Use of estimates

The process of drawing up the financial statements involves the Group's Management making accounting estimates based on complex and/or subjective judgements; these estimates are based on past experiences and assumptions that are considered reasonable and realistic on the basis of information known at the moment of making the estimate. The use of these accounting estimates affects the value of assets and liabilities and the disclosure on potential assets and liabilities as at the balance sheet date, as well as the amount of revenues and costs in the relevant period. The final results, or the actual economic effect that is recognised when the event takes place, of the financial statement items for which the abovementioned estimates and assumptions were used, may differ from those reported in the financial

statements that recognise the effects arising from the event that is subject to estimation, due to the uncertainty that is characteristic of assumptions and the conditions on which the estimates are based. Estimates and assumptions are reviewed periodically and the effects of each change are reported immediately in the accounts.

Main estimates adopted by the Management

Below are briefly described the aspects which, more than others, require greater subjectivity on the part of the Directors in working out the estimates and for which a change in the conditions underlying the assumptions applied could have a significant impact on the consolidated financial data:

Impairment of assets: in accordance with the Accounting Standards applied by the Piquadro Group, property, plant and equipment and intangible assets with a useful definite life are subject to verification in order to ascertain if an impairment has occurred. This impairment shall be recognised by means of a write-down when indicators exist that could lead to an expectation of difficulties in recovering the relative book value through usage of the asset. Verifying that the abovementioned indicators exist requires the Directors to exercise subjective valuations based on information available within the Piquadro Group and inferable from the market, as well as using past experience. Moreover, should the likelihood of a potential impairment be ascertained, Piquadro the Group will set about calculating this using the evaluation techniques that it considers appropriate. Correctly identifying the items that indicate the existence of a potential impairment and the estimates used for calculating the same depend on factors which can vary over time and affect the valuations and estimates carried out by the Directors. The assumptions underlying these valuations are, by their very nature, influenced by future expectations about the evolution of external market conditions which are also linked to the business, leading to elements of normal uncertainty in the estimates.

Amortisation and depreciation of fixed assets: the cost of property, plant and equipment is depreciated on a straight-line basis over the estimated useful life of the related assets. The useful economic life of the Piquadro Group's fixed assets is determined by the Directors at the time when the fixed asset has been purchased; it is based on past experience for similar fixed assets, market conditions and expectations regarding future events which could have an impact on the useful life, including changes in technology. Therefore, the actual economic life may differ from the estimated useful life. The Piquadro Group periodically evaluates technological and sector changes in order to update the residual useful life. This periodical update could involve a variation in the depreciation period and therefore also in the depreciation rate for future financial years.

Inventory obsolescence: the provision for inventory obsolescence reflects management's estimate of the expected impairment losses on raw materials and products (bags, luggage and accessories) in stock, relating to past seasons' collections, based on the Piquadro Group's ability to sell these products through the various distribution channels in which the Group operates.

Deferred taxes: deferred tax assets are accounted for on the basis of the income expected in the future financial years. The measurement of the expected income for the purposes of accounting for deferred taxes depends on factors which can vary over time and determine significant effects on the measurement of deferred tax assets.

Provisions for legal and tax risks: provisions are made for legal and tax risks, if required, which represent the risk of being the losing party. The amount of the Provisions (if any) entered in the accounts relating to such risks represents the best estimate at that time made by Management. This estimate entails the adoption of assumptions which depend on factors which can vary over time and which could therefore have effects compared to the current estimates made by the Directors for the preparation of the financial statements.

Below are reported the critical accounting estimates of the process of drawing up the financial statements for which the Management has availed itself of the support and valuations of independent third-party experts (actuaries and financial advisors). Please note that future amendments (if any) to the conditions underlying the judgments, assumptions and estimates adopted could have an impact on the results of financial years after 2023/2024.

Actuarial calculation of defined-benefit pension plans: the estimates, demographic and economic-financial assumptions adopted, with the support of the valuations of an actuarial expert, in the actuarial calculation for the determination of defined-benefit plans within post-employment benefits are broken down as follows:

Annual rate of inflation	Probability of exit of the employee from the Group	Probability of advance payments of the TFR
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2.0% for 2025 and 2.3% for 2024	Frequency of 10.3% for 2025 and 2.3% for 2024	1.4% for 2025 and 2.3% for 2024
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Finally, it is specified that the actuarial valuations have been made by using the curve of the interest rates of the corporate securities with rating AA.

Segment reporting – breakdown of segments by divisions

In order to provide disclosures regarding the economic, financial and equity position by segment (segment reporting), the Piquadro Group has chosen the distinction by brands/distribution channels as the primary model for presenting segment data.

This method of representation reflects how the Piquadro Group’s business is organised and the structure of its internal reporting on the basis of the consideration that risks and rewards are influenced by the distribution channels used by the Group.

The distribution channels selected as those being presented are the following ones:

- (i) Piquadro Brand - DOS channel, which includes on-line sales of Piquadro-branded products;
- (ii) Piquadro Brand - Wholesale channel;
- (iii) “The Bridge” Brand – DOS channel, which includes on-line sales of The Bridge-branded products;
- (iv) “The Bridge” Brand – Wholesale channel;
- (v) “Lancel” Brand - DOS channel, which includes on-line sales of Lancel-branded products;
- (vi) “Lancel” brand – Wholesale channel.

In fact, the Piquadro Group distributes its products through two distribution channels: (i) a direct channel, which includes single-brand stores directly operated by the Group (the so-called “Directly Operated Stores” or “DOSs”), in addition to the on-line sales channel; (ii) an indirect channel (“Wholesale”), which is represented by multi-brand shops/department stores, single-brand shops run by third parties linked to the Piquadro Group by franchise agreements and distributors, under both Piquadro, and The Bridge and Lancel brands.

All of the shops are, directly or indirectly, selected (through agents and importers) on the basis of their coherence with the positioning of the brands, their location, the level of service guaranteed to the end customer, the visibility that they are able to guarantee the Piquadro Group’s products and, finally, the soundness of their equity and financial position. These consolidated financial statements provide segment information relating to the breakdown of segments as reported above for revenues from sales, while as regards the economic performance relating to the operating result, segment information is provided for the brands.

Amendments to Accounting Standards

IFRS ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS APPLIED FROM 1 APRIL 2024

The following IFRS accounting standards, amendments and interpretations were applied by the Group for the first time as from 1 April 2024:

- On 23 January 2020 the IASB published “*Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current*” and on 31 October 2022 it published “*Amendments to IAS 1 Presentation of Financial Statements: Non-Current Liabilities with Covenants*”. These amendments are aimed at clarifying how to classify short- or long-term payables and other liabilities. In addition, the amendments also improve the information that an entity must provide when its right to defer settlement of a liability for at least 12 months is subject to compliance with certain parameters (i.e., covenants). The adoption of these amendments had no effects on the Group’s consolidated financial statements.
- On 22 September 2022 the IASB published “*Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback*”. The document requires the seller-lessee to measure the lease liability arising from a sale & leaseback transaction so as not to recognise any income or loss that relates to the retained right of use. The adoption of this amendment had no effects on the Group’s consolidated financial statements.
- On 25 May 2023, the IASB published “*Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements.*” The document requires an entity to provide additional disclosures about reverse factoring arrangements that enable users of financial statements to assess how supplier finance arrangements may affect the entity's liabilities and cash flows, and to understand the effect of such arrangements on the entity's exposure to liquidity risk. The adoption of these amendments had no effects on the Group's consolidated financial statements.

IFRS ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS ENDORSED BY THE EUROPEAN UNION, NOT YET MANDATORILY APPLICABLE AND NOT EARLY ADOPTED BY THE GROUP AS AT 31 MARCH 2025

As at the reporting date of this document, the competent bodies of the European Union have not yet completed the endorsement process necessary for the adoption of the amendments and standards described below, but these standards, which are not mandatorily applicable, had not been early adopted by the Group as at 31 March 2025:

- On 15 August 2023, the IASB published “*Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability.*” The document requires an entity to apply a methodology to be applied consistently in order to verify whether one currency can be converted into another and, when this is not possible, how to determine the exchange rate to be used, and the disclosures to be made in the notes to the financial statements. The amendment shall apply from 1 April 2025, with early adoption permitted. At present, the Directors are assessing any possible effects of the introduction of this amendment on the Group's consolidated financial statements

IFRS ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS NOT YET ENDORSED BY THE EUROPEAN UNION

As at the reporting date of this document, the competent bodies of the European Union had not yet completed the endorsement process necessary for the adoption of the amendments and standards described below.

- On 30 May 2024, the IASB published “*Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7*”. The document clarifies some problematic issues that emerged from the post-implementation review of IFRS 9, including the accounting treatment of financial assets whose returns vary upon achievement of ESG objectives (i.e. green bonds). Specifically, the amendments aim:

- to clarify the classification of financial assets with variable returns that are linked to environmental, social and corporate governance (ESG) objectives and the criteria to be used for the SPPI test assessment;
- to determine that the settlement date for liabilities by using electronic payment systems is when the liability is extinguished. However, an entity is permitted to adopt an accounting policy to allow a financial liability to be derecognised before delivering cash on the settlement date if certain specific conditions are met.

With these amendments, the IASB has also provided for additional disclosure requirements with regard, in particular, to investments in equity instruments designated as FVOCI. The amendments shall apply to financial statements for financial periods beginning on or after 1 April 2026. At present, the Directors are assessing any possible effects of the adoption of this amendment on the Group's consolidated financial statements.

- On 18 July 2024, the IASB published “*Annual Improvements Volume 11.*” The document includes clarifications, simplifications, corrections and changes aimed at improving the consistency of several IFRS Accounting Standards. The amended standards are
 - IFRS 1 First-time Adoption of International Financial Reporting Standards;
 - IFRS 7 Financial Instruments: Disclosures and related guidelines on the implementation of IFRS 7;
 - IFRS 9 Financial Instruments;
 - IFRS 10 Consolidated Financial Statements; and
 - IAS 7 Statement of Cash Flows.

The amendments shall apply from 1 April 2026, with early adoption permitted. At present, the Directors are assessing any possible effects of the adoption of these amendments on the Group's consolidated financial statements.

- On 18 December 2024, the IASB published “*Contracts Referencing Nature-dependent Electricity - Amendment to IFRS 9 and IFRS 7.*” The document aims to support entities in reporting the financial effects of contracts to purchase electricity generated from renewable sources (often structured as Power Purchase Agreements). Based on such contracts, the amount of electricity generated and purchased can vary based on uncontrollable factors such as weather conditions. The IASB has made targeted amendments to IFRS 9 and IFRS 7. The amendments include:
 - a clarification regarding the application of “own use” requirements to this type of contract;
 - criteria to allow accounting for these contracts as hedging instruments; and,
 - new disclosure requirements to enable users of financial statements to understand the effect of these contracts on an entity's financial performance and cash flows.

The amendment shall apply from 1 April 2026, with early adoption permitted. At present the Directors are assessing any possible effects of the adoption of this amendment on the Group's consolidated financial statements.

- On 9 April 2024, the IASB published a new standard *IFRS 18 Presentation and Disclosure in Financial Statements*, which will replace IAS 1 *Presentation of Financial Statements*. The new standard aims to improve the presentation of formats of financial statements, with specific regard to the income statement. Specifically, the new standard requires:
 - to classify revenues and costs into three new categories (operating, investing and financing activities), in addition to the categories of tax and discontinued operations which are already present in the income statement;
 - to present two new sub-totals, operating profit (loss) and earnings before interest and taxes (i.e. EBIT).

The new standard also:

- requires more information on management-defined performance indicators;
- provides for new criteria for aggregating and disaggregating information; and,
- makes some changes to the cash flow statement, including requiring EBIT to be used as the starting point for the presentation of the cash flow statement prepared by using the indirect method, and

eliminating some classification options for some items that are currently existing (such as interest paid, interest received, dividends paid and dividends received).

The new standard will become applicable as from 1 April 2027, with early adoption permitted. At present, the Directors are assessing any possible effects of the adoption of the new standard.

- On 9 May 2024, the IASB published a new standard ***IFRS 19 Subsidiaries without Public Accountability: Disclosures***. The new standard introduces some simplifications with regard to the disclosures required by IFRS Accounting Standards in the financial statements of a subsidiary which meets the following requirements:
 - it has not issued equity or debt instruments listed on a regulated market, and is not in the process of issuing them;
 - its parent company prepares consolidated financial statements in accordance with IFRS.

The new standard will become applicable as from 1 April 2027, with early adoption permitted. At present, the Directors are assessing any possible effects of the adoption of this new standard on the Group's consolidated financial statements.

COMMENTS ON THE ITEMS IN THE STATEMENT OF FINANCIAL POSITION

ASSETS

Non-current assets

The following statements have been prepared for the two classes of fixed assets (intangible assets and property, plant and equipment) which report, for each item, historical costs, the previous amortisation and depreciation, the changes that occurred in the last two financial years and the closing balances.

Note 1 – Intangible assets

The table below reports the opening balance, the changes that occurred in the FY 2024/2025 and FY 2023/2024 and the final balance of intangible assets:

<i>(in thousands of Euro)</i>	Development costs	Industrial patent rights	Software, licenses, trademarks and other rights	Fixed assets under development	Total
Gross value	28	164	9,543	479	10,214
Amortisation fund	(28)	(124)	(7,577)	0	(7,729)
Net value at 31/03/2023	0	40	1,966	479	2,485
Increases for the period	0	6	468	158	632
Change from consolidation area	0	0	0	0	0
Decrease for the period	0	0	0	0	0
Reclassifications	0	0	443	(443)	0
Amortisation	0	(5)	(1,650)	0	(1,655)
Write-downs	0	0	0	0	0
Other reclassifications of historical cost	0	0	(270)	(125)	(395)
Other reclassifications of amortisation fund	0	(1)	628	0	628
Exchange differences on gross value	0	0	0	0	0
Exchange differences on amortisation fund	0	0	0	0	0
Gross value	28	170	10,183	69	10,451
Amortisation fund	(28)	(130)	(8,599)	69	(8,757)
Net value at 31/03/2024	0	39	1,584	69	1,694
Increases for the period	0	23	1,427	127	1,576
Change from consolidation area	0	0	0	0	0
Decrease for the period	0	0	0	(6)	(6)
Reclassifications	0	0	63	(63)	0
Amortisation	0	(8)	(961)	0	(969)
Write-downs	0	0	0	0	0
Other reclassifications of historical cost	0	0	0	0	0
Other reclassifications of amortisation fund	0	(0)	0	0	(0)
Exchange differences on gross value	0	2	0	0	2
Exchange differences on amortisation fund	0	(1)	0	0	(1)
Gross value	28	195	11,674	126	12,023
Amortisation fund	(28)	(139)	(9,560)	0	(9,727)

<i>(in thousands of Euro)</i>	Development costs	Industrial patent rights	Software, licenses, trademarks and other rights	Fixed assets under development	Total
Net value at 31/03/2025	0	55	2,114	126	2,296

Increases in intangible assets, equal to Euro 1,576 thousand in the financial year ended 31 March 2025 (Euro 632 thousand at 31 March 2024), are related for Euro 1,030 thousand to investments in software for the design and implementation of a new omnichannel IT architecture, in support of the CRM platform, data platform and marketing automation tools, and for the remaining amount to the purchase or renewal of licenses and trademarks for the Piquadro Group brands. The share of fixed assets under development includes advances for the development of the human resources platform of Piquadro S.p.A..

Note 2 – Goodwill

The goodwill item (Euro 4,658 thousand) arises exclusively from the purchase and sale of the investment in The Bridge, which has been accounted for as required by IFRS 3 and, therefore, a measurement of fair values of acquired assets or liabilities has been carried out for the purposes of accounting for the business combination. The differential between the price paid and the corresponding share of equity of the acquired company has been allocated to goodwill.

The Piquadro Group verifies whether this goodwill may be recovered, and therefore, of the aggregate value of net invested capital in the “The Bridge” division, at least once a year, as required by the relevant accounting standards, or more frequently if there is evidence of any impairment loss. This check is carried out by determining the recoverable value of the relevant Cash Generating Unit (CGU), i.e. The Bridge” division, through the “Discounted cash flow” method. The impairment test was approved by the Board of Directors on 16 June 2025.

The rate (WACC) used reflects the current market valuation of the time value of money for the period under consideration and the specific risks of the Piquadro Group company.

The discount rate used corresponds to an estimate, net of tax, determined on the basis of the following main assumptions:

- risk-free rate equal to the average yield on the relevant 10-year government bonds;
- indebtedness depending on the financial structure of comparables.

For the purposes of conducting the impairment test on goodwill, the discounted cash flow has been calculated on the basis of the preparation of a long-term plan relating to the period from 2026 to 2030, as the Management’s best estimate on the future operational performance of The Bridge division.

The terminal value has been calculated based on the “perpetual annuity” formula, assuming a “g-rate” growth rate equal to zero on a prudential basis and considering an operating cash flow based on the last year of explicit forecasts, as adjusted in order to project a stable situation “perpetually”, specifically using the following main assumptions: - balancing between investments and amortisation and depreciation (with a view to considering an investment level required to maintain the business continuity); - change in working capital equal to zero.

The WACC used to discount future cash flows, equal to 9.02% (11.05% in the previous year), has been determined on the basis of the following assumptions:

- the average cost of capital results from the weighted average cost of debt (prepared by considering the relevant rates plus a “spread”);
- the cost of net worth is determined by using the levered beta value and the financial structure of a panel of comparables in the sector, only except for specific risk-free rate and risk premium per country;
- the terminal value has been determined on the basis of a long-term growth rate (g) that is prudentially equal to zero.

The impairment test conducted in accordance with IAS 36 and by applying criteria shared by the Board of Directors has not reported any impairment loss on the stated goodwill. The outcome of the test on net invested capital in The Bridge CGU was positive, showing a cover of Euro 30,867 thousand. Furthermore, also on the basis of the instructions laid down in the document no. 4 that was prepared jointly by the Bank of Italy, CONSOB and ISVAP on 3 March 2010, the Piquadro Group has taken steps to prepare the sensitivity analysis based on the results of the impairment

test with respect to the changes in the basic assumptions that affect the value in use of the CGU. The breakeven point would be achieved in the case of an increase of 1,130 basis points in the WACC.

Note 3 – Right-of-use assets

The breakdown of the historical cost, amortisation fund and net book value of the Right of use at 31 March 2025 is reported below:

<i>Right-of-use assets</i> <i>(in thousands of Euro)</i>	Land and Buildings	Key Money	Equipment	Other Assets	Total
Total at 31.03.2024	37,579	417	0	0	37,996
Increases/Other changes	12,679	250	0	868	13,797
Reclassifications	237	(237)	0	0	0
Decreases/write-downs	0	(4)	0	0	(4)
Amortisation and depreciation	(10,706)	(116)	0	(143)	(10,965)
Total at 31.03.2025	39,789	310	0	725	40,824

This item mainly includes right-of-use assets that mainly relate to shop lease agreements and, to a residual extent, to offices and motor vehicles lease agreements, of which Euro 13,241 thousand relating to the Lancel division.

On 31 March 2025 the Piquadro Group carried out an analysis aimed at assessing the recoverability of right-of-use assets, intangible assets and property, plant and equipment attributable to each directly-operated store (DOS) in order to evidence of impairment, if any.

As a result of the final results achieved by the Lancel division, the Group conducted the impairment test in order to recognize any impairment loss to be charged to the Income Statement following the procedure set forth in IAS 36 and then comparing the book value of net invested capital at each CGU with the value in use given by the present value of the estimated cash flows that are supposed to derive from the continued use of the assets subject to impairment test.

The discounted cash flow has been calculated on the basis of a long-term plan relating to the period from 2026 to 2030, as the Management’s best estimate on the future operational performance of the Lancel division.

The terminal value has been calculated based on the “perpetual annuity” formula, assuming a “g-rate” growth rate equal to zero on a prudential basis and considering an operating cash flow based on the last year of explicit forecasts, as adjusted in order to project a stable situation “perpetually”, specifically using the following main assumptions: - balancing between investments and amortisation and depreciation (with a view to considering an investment level required to maintain the business continuity); - change in working capital equal to zero.

The WACC used to discount future cash flows, equal to 8.91% (9.43% in the previous year) for the Lancel CGU.

The impairment test was approved by the Board of Directors on 16 June 2025. The outcome of the test on net invested capital in the Lancel CGU was positive, thus showing a cover of Euro 109,215 thousand. Furthermore, including on the basis of the instructions laid down in document no. 4 that was prepared jointly by the Bank of Italy, CONSOB and ISVAP on 3 March 2010, the Piquadro Group has taken steps to prepare the sensitivity analysis based on the results of the impairment test with respect to the changes in the basic assumptions that affect the value in use of the CGU. The breakeven point would be achieved in the case of an increase of 4,037 basis points in the WACC.

Following the final results recorded by a Piquadro-branded store, an impairment test was conducted, the outcome of which resulted in the impairment of the related Right of Use amounting to Euro 65 thousand relating to the shops located at Via Spiga in Milan, and at Via Filangeri in Naples.

Note 4 – Property, plant and equipment

The table below reports the opening balance, the changes that occurred in the FY 2024/2025 and FY 2023/2024, and the final balance of property, plant and equipment:

<i>(in thousands of Euro)</i>	Land	Buildings	Plant and equipment	Industrial and business equipment	Other assets	Fixed assets under construction and advances	Total
Gross value	878	6,690	6,417	30,622	395	64	45,067
Depreciation fund	0	(3,274)	(5,200)	(22,367)	(373)	0	(31,213)
Net value at 31/03/2023	878	3,416	1,217	8,255	22	64	13,854
Increases for the period	0	22	400	1,985	19	340	2,766
Change from consolidation area	0	0	0	0	0	0	0
Sales and derecognitions (gross value)	0	0	0	(22)	(4)	0	(26)
Sales and derecognitions (depreciation fund)	0	0	0	0	3	0	3
Depreciation (Write-down of gross value)	0	(199)	(475)	(2,571)	(11)	0	(3,256)
Write-down of depreciation fund	0	0	0	(1,545)	0	0	(1,545)
Write-down of depreciation fund	0	0	0	626	0	0	626
Reclassifications	0	0	234	118	0	(352)	0
Other reclassifications of historical cost	0	(5)	0	0	0	48	43
Other reclassifications of depreciation fund	0	5	27	4	0	0	36
Exchange differences on gross value	0	0	(25)	(135)	0	0	(160)
Exchange differences on depreciation fund	0	0	0	105	0	0	105
Gross value	878	6,707	7,027	31,025	410	100	46,146
Depreciation fund	0	(3,647)	(5,648)	(24,203)	(381)	0	(33,699)
Net value at 31/03/2024	878	3,240	1,379	6,822	29	100	12,447
Increases for the period	0	3	505	2,419	0	224	3,151
Change from consolidation area	0	0	0	0	0	0	0
Sales and derecognitions (gross value)	0	0	0	0	0	0	0
Sales and derecognitions (depreciation fund)	0	0	0	0	0	0	0
Depreciation	0	(199)	(554)	(1,953)	(11)	0	(2,717)

<i>(in thousands of Euro)</i>	Land	Buildings	Plant and equipment	Industrial and business equipment	Other assets	Fixed assets under construction and advances	Total
(Write-down of gross value)	0	0	0	(695)	0	0	(695)
Write-down of depreciation fund	0	0	0	376	0	0	376
Reclassifications	0	0	15	82	0	(97)	0
Other reclassifications of historical cost	0	0	(50)	(853)	0	0	(903)
Other reclassifications of depreciation fund	0	0	50	853	0	0	903
Exchange differences on gross value	0	0	0	2	0	0	2
Exchange differences on depreciation fund	0	0	0	0	0	0	0
Gross value	878	6,710	7,497	31,980	410	227	47,701
Depreciation fund	0	(3,667)	(6,152)	(24,928)	(392)	-	(35,137)
Net value at 31/03/2025	878	3,043	1,345	7,053	18	227	12,563

Increases in property, plant and equipment, equal to Euro 3,151 thousand in the financial year ended 31 March 2025 (Euro 2,766 thousand at 31 March 2024) were mainly attributable to furniture and furnishings acquired for the new DOSs opened during the year under consideration and for the refurbishment of some existing shops for Euro 2,196 thousand, and to the purchases of workshop systems and machinery for Euro 505 thousand.

Note 5 – Non-current financial assets

Non-current financial assets, equal to Euro 2 thousand, relate to interests held in minor companies outside the Piquadro Group.

Note 6 – Receivables from others

Receivables from others, equal to Euro 1,506 thousand at 31 March 2025 (Euro 1,770 thousand at 31 March 2024) mainly related to guarantee deposits paid both for various utilities, including those relating to DOSs, and rental deposits for the DOSs.

Note 7 – Deferred tax assets

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Deferred tax assets:		
- within 12 months	0	0
- beyond 12 months	3,904	3,908
	3,904	3,908
Deferred tax liabilities		
- within 12 months	0	0
- beyond 12 months	(132)	(271)

	(132)	(271)
Net Position	3,772	3,637

Below are reported the relevant changes:

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Opening Net Position	3,637	3,260
Credit (Debit) to the Income Statement	135	
Credit (Debit) to Equity		
Total	3,772	3,637

Below are the main elements that make up deferred tax assets and deferred tax liabilities and their changes in the last two financial years:

Deferred tax assets	31 March 2025		31 March 2024	
<i>(in thousands of Euro)</i>	Temporary differences	Tax effect (IRES+IRAP)	Temporary differences	Tax effect (IRES+IRAP)
Deferred tax assets with effect through P&L:				
Provision for bad debts	4,036	969	3,690	886
Provision for obsolescence of inventories	3,567	856	3,707	890
Provisions for risks and charges	223	53	409	98
Others (tax losses and consolidation entries)	8,054	1,933	8,425	2,022
Total	15,879	3,811	16,231	3,896
Deferred tax assets with effect through Comprehensive Income:				
Hedging transactions (cash flow hedge)	118	93	0	0
Defined-benefit plans			42	12
Total	118	93	42	12
Total tax effect	15,997	3,904	16,263	3,908

Deferred tax liabilities	31 March 2025		31 March 2024	
<i>(in thousands of Euro)</i>	Temporary differences	Tax effect (IRES+IRAP)	Temporary differences	Tax effect (IRES+IRAP)
Deferred tax liabilities with effect through P&L:				
Others	(488)	(117)	(634)	(177)
Change in consolidation area	0	0	0	0
Total	(488)	(117)	(634)	(177)
Deferred tax liabilities with effect through Comprehensive Income:				
Hedging transactions (cash flow hedge)	(63)	(15)	(392)	(94)
Defined-benefit plans	0	0	0	0
Total	(63)	(15)	(392)	(94)
Total tax effect	(551)	(132)	(1,026)	(271)

The amount of the receivable for deferred tax assets (equal to Euro 3,772 thousand at 31 March 2025 against Euro 3,637 thousand at 31 March 2024) is mainly made up of temporary tax differences relating to Piquadro S.p.A. (Euro 1,674 thousand at 31 March 2025 against Euro 1,741 thousand at 31 March 2024), concerning the IRES and IRAP

tax effect on taxed funds, as well as to subsidiary The Bridge (Euro 876 thousand at 31 March 2025 against Euro 817 thousand at 31 March 2024) and the effect of deferred tax assets set aside as a result of IFRS 16, which are expected to be recovered in the plans that are also used for the purposes of impairment tests.

Current assets

Note 8 - Inventories

The tables below report the breakdown of net inventories into the relevant classes and the changes in the Provision for write-down of inventories (entered as a direct reduction in each class of inventories), respectively:

<i>(in thousands of Euro)</i>	Gross value at 31 March 2025	Provision for write-down	Net value at 31 March 2025	Net value at 31 March 2024
Raw materials	6,549	(2,309)	4,240	4,509
Semi-finished products	529		529	646
Finished products	41,631	(3,320)	38,312	32,099
Inventories	48,709	(5,629)	41,081	37,255

At 31 March 2025, there was a substantial increase in inventories compared to the corresponding values at 31 March 2024 arising from difficulties related to maritime transport which led to slowdowns in the supply chain resulting in longer delivery terms from suppliers in the Asian region caused by tensions along the Suez Canal.

Below are the changes in the Provision for write-down of inventories:

<i>(in thousands of Euro)</i>	Provision at 31 March 2024	Use	Accrual	Provision at 31 March 2025
Provision for write-down of raw materials	2,309			2,309
Provision for write-down of finished products	4,569	(1,251)	1	3,320
Total Provision for write-down of inventories	6,879	(1,251)	1	5,629

Provision for write-down of inventories reflects the Management's best estimate based on the breakdown of inventories by type, as well as on the considerations inferred from past experience and future prospects for sales volumes, including in light of the macroeconomic environment.

The reduction in the Provision for write-down of inventories was mainly due to the uses made, amounting to Euro 1,251 thousand, against the scrapping of finished products already written down in previous years, mainly relating to Lancel for Euro 1,111 thousand.

Note 9 - Trade receivables

Below is the breakdown of trade receivables:

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Receivables from customers	42,906	40,465
Provision for bad debts	(4,790)	(4,357)
Current trade receivables	38,115	36,108

As at 31 March 2025 trade receivables amounted to Euro 38,115 thousand against Euro 36,108 thousand at 31 March 2024. Trade receivables held by the Piquadro Group, including the provision for bad debts, showed a rise amounting

to about Euro 2,441 thousand. The increase was mainly due to both the postponement of deliveries to customers made in the last quarter of the year, and longer payment terms on the part of some Italian customers, which led to an increase in overdue receivables compared with the previous year.

The adjustment to the face value of receivables from customers at their presumed realisable value has been obtained through a special Provision for bad debts, whose changes are reported in the table below:

<i>(in thousands of Euro)</i>	Provision at 31 March 2025	Provision at 31 March 2024
Balance at the beginning of the period	4,357	4,344
Accrual	701	847
Uses	(268)	(834)
Total Provision for bad debts	4,791	4,357

Note 10 – Other current assets

Below is the breakdown of other current assets:

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Other assets	1,371	2,728
Accrued income and prepaid expenses	5,871	5,267
Other current assets	7,242	7,995

Other assets mainly related to advances to suppliers for Euro 396 thousand.

Accrued income and prepaid expenses mainly related to prepaid expenses on contracts involving stores, for which IFRS 16 has not been applied, in addition to entry fees relating to subsidiary Lancel Sogedi, as well as to costs relating to advertising, media, fairs and maintenance contracts, hiring and insurance costs.

Note 11 – Derivative assets

As at 31 March 2025 there were derivative assets for Euro 63 thousand (Euro 392 thousand at 31 March 2024).

As regards the Parent Company, there were currency forward purchases (USD), the positive fair value of which was equal to Euro 15 thousand (compared to a positive value of Euro 52 thousand at 31 March 2024). The Piquadro Group hedges the exchange risk connected to purchases of raw materials in US dollars and for contract work done in China. In consideration for this risk, the Group makes use of instruments to hedge the associated interest rate risk, trying to fix the exchange rate at a level that is in line with the budget forecasts.

The value of derivative assets was also made up of Euro 32 thousand (Euro 244 thousand at 31 March 2024) relating to the measurement of the Interest Rate Swap (IRS) derivative contracts linked to the Intesa Sanpaolo loans initially amounting to Euro 17,250 thousand, and the Unicredit loan initially amounting to Euro 5,000 thousand, taken out by the Parent Company.

The remaining amount, equal to Euro 15 thousand (Euro 96 thousand at 31 March 2024), related to financial instruments executed by The Bridge linked to derivative contracts entered into on loans granted by Intesa Sanpaolo S.p.A., due beyond 12 months.

These derivatives were entered into for the purposes of hedging fluctuations in interest rates on the loans taken out at variable rates and are accounted for as hedge accounting in cash flow hedge.

Note 12 – Tax receivables

As at 31 March 2025 tax receivables were equal to Euro 2,293 thousand (Euro 898 thousand at 31 March 2024) and mainly related to the current tax receivable for the year following the payment of advances for taxes higher than the amount actually due, a VAT credit and tax credits, including industry 4.0 and research and development.

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Income tax receivables	2,010	602
VAT credit	33	111
Other tax receivables	250	185
Tax receivables	2,293	898

Note 13 – Cash and cash equivalents

Below is the breakdown of cash and cash equivalents:

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Available current bank accounts	32,367	34,799
Money, cash on hand and cheques	245	294
Cash and cash equivalents	32,612	35,092

The balance represents cash and cash equivalents and the existence of money and cash on hand at the closing dates of the period.

For a better understanding of the dynamics in the company liquidity, reference is made to the Statement of Cash Flows and to the breakdown of Net Financial Position.

LIABILITIES

Note 14 – Shareholders' Equity

a) Share Capital

As at 31 March 2025, the Share Capital of Piquadro S.p.A. was equal to Euro 1,000 thousand and was divided into 50,000,000 ordinary shares, fully subscribed and paid up, with regular enjoyment, with no par value.

b) Share premium reserve

This reserve, which remained unchanged compared to the previous year, was equal to Euro 1,000 thousand.

c) Treasury shares reserve

This showed a loss of Euro 5,275 thousand, and is made up of the treasury shares held in portfolio equal to 2,769,450 at 31 March 2025. Treasury shares reserve amounted to Euro 4,556 thousand at 31 March 2024.

d) Translation reserve

As at 31 March 2025 the translation reserve was positive for Euro 2,349 thousand (it reported a positive balance of Euro 2,243 thousand at 31 March 2024). This item is referred to the exchange rate differences due to the consolidation of the companies with a relevant currency other than the Euro, i.e. Piquadro Hong Kong Co. Ltd. (the relevant currency being the Hong Kong Dollar), Uni Best Leather Goods Zhongshan Co. Ltd. and Lancel Zhongshan (the relevant currency being the Chinese Renminbi), Piquadro Taiwan Co. Ltd (the relevant currency being the Taiwan Dollar), Lancel International S.A (the relevant currency being the Swiss Franc), Piquadro UK Limited (the relevant currency being the Great Britain Pound), OOO Piquadro Russia (the relevant currency being the Russian Rouble).

e) Fair value reserve - for cash flow hedge

This reserve was positive for Euro 35 thousand (against a positive value of Euro 285 thousand at 31 March 2024), and included changes in fair value of the effective component of cash flow hedge derivatives, net of deferred taxation.

f) Reserve for actuarial gains/(losses) on defined-benefit plans

This reserve was negative for Euro 97 thousand, against a negative value of Euro 228 thousand at 31 March 2024.

g) Profit/(Loss) attributable to the Group

This item relates to the recognition of the profit recorded by the Piquadro Group, equal to Euro 11,584 thousand at 31 March 2025.

During the financial year ended 31 March 2025 the consolidated profit as resulting from the financial statements at 31 March 2024 (Euro 10,528 thousand) was allocated to dividends for Euro 7,000 thousand and the residual balance to increase retained earnings.

Non-current liabilities

Note 15 – Borrowings

Below is the breakdown of non-current payables to banks:

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Borrowings from 1 to 5 years	4,246	5,729
Borrowings beyond 5 years	0	0
Medium/long-term borrowings	4,246	5,729

Below is the breakdown of loans:

<i>(in thousands of Euro)</i>	Interest rate	Date of granting of the loan	Initial amount	Currency	Current borrowings	Amort. cost (S/T)	Non-current borrowings	Amort. Cost (L/T)	Total
BPER loan	0.73%	27 November 2018	5,000	Euro	40	(1)			40
Crédit Agricole loan	0.10% + 3m Euribor	20 June 2024	5,000	Euro	5,000	(0)			5,000
Unicredit loan	0.50% p.a.	18 October 2019	5,000	Euro	253	(0)			253
Intesa Sanpaolo loan	0.10% p.a.	24 January 2020	5,000	Euro	750				750
Intesa Sanpaolo loan	0.3% p.a.	27 July 2020	6,250	Euro	893	(0)			893
Intesa Sanpaolo loan	0.20%	27 January 2022	6,000	Euro	1,500	(0)			1,500
Intesa Sanpaolo loan	0.40% + 3m Euribor	30 July 2024	7,000	Euro	2,333	(10)	3,500	(6)	5,817
SIMEST financing	0.06% p.a.	20 January 2021	700	Euro	175		263		438
SIMEST financing	0.55% p.a.	29 April 2021	480	Euro	120		240		360
Intesa Sanpaolo loan	0.90% + 3m Euribor	27 January 2022	5,650	Euro	1,246	(0)	250	(0)	1,496
					12,311	(11)	4,253	(6)	16,546

No covenants are applicable to these loans.

Note 16 – Payables to other lenders for lease agreements

Below is the related breakdown:

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Non-current:		
Lease liabilities	17,105	19,608
Current:		
Lease liabilities	25,949	20,983
Payables to other lenders for lease agreements	43,054	40,591

Below is the following additional breakdown:

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Payables to other lenders for lease agreements:		
Due within 1 year	25,949	20,983
Due from 1 to 5 years	12,553	14,251
Due beyond 5 years	4,552	5,357
Present value of payables to other lenders for lease agreements	43,054	40,591

The adoption of IFRS 16 led to the recognition of a financial liability, equal to the present value of residual future payments, net of discounts obtained, if any. As at 31 March 2025 this item amounted to Euro 43,054 thousand (Euro 40,591 thousand at 31 March 2024), classified among Non-current lease liabilities for Euro 17,105 thousand (Euro 19,608 thousand at 31 March 2024) and to Euro 25,949 thousand (Euro 20,983 thousand at 31 March 2024) among current lease liabilities.

Note 17 – Other non-current liabilities

Below is the related breakdown:

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Other payables	4,908	5,481
Other non-current liabilities	4,908	5,481

As at 31 March 2025 “Other payables”, totalling Euro 4,908 thousand, included the fair value of the Annual Earn-Out to be paid to Richemont Holdings S.A. for Euro 3,231 thousand against the purchase of the stake representing the entire capital of Lancel International S.A.. This amount has been calculated by an independent expert on the basis of the Plans that have been prepared by the Management staff and that have also been used for the purposes of the impairment test, as already mentioned above. No deviations were reported from the previous year in relation to the fair value of this Earn-Out.

Note 18 –Provision for Employee Benefits

This item includes post-employment benefits measured by using the actuarial valuation method of projected unit credit applied by an independent actuary according to IAS 19.

Below are the changes that occurred in the course of the last two financial years in the Provision for TFR (which represents the entire value of the Provision for employee benefits), including the effects of the actuarial valuation:

<i>(in thousands of Euro)</i>	Provision for TFR
Balance at 31 March 2023	3,764
Change in consolidation area	0
Financial costs	(6)
Net actuarial Losses (Gains) accounted for in the year	
Indemnities paid in the year/Others	(507)
Balance at 31 March 2024	3,251
Change in consolidation area	0
Financial costs	(65)
Net actuarial Losses (Gains) accounted for in the year	0
Indemnities paid in the year/Others	(52)
Balance at 31 March 2025	3,134

As at 31 March 2025 the value of provision, equal to Euro 3,134 thousand (Euro 3,251 thousand at 31 March 2024), was determined by an independent actuary and the actuarial assumptions used for calculating the provision are described in the paragraph on *Accounting Standards – Provision for employee benefits* in these explanatory Notes to the Consolidated Financial Statements.

From the sensitivity analysis carried out on this item it results that variations in the main actuarial assumptions give rise to some minor changes in the provision, which are not significant.

Note 19 – Provisions for risks and charges

Below are the changes in provisions for risks and charges during the year:

<i>(in thousands of Euro)</i>	Provision at 31 March 2024	Use	Accrual	Reclassifications	Provision at 31 March 2025
Provision for supplementary clientele indemnity	1,954	(202)	192	0	1,943
Other Provisions for risks	862	(102)	311	0	1,070
Total	2,816	(305)	502	0	3,014

The “Provision for supplementary clientele indemnity” represents the potential liability with respect to agents in the event of Piquadro Group companies’ terminating agreements or agents retiring.

As at 31 March 2025 “Other provisions for risks” amounted to Euro 862 thousand and were broken down as follows:

- *Provision for returns*, Euro 588 thousand, showing an increase of Euro 51 thousand compared to 31 March 2024;

- *Provision for product warranty and repair*, Euro 10 thousand, unchanged compared to 31 March 2024;
- *Provision for Legal Disputes/Employees*, Euro 352 thousand (Euro 324 thousand at 31 March 2024); showing an increase of Euro 28 thousand compared to the value posted at 31 March 2024;
- *Provision for taxes*: it showed an increase due to a provision of Euro 120 thousand set aside following the Report on Findings (*Processo Verbale di Constatazione*, PVC) issued by the Revenue Agency on 21 October 2024. The tax audit concerned the proper application of transfer pricing for the year 2021 between The Bridge and the French company of the Piquadro Group, Lancel Sogedi. Although The Bridge considered the conclusions of the Report on Findings unacceptable, it deemed it advisable, as a matter of prudence, to set aside the aforementioned amount of Euro 120 thousand relating to taxes calculated on the greater undeclared taxable income as resulting from the audit.

At 31 March 2025, the total balance of provisions for risks and charges was Euro 3,014 thousand, showing an increase of Euro 198 thousand compared to 31 March 2024 (Euro 2,816 thousand).

Note 20 – Deferred tax liabilities

The amount of deferred tax liabilities was equal to Euro 0 thousand; reference is made to the information reported in Note 7 above.

Current liabilities

Note 21 – Borrowings

As at 31 March 2025 current borrowings were equal to Euro 12,300 thousand compared to Euro 9,708 thousand at 31 March 2024. The balance related to a current portion of short-term loans. For more details reference is made to Note 15 above.

Note 22 - Payables to other lenders for lease agreements

As at 31 March 2025 the amount of Euro 25,949 thousand (Euro 20,983 thousand at 31 March 2024) related to current payables for discounted cash flows of lease payments following the adoption of IFRS 16. The increase in the item has been dealt with in Note 16.

Note 23 – Derivative liabilities

As at 31 March 2025 derivative liabilities were equal to Euro 0 thousand, unchanged compared to 31 March 2024.

Note 24 – Trade payables

Below is the breakdown of current trade liabilities:

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Payables to suppliers	38,418	35,533

As at 31 March 2025 payables to suppliers showed an increase of Euro 2,884 thousand compared to 31 March 2024 (equal to Euro 35,533 thousand).

Note 25 – Other current liabilities

Below is the breakdown of other current liabilities:

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Payables to social security institutions	1,815	1,861
Payables to Pension funds	364	383
Other payables	1,259	1,159
Payables to employees	5,319	5,377
Advances from customers	176	73
Accrued expenses and deferred income	199	199
Other current liabilities	9,131	9,053

“Other current liabilities”, for a total amount of Euro 9,131 thousand (Euro 9,053 thousand at 31 March 2024) included: payables to social security institutions that mainly relate to payables to INPS for Lancel Sogedi, and payables to employees equal to Euro 5,319 thousand (Euro 5,377 thousand at 31 March 2024), which mainly included payables for remuneration and bonuses to be paid and deferred charges with respect to employees.

Note 26 – Tax payables

Tax payables, equal to Euro 2,069 thousand (Euro 3,065 thousand at 31 March 2024), included the debt for VAT, IRAP (Regional Production Activity) tax and IRPEF (Personal Income) tax withholdings to employees.

COMMENTS ON THE INCOME STATEMENT ITEMS

Note 27 – Revenues from sales

In relation to the breakdown of revenues from sales by distribution channel, reference is made to the Directors' Report on Operations.

The Piquadro Group's revenues are mainly realised in Euro.

<i>(in thousands of Euro)</i>	Revenues from sales 31 March 2025	%^(*)	Revenues from sales 31 March 2024	%^(*)	% Change 2025-2024
PIQUADRO	79,649	43.4%	81,492	45.2%	(2.3)%
THE BRIDGE	35,109	19.1%	34,124	18.9%	2.9%
LANCEL	68,852	37.5%	64,653	35.9%	6.5%
Total	183,610	100.0%	180,269	100.0%	1.9%

(*) Percentage impact compared to revenues from sales

With reference to the Piquadro brand, revenues reported in the FY 2024/2025 ended 31 March 2025 amounted to Euro 79.6 million, down by (2.3)% compared to the same period ended 31 March 2024 (-2.2% at constant exchange rates). Sales showed an increase of 0.9% (+1.1% at constant exchange rates) in the DOS channel and of 2.2% in the e-commerce channel. Sales showed a decrease of (4.5)% in the Wholesale channel, impacted as they were by maritime transport difficulties, which led to slowdowns in the supply chain.

With reference to The Bridge brand, revenues reported in the FY 2024/2025 ended 31 March 2025 amounted to Euro 35.1 million, up by 2.9% compared to the same period ended 31 March 2024. Sales showed an increase of 2.3% in the Wholesale channel and of 6.5% in the DOS channel.

The Maison Lancel-branded product's revenues from sales during the FY 2024/2025 ended 31 March 2025 amounted to Euro 68.8 million, up by 6.5% compared to the same period ended 31 March 2024, including the effect of exchange rate fluctuations (+6.5% at constant exchange rates). Sales showed an increase of 2.8% in the wholesale channel and of 8.7% in the DOS channel (+12.8% growth with the same number of stores).

The strategy planned by the Piquadro Group is aimed at also developing sales activities through the DOS shops in view of the capacity to maximise the prestige of the Piquadro, The Bridge and Lancel brands, in addition to allowing distribution to be controlled more directly and greater attention to be paid to satisfying the end consumer.

Breakdown of revenues by geographical area

The table below shows, in thousands of Euro, the breakdown of net revenues by geographical area:

<i>(in thousands of Euro)</i>	Revenues from sales 31 March 2025	%^(*)	Revenues from sales 31 March 2024	%^(*)	% Change 2025- 2024
Italy	84,275	45.9%	86,112	47.8%	(2.1)%
Europe	93,438	50.9%	87,030	48.3%	7.4%
Rest of the World	5,897	3.2%	7,127	4.0%	(17.2)%
Total	183,610	100.0%	180,269	100.0%	1.9%

(*) Percentage impact compared to revenues from sales

From a geographical point of view, at 31 March 2025 the Piquadro Group recorded a turnover of Euro 84.3 million on the Italian market, equal to 45.9% of the Group's total sales (47.8% of consolidated sales at 31 March 2024), down by (2.1)% compared to the same period of FY 2023/2024.

As at 31 March 2025, in the European market, the Group recorded a turnover of Euro 93.4 million, equal to 50.9% of consolidated sales (48.3% of consolidated sales at 31 March 2024), up by 7.4% compared to the same period of the FY 2023/2024 (+7.5% at constant exchange rates).

In the non-European geographical area (named “Rest of the World”), the Piquadro Group recorded a turnover of Euro 5.9 million, down by about Euro 1.2 million compared to the same period of the FY 2023/2024, and equal to 3.2% of consolidated sales. The decrease was largely attributable to market trends in the non-European area, and the closure of the Maison Lancel shops in China (with an effect of approximately Euro 600 thousand).

In the fourth quarter of the FY 2024/2025 (January-March), the Piquadro Group recorded a turnover of Euro 49.0 million, up by 0.4% compared to the same period ended 31 March 2024.

Note 28 – Other income

In the financial year ended 31 March 2025, other income amounted to Euro 3,246 thousand (Euro 5,276 thousand in the financial year ended 31 March 2024) and was broken down as follows:

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Charge-backs of transport and collection costs	99	100
Insurance and legal refunds	15	63
Other sundry income	3,132	5,112
Other income	3,246	5,276

In the financial year ended 31 March 2025 other income decreased by 38% from Euro 5,276 thousand in the financial year ended 31 March 2024 to Euro 3,246 thousand in the financial year ended 31 March 2025.

In the financial year ended 31 March 2024, the Piquadro brand recorded Euro 60 thousand related to the tax credit due to Research and Development activities.

With regard to The Bridge brand, there was the recognition of an amount of Euro 55 thousand related to the tax credit for R&D activities, and of Euro 18 thousand relating to the tax credit for industry 4.0.

The comparative figure recorded in March 2024 was affected, with regard to the Lancel brand, by the transfer of the key money of the store located in Paris in Rond-Point.

Note 29 – Change in inventories

The change in inventories was positive for Euro 5,809 thousand (against a positive value of Euro 268 thousand at 31 March 2024); the change in semi-finished and finished products was positive for Euro 5,862 thousand while the change in raw materials was negative for Euro 54 thousand.

Note 30 - Costs for purchases and information on purchases in foreign currency

Below is reported the breakdown by company of the costs for purchases (the Parent Company, Uni Best Leather Goods Zhongshan Co. Ltd. and The Bridge S.p.A. are the companies that purchase raw materials aimed at the production of Piquadro, The Bridge and Lancel-branded products):

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Piquadro brand	20,748	17,012
Uni Best Leather Goods Zhongshan Co. Ltd.	1,728	1,687
The Bridge	15,700	9,480
Lancel brand	2,361	7,414
Costs for purchases	40,537	35,593

The item “costs for purchases” essentially includes the cost of materials used for the production of the Company’s goods, finished products realized by third parties and consumables.

Even if the functional currency of the Piquadro Group is the Euro, it is specified that the purchase costs of the Group companies are partially incurred in US Dollars and Renminbi.

The table below reports the amount of purchases of raw materials, supplies, consumables and goods for resale, as well as the amount of other production costs (a portion of these costs is classified under costs for services) incurred in a currency other than the Euro, the Euro counter-value of these purchases in foreign currency and their impact on the total purchases of raw materials, supplies, consumables and goods for resale:

	Currency amount	Average exchange rate	Amount (in thousands of Euro)	(Currency) Amount	Average exchange rate	Amount (in thousands of Euro)
	31 March 2025			31 March 2024		
Renminbi	13,273,688	7.74888	1,713	13,003,625	7.77511	1,672
US Dollars	20,388,317	1.07373	18,987	16,536,559	1.08478	15,244
Total operating costs incurred in foreign currency			20,701			13,598

During the FY 2024/2025, the Piquadro Group therefore incurred total operating costs denominated in a currency other than the Euro for an equivalent amount of about Euro 20.7 million, equal to 12.1% of total operating costs, while in the financial year ended 31 March 2024 corresponding costs were borne for about Euro 13.6 million, equal to 7.97% of operating costs.

During the financial year ended 31 March 2025, the Piquadro Group reported net foreign exchange gains of Euro 156 thousand (against net foreign exchange gains of Euro 79 thousand at 31 March 2024), as a result of the dynamics of the foreign exchange market.

In the financial year 2024/2025, the Parent Company and The Bridge S.p.A. made forward purchases of US Dollars for an overall amount of USD 12.2 million (USD 15.7 million in the FY 2023/2024), including purchases in Dollars made for the supplies of Uni Best Leather Goods Zhongshan Co. Ltd. (net of the sale of leather made by the Company to the Chinese subsidiary) equal to a counter-value of about Euro 11.1 million at the average exchange rate prevailing in the FY 2023/2024 (about Euro 11.9 million at the average exchange rate prevailing in the FY 2023/2024); therefore 52.3% of the purchases in US Dollars made by the Parent Company was covered (in relation to the FY 2023/2024, 67.0% of the purchases in US Dollars made by the Parent Company alone was covered).

Note 31 - Costs for services and leases and rentals

Below is reported the breakdown of these costs:

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Third-party manufacturing and production services	29,775	28,357
Advertising and marketing	10,032	10,729
Administrative/commercial/transport services	22,849	22,060
Total Costs for services	62,656	61,146
Costs for leases and rentals	13,773	12,695
Costs for services and leases and rentals	76,429	73,841

The increase in costs for third-party manufacturing and transport services was due partly to a recovery in production resulting from higher sales recorded during the financial year ended 31 March 2025, and the difficulties related to maritime transport, which led to slowdowns in the supply chain.

Costs for leases and rentals, equal to Euro 13,773 thousand (Euro 12,695 thousand at 31 March 2024), mainly relating to some shops of subsidiary Lancel Sogedi, or with a term of less than the financial year for which IFRS 16 is not applicable.

Note 32 - Personnel costs

Below is the breakdown of personnel costs:

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Wages and salaries	32,220	31,964
Social security contributions	8,493	8,455
TFR	2,199	2,135
Personnel costs	42,913	42,554

The table below reports the exact number of the staff members employed by the Piquadro Group at 31 March 2025 and 31 March 2024:

<i>Units</i>	31 March 2025	31 March 2024
Executives	9	9
Office workers	740	789
Manual workers	245	241
Total Group employees	994	1,039

In the financial year ended 31 March 2025, personnel costs stood at Euro 42,913 thousand, showing a slight increase compared to the financial year ended 31 March 2024 (equal to Euro 42,554 thousand).

To supplement the information provided, below is also reported the average number of employees for the last two financial years:

<i>Average unit</i>	31 March 2025	31 March 2024
Executives	9	9
Office workers	772	789
Manual workers	238	241
Total Group employees	1,019	1,039

Note 33 – Amortisation, depreciation and write-downs

In the financial year ended 31 March 2025 amortisation and depreciation were equal to Euro 14,651 thousand (Euro 16,157 thousand in the financial year ended 31 March 2024). The change mainly arose from a reduction in amortisation of intangible assets, which stood at Euro 969 thousand (Euro 1,655 thousand at 31 March 2024), a decrease in depreciation of property, plant and equipment, equal to Euro 2,717 thousand (Euro 3,256 thousand at 31 March 2024), and a decrease in amortisation of assets and rights of use, equal to Euro 10,965 thousand (against Euro 11,247 thousand at 31 March 2024).

At 31 March 2025 the Group had carried out an analysis aimed at assessing the recoverability of right-of-use assets of intangible assets and property, plant and equipment attributable to each directly-operated store (DOS), which showed evidence of impairment. From this analysis, write-downs emerged, which related to some directly-operated stores, for which the respective assets were written down, for a total of Euro 65 thousand, referring to rights of use (IFRS 16), intangible assets and property, plant and equipment attributable to each directly-operated store - DOS - as it is not reasonably foreseeable, at present, that they will be recovered through prospective cash flows. Impairment tests were conducted for all those stores for which Management reported any evidence of impairment.

The accrual to the provision for bad debts amounted to Euro 495 thousand at 31 March 2025 (Euro 847 thousand at 31 March 2024).

Note 34 - Other operating costs

In the financial year ended 31 March 2025, other operating costs were equal to Euro 921 thousand (Euro 991 thousand at 31 March 2024).

Note 35 - Financial income

In the financial year ended 31 March 2025 financial income was equal to Euro 1,254 thousand (Euro 1,824 thousand in the financial year ended 31 March 2024), and mainly related to bank interest income for Euro 439 thousand, foreign exchange gains of Euro 761 thousand, and interest income from customers for Euro 33 thousand.

Note 36 - Financial costs

Below is the breakdown of financial costs:

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Interest payable on current accounts	68	143
Financial costs on loans	661	359
Charges on right-of-use assets	940	937
Net financial costs on defined-benefit plans	65	6
Other charges	75	83
Foreign exchange losses (either realised or estimated)	550	570
Financial costs	2,360	2,098

The increase in financial costs, equal to Euro 2,360 thousand in the FY 2024/2025, was mainly attributable to financial costs on loans: foreign exchange losses posted a negative value of Euro 550 thousand in the FY 2024/2025 (Euro 570 thousand in the FY 2023/2024).

Note 37 – Income taxes

Below is the breakdown of income taxes:

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
IRES tax (and income taxes of foreign subsidiaries)	2,887	2,725
IRAP tax	619	789
Deferred tax liabilities	44	(105)
Deferred tax assets	120	6
Taxes related to the previous years	12	616
Total income taxes	3,681	4,031

Current taxes relate to the tax burden calculated on the taxable income of the Parent Company and subsidiaries.

The table below reports the percentage impact of taxes on the profit before tax for the financial years ended 31 March 2025 and 31 March 2024:

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Profit (loss) before tax	15,265	14,559
Income tax	(3,681)	(4,031)
Average tax rate	24.10%	27.69%

The decrease in average tax rate compared to the previous year was mainly linked to the benefit arising from the registration of the Patent Box for Piquadro S.p.A. and The Bridge S.p.A., and the failure to set aside, during the financial year, a provision for deferred tax assets on losses of foreign subsidiaries.

Note 38 – Earnings/(Loss) per share

As at 31 March 2025 basic earnings per share posted a positive value of Euro 0.232 and were calculated on the basis of the consolidated net result for the year attributable to the Piquadro Group, equal to a positive value of Euro 11,584 thousand, divided by the exact number of ordinary shares outstanding in the year.

	31 March 2025	31 March 2024
Group Net Profit (Net Loss) <i>(in thousands of Euro)</i>	11,584	10,528
Number of total ordinary shares (in thousands of shares)	50,000	50,000
Basic earnings per share (in Euro)	0.232	0.211

	31 March 2025	31 March 2024
Group Net Profit (Net Loss) <i>(in thousands of Euro)</i>	11,584	10,528
Exact number of outstanding ordinary shares (in thousands of shares)	47,231	47,581
Diluted earnings per share (in Euro)	0.245	0.221

Note 39 – Segment reporting

Following the acquisition of the Lancel Group, the Piquadro Group's Top Management reviewed the results of its operations obtained by each brand (Piquadro, The Bridge and Lancel) in operational terms; accordingly, the disclosures under IFRS 8 concerning the Group's sales revenues and segment information are now reported on a brand basis (Piquadro, The Bridge and Lancel).

The table below illustrates the segment data of the Piquadro Group broken down by brand (Piquadro, The Bridge and Lancel), in relation to the financial years ended 31 March 2025 and 31 March 2024. The economic segment data are monitored by the company's Management until EBITDA level.

<i>(in thousands of Euro)</i>	31 March 2025					31 March 2024				
	Piquadro	The Bridge	Lancel	Total for the Group	Percent age impact (*)	Piquadro	The Bridge	Lancel	Total for the Group	Percent age impact (*)
Revenues from sales	79,649	35,109	68,852	183,610	100.0%	81,492	34,124	64,653	180,269	100.0%
Other income	493	1,463	1,290	3,246	1.8%	530	1,464	3,283	5,276	2.9%
Costs for purchases of materials	(12,061)	(1,939)	(20,728)	(34,728)	(18.9%)	(9,564)	(5,649)	(20,112)	(35,325)	(19.6%)
Costs for services and leases and rentals	(34,359)	(19,042)	(23,028)	(76,429)	(41.6%)	(35,170)	(15,071)	(23,600)	(73,841)	(41.0%)
Personnel costs	(17,232)	(7,729)	(17,952)	(42,913)	(23.4%)	(16,290)	(7,377)	(18,886)	(42,554)	(23.6%)
Provisions and write-downs	(378)	(151)	34	(495)	(0.3%)	(524)	(200)	(123)	(847)	(0.5%)
Other operating costs	(408)	(58)	(455)	(921)	(0.5%)	(478)	(60)	(453)	(990)	(0.5%)
EBITDA	15,704	7,654	8,013	31,370	17.1%	19,997	7,230	4,761	31,987	17.7%
Amortisation, depreciation and write-downs of fixed assets				(14,999)	(8.2%)				(17,154)	(9.5%)
Operating profit (loss)				16,371	8.9%				14,833	8.2%
Financial income and costs				(1,106)	(0.6%)				(274)	(0.2%)
Profit (loss) before tax				15,265	8.3%				14,559	8.1%
Income taxes				(3,681)	(2.0%)				(4,031)	(2.2%)

Profit for the year	11,584	6.3%	10,528	5.8%
Group Net Profit (Loss)	11,584	6.3%	10,528	5.8%
<i>Attributable to:</i>				
Parent Company shareholders	11,584	6.3%	10,528	5.8%
Minority interests	0	0%	0	0%

(*) percentage impact compared to total revenues from sales

As a segment analysis of the balance sheet, below are reported the assets, liabilities and fixed assets broken down by brand (Piquadro, The Bridge and Lancel) in the financial years ended 31 March 2025 and 31 March 2024:

<i>(in thousands of Euro)</i>	31 March 2025				31 March 2024			
	Piquadro	The Bridge	Lancel	Total	Piquadro	The Bridge	Lancel	Total
Assets	102,364	38,645	48,016	189,024	94,271	36,018	49,654	179,943
Liabilities	65,838	25,370	28,980	120,188	56,926	27,859	30,444	115,229
Fixed assets	38,571	9,744	17,306	65,620	32,756	8,746	20,701	62,203

As to a breakdown of the Income Statement by brand, reference is made to the information reported in the Report on Operations in paragraph “Information by business segments and analysis of the performance of the Group’s operations.”

Note 40 – Commitments

a) Commitments for purchases (if any) of property, plant and equipment and intangible assets

As at 31 March 2025, the Piquadro Group had not executed contractual commitments that would entail significant investments in property, plant and equipment and intangible assets in the FY 2024/2025.

Note 41 – Related-party transactions

Piquadro S.p.A., the Parent Company of the Piquadro Group, operates in the leather goods market and designs, produces and markets articles under its own brand. The subsidiaries, except for The Bridge S.p.A. and the Lancel Group companies, which sell The Bridge and Lancel-branded items, respectively, mainly carry out activities of distribution of products (Piquadro España SLU, Piquadro Hong Kong Co. Ltd., Piquadro Deutschland GmbH., Piquadro Taiwan Co. Ltd., Piquadro UK Limited and OOO Piquadro Russia), or production activities (Uni Best Leather Goods Zhongshan Co. Ltd.).

The relations with Group companies are mainly commercial and for services - management fees -, and are regulated at arm’s length. There are also financial relations (intergroup loans) between the Parent Company and some subsidiaries, conducted at arm’s length.

On 18 November 2010 Piquadro S.p.A. adopted, pursuant to and for the purposes of article 2391-*bis* of the Italian Civil Code and of the “Regulation on transactions with related parties” as adopted by CONSOB resolution, the procedures on the basis of which Piquadro S.p.A. and its subsidiaries operate to complete transactions with related parties of Piquadro S.p.A. itself.

On 15 June 2021 the Board of Directors of Piquadro S.p.A. adopted the new procedure concerning related-party transactions, which was also drawn up by taking account of the instructions provided by CONSOB for the application of the new regulations by resolution no. 2164 of 10 December 2020.

The Directors report that, in addition to Piquadro S.p.A., Piquadro Holding S.p.A. and the Palmieri Family Foundation, there are no other related parties (pursuant to IAS 24) of the Piquadro Group.

In the financial year ended 31 March 2025 Piqubo S.p.A., the ultimate parent company, charged Piquadro S.p.A. the rent relating to the use of the plant located in Riola di Vergato (Province of Bologna) as a warehouse and the rent relating to the lease of the property located in Milan, at Piazza San Babila, used as a Lancel Showroom.

Piqubo S.p.A. also charged the subsidiary The Bridge S.p.A. the rent relating to the lease of the property located in Milan, at Piazza San Babila, used as a The Bridge Showroom. These lease agreements were entered into at arm's length.

On 29 June 2012, a lease agreement was entered into between Piquadro Holding S.p.A. and Piquadro S.p.A., concerning the lease of a property for office purposes located in Milan, Piazza San Babila no. 5, which is used as a Showroom of Piquadro S.p.A. and whose lease cost is reported in the table below. This lease agreement was entered into at arm's length.

During the FY 2024/2025 no transactions were carried out with the Palmieri Family Foundation, which is a non-profit foundation, whose founder is Marco Palmieri and which has the purpose of promoting activities aimed at the study, research, training, innovation in the field for the creation of jobs and employment opportunities for needy persons.

The table below reports the breakdown of the main financial relations maintained with the related companies:

<i>(in thousands of Euro)</i>	Receivables		Payables	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Financial relations with Piqubo S.p.A.	0	0	3	25
Financial relations with Piquadro Holding S.p.A.	0	0	0	0
Financial relations with Palmieri Family Foundation	0	0	0	0
Total Receivables from/Payables to Controlling Companies	0	0	0	0

The table below reports the breakdown of the main economic relations maintained with the related companies:

<i>(in thousands of Euro)</i>	Revenues		Costs	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Financial relations with Piqubo S.p.A.	1	0	389	294
Financial relations with Piquadro Holding S.p.A.	0	0	256	332
Financial relations with Palmieri Family Foundation	0	0	0	0
Total Revenues from/Costs to Controlling Companies	0	0	652	626

Below are reported the following financial relations with Piquadro Holding S.p.A.:

- in the FY 2023/2024, Piquadro S.p.A. distributed dividends of Euro 3,559 thousand relating to the profit reported in the FY 2022/2023 and resolved upon by the Shareholders' Meeting of Piquadro S.p.A. held on 20 July 2023, including the portion attributable to the treasury shares held by Piquadro S.p.A. at the record date.
- In the FY 2024/2025, Piquadro S.p.A. distributed dividends of Euro 4,786 thousand relating to the profit reported in the FY 2023/2024 and resolved upon by the Shareholders' Meeting of Piquadro S.p.A. held on 23 July 2024, including the portion attributable to the treasury shares held by Piquadro S.p.A. at the record date of 6 August 2024.
- In the FY 2024/2025 no transactions were carried out with the Palmieri Family Foundation, which is a non-profit foundation, whose Founder is Marco Palmieri and which has the purpose of promoting activities aimed at the study, research, training, innovation in the field for the creation of jobs and employment opportunities for needy persons.

Fees due to the Board of Directors

The table below reports by name the fees (including emoluments as Directors and current and deferred remuneration, including in kind, as employees) due to Directors and to the members of the Board of Statutory Auditors of Piquadro S.p.A., in relation to the FY 2024/2025 for the performance of their duties in the Parent Company and other Piquadro

Group companies, and the fees accrued by any Key Executives (as at 31 March 2025 Directors had not identified Key Executives):

First and last name	Position held	Period in which the position was held	Term of office	Fees for the position	Non-cash benefits	Bonuses and other incentives	Other fees	Total
Marco Palmieri	Chairman and CEO	01/04/24 -31/03/25	2025	650	7	200	-	857
Pierpaolo Palmieri	Vice-Chairman – Executive Director	01/04/24 -31/03/25	2025	257	4	100	-	361
Roberto Trotta	Executive Director	01/04/24 -31/03/25	2025	101	3	100	165	369
Tommaso Palmieri	Non-executive director	01/04/24 -31/03/25	2025	-	-	-	20	20
Catia Cesari	Independent Director	01/04/24 -31/03/25	2025	18	-	0	7	25
Barbara Falcomer	Executive Director	01/04/24 -31/03/25	2025	18	-	-	7	25
Valentina Beatrice Manfredi	Independent Director	01/04/24 -31/03/25	2025	18	-	0	2	20
				1,062	14	400	201	1,677

Fees due to the Board of Statutory Auditors

(in thousands of Euro)

First and last name	Position Held	Period in which the position was held	Term of office	Fees in Piquadro	Other fees	Total
Patrizia Riva	Chairman	01/04/24 - 31/03/25	2025	25	3	28
Maria Stefania Sala	Standing auditor	01/04/24 - 31/03/25	2025	17	1	18
Giuseppe Fredella	Standing auditor	01/04/24 - 31/03/25	2025	17	0	17
				59	5	63

The Statutory Auditors are also entitled to receive the reimbursement of expenses incurred in the performance of their duties and the reimbursement of any charges relating to the National Social Security Fund.

Information required by Article 149-duodecies of the CONSOB Issuers' Regulation

Type of service	Entity performing the service	Fees (in thousands of Euro)
Statutory audit of annual and half-year accounts ⁽¹⁾	Parent Company's Independent Auditors (Deloitte and Touche S.p.A)	147
Other Services ⁽²⁾	Parent Company's Independent Auditors (Deloitte and Touche S.p.A)	18

Audit of accounts of Subsidiaries ⁽³⁾	Parent Company's Independent Auditors (Deloitte and Touche S.p.A) and related Network	162
Limited review ⁽⁴⁾	Parent Company's Independent Auditors (Deloitte and Touche S.p.A)	120

(1) The item "Statutory audit of annual and half-year accounts" relates to the fees due for Piquadro S.p.A.;

(2) "Other services" relate to the fees due for the voluntary audit of the pro-forma consolidated financial statements at 31 March 2025 of Lancel International SA and its subsidiaries ("Lancel Group") prepared according to paragraph 4.4 of the contract of sale signed between Piquadro S.p.A. and Richemont Holdings AG., and to the fees relating to the audit of the statements of expenses incurred for design and aesthetic ideation;

(3) The item "Audit of accounts of Subsidiaries" relates to the fees due for Unibest and other Piquadro Group companies;

(4) The item "Limited review" relates to the Consolidated Sustainability Report of Piquadro S.p.A. and its subsidiaries at 31 March 2025.

Note 42 – Events after the reporting date

No further significant events are reported which occurred after the reporting date.

Note 43 – Other information

a) Shares of Piquadro S.p.A. owned by its Directors or Statutory Auditors

The chart below shows the equity investments (if any) held by Directors, Statutory Auditors, General Managers, Key Executives and their spouses and minor children in Piquadro S.p.A. and its subsidiaries.

First and last name	Position	Investee company	Number of shares owned at the end of the previous financial year	Number of shares purchased/obtained through stock grant plan	Number of shares sold through "sell to cover" plan	Number of shares owned at the end of the current financial year
Marco Palmieri	Chairman; CEO ⁽¹⁾	Piquadro S.p.A.	31,909,407	5,850	2,637	31,912,620
Pierpaolo Palmieri	Vice-Chairman; Executive Director ⁽²⁾	Piquadro S.p.A.	2,276,801	5,850	2,637	2,280,014
Roberto Trotta	Executive Director	Piquadro S.p.A.	3,000	5,850	2,637	6,213

⁽¹⁾ At the end of the FY 2024/2025, the Chairman of the Board of Directors and CEO of Piquadro S.p.A., Marco Palmieri, owned a stake equal to 93.34% of the share capital of Piquadro Holding S.p.A., through Piquadro S.p.A., a company wholly owned by the latter. Piquadro Holding S.p.A., in turn, owns 68.37% of the share capital of Piquadro S.p.A.

⁽²⁾ At the end of the FY 2024/2025, the Executive Director Pierpaolo Palmieri, owned a stake equal to 6.66% of the share capital of Piquadro Holding S.p.A., which, in turn, owns 68.37% of the share capital of Piquadro S.p.A..

b) Sale transactions with a reconveyance obligation

As at 31 March 2025, the Group had no sale transactions in place subject to an obligation of reconveyance or repurchase of its own assets sold to third-party customers.

c) Information on the financial instruments issued by the Company and by the Group

The Company and the Piquadro Group did not issue financial instruments during the financial year.

d) Shareholder loans to the Company

The Company and the Piquadro Group have no payables to shareholders for loans.

e) Information relating to assets and loans intended for a specific business

The Company and the Piquadro Group have not constituted assets intended for a specific business, nor has it raised loans intended for a specific business.

f) Information required by Article 1, paragraphs 125-129, of Law no. 124 of 4 August 2017

The regulations governing the transparency of government grants under Article 1, paragraphs from 125 to 129, of Law no. 124/2017 falls within the scope of a broader set of provisions aimed at ensuring transparency in financial relationships between public entities and other persons or entities, but the lack of clarity of the wording has immediately raised problems of interpretation and application in relation to companies. In this regard, ANAC (Italian Anti-corruption Authority) passed resolution no. 1134 of 8 November 2017, appointing each administration to implement and control said grants, in addition to be responsible for the proper performance of any consequent obligation. By opinion no. 1149 of 1 June 2018, the Council of State then clarified that the first year of application is that relating to the 2019 financial period for the sums received from 1 January to 31 December 2018.

More recently, under Law no. 12 of 11 February 2019 (Decree Law no. 135 of 14 December 2018), the grants that fall within the scope of the regulations governing the National register of state aids established by the Ministry for Economic Development (MISE) (Law no. 115/2015) are not required to be declared for the purposes of Law no. 124. Finally, note that both the Assonime (Italian Association of Joint-stock Companies) Circular no. 5 “Business activity and competition”, published on 22 February 2019, and the Circular issued by the Italian accounting Profession (*Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili*) in March 2019, confirm that the operations carried out as part of the entity’s business do not fall within the scope of the purpose of the request and from the scope of disclosures, where bilateral relationships exist which are managed according to market rules and the concessionary measures aimed at companies in general rather than to a specific business entity (for example, tax concession measures). In light of the above provisions, it is believed that there are no amounts to be reported for Piquadro S.p.A. and its subsidiaries with reference to this provision of law.

CERTIFICATION ON THE CONSOLIDATED FINANCIAL STATEMENTS PURSUANT TO ARTICLE 81-ter of CONSOB Regulation No. 11971 of 14 May 1999, as amended and supplemented

We, the undersigned, Marco Palmieri, in his capacity as Chief Executive Officer, and Roberto Trotta, in his capacity as Financial Reporting Officer of Piquadro S.p.A., certify, also taking account of the provisions under Article 154-bis, paragraphs 3 and 4, of Legislative Decree no. 58 of 24 February 1998:

- adequacy in relation to the characteristics of the business and
- actual application of administrative and accounting procedures for the preparation of the consolidated financial statements in the course of the period from 1 April 2024 to 31 March 2025.

It is also certified that the consolidated financial statements at 31 March 2025:

- a) have been prepared in accordance with the applicable International Accounting Standards acknowledged by the European Union pursuant to Regulation (EC) no. 1606/2002 of the European Parliament and of the Council of 19 July 2002;
- b) correspond to the results in the accounting books and records;
- c) are suitable to give a true and fair view of the financial position, results of operations and cash flows of the issuer, and of all the companies included in the consolidation area.

The Report on Operations includes a reliable analysis of the performance and of the result of operations, as well as of the position of the Issuer and of the companies included in the consolidation area, together with a description of the main risks and uncertainties to which they are exposed.

Silla di Gaggio Montano (BO), 16 June 2025

Marco Palmieri
Chief Executive Officer

Signed: Marco Palmieri



Roberto Trotta
Financial Reporting Officer

Signed: Roberto Trotta



**INDEPENDENT AUDITOR'S REPORT
PURSUANT TO ARTICLE 14 OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010
AND ARTICLE 10 OF THE EU REGULATION 537/2014**

**To the Shareholders of
Piquadro S.p.A.**

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of Piquadro S.p.A. and its subsidiaries (the "Piquadro Group"), which comprise the consolidated statement of financial position as at March 31, 2025, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Piquadro Group as at March 31, 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union and the requirements of national regulations issued pursuant to art. 9 of Italian Legislative Decree no. 38/05.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of Piquadro S.p.A. (the "Company") in accordance with the ethical requirements applicable under Italian law to the audit of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 our 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.

Impairment test

Description of the key audit matter

The consolidated financial statements of Piquadro Group as of March 31, 2025 include assets for right of use for Euro 39,789 thousand, of which Euro 13,241 thousand related to the Lancel division, and goodwill for Euro 4,658 thousand, related to The Bridge division.

In accordance with the reference accounting standards, if impairment indicators occur or in the presence of goodwill, the Management of Piquadro Group assessed the recoverability of the carrying amount of the Lancel division and The Bridge division, performing an impairment test.

The assumptions underlying the impairment test are, by nature, influenced by future expectations about the evolution of external market conditions also connected to the business, which determine elements of physiological estimation uncertainty.

In particular, the main elements of estimation are related to the determination of forecast cash flows, represented in this case by the economic-financial projections for the period 2026-2030, and the rates applied in the execution of these tests.

The notes to the consolidated financial statements in the paragraph "Impairment of assets" describe the valuation process applied by the Management, reporting the significant assumptions, while "Note 3 - Right-of-use assets" and "Note 2 - Goodwill" show the results of these tests, and of the related sensitivity analyses, which illustrates the effects deriving from any changes in the key variables used for the purposes of the impairment tests.

As a result of the impairment tests, approved by the Board of Directors, the Piquadro Group did not detect any impairment loss to be recorded in the consolidated financial statements.

We considered the impairment tests to be a key matter of the audit of the Piquadro Group's consolidated financial statements, in consideration of the elements of estimation and uncertainty inherent in the assessments made by the Directors.

Audit procedures performed

In the context of our audit work we performed the following procedures, among others, also through the involvement of experts from our network:

- understanding of the process and relevant controls designed and implemented by the Management for the preparation and approval of impairment tests;

- analysis of the reasonableness of the main assumptions adopted for the formulation of multi-annual plans and obtaining information from Management that we deemed to be significant;
- analysis of actual values in comparison with the original plans, in order to assess the nature of variances and the reliability of the multi-annual planning process;
- assessment of the reasonableness of the discount rate (WACC), partly via the appropriate identification of and reference to external sources that are normally used in professional practice and to key data for main comparables, and the assumption of attributing a zero value to the long-term growth rate (g-rate);
- verification of the mathematical accuracy of the model used to determine the value in use of the Cash Generating Units ("CGUs");
- test of the accurate determination of the carrying amount of the CGUs;
- verification of the sensitivity analyses prepared by the Management.

Finally, we examined the adequacy of the information provided by the Piquadro Group on the impairment tests and its compliance with the requirements of IAS 36.

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

The Directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union and the requirements of national regulations issued pursuant to art. 9 of Italian Legislative Decree no. 38/05, and, within the terms established by law, for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

The Board of Statutory Auditors is responsible for overseeing, within the terms established by law, the Piquadro Group's financial reporting process.

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

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

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we exercise professional judgment and maintain professional scepticism 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 Piquadro Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Piquadro Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Piquadro Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Piquadro Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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 auditors' report.

Other information communicated pursuant to art. 10 of the EU Regulation 537/2014

The Shareholders' Meeting of Piquadro S.p.A. has appointed us on July 26, 2016 as auditors of the Company for the years from March 31, 2017 to March 31, 2025.

We declare that we have not provided prohibited non-audit services referred to in art. 5 (1) of EU Regulation 537/2014 and that we have remained independent of the Company in conducting the audit.

We confirm that the opinion on the financial statements expressed in this report is consistent with the additional report to the Board of Statutory Auditors, in its role of Audit Committee, referred to in art. 11 of the said Regulation.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinion on the compliance with the provisions of the Delegated Regulation (EU) 2019/815

The Directors of Piquadro S.p.A. are responsible for the application of the provisions of the European Commission Delegated Regulation (EU) 2019/815 with regard to the regulatory technical standards on the specification of the single electronic reporting format (ESEF – European Single Electronic Format) (hereinafter referred to as the “Delegated Regulation”) to the consolidated financial statements as at March 31, 2025, to be included in the annual financial report.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 700B in order to express an opinion on the compliance of the consolidated financial statements with the provisions of the Delegated Regulation.

In our opinion, the consolidated financial statements as at March 31, 2025 have been prepared in XHTML format and have been marked up, in all material respects, in accordance with the provisions of the Delegated Regulation.

Due to certain technical limitations, some information contained in the notes to the consolidated financial statements, when extracted from XHTML format in an XBRL instance, may not be reproduced in the same way as the corresponding information displayed in the consolidated financial statements in XHTML format.

Opinions and statement pursuant to art. 14 paragraph 2, sub-paragraphs e), e-bis) and e-ter) of Legislative Decree 39/10 and pursuant to art. 123-bis, paragraph 4, of Legislative Decree 58/98

The Directors of Piquadro S.p.A. are responsible for the preparation of the report on operations and the report on corporate governance and the ownership structure of the Piquadro Group as at March 31, 2025, including their consistency with the related consolidated financial statements and their compliance with the law.

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

- express an opinion on the consistency of the report on operations and of some specific information contained in the report on corporate governance and the ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98 with the consolidated financial statements;
- express an opinion on compliance with the law of the report on operations, excluding the section related to the consolidated corporate sustainability reporting, and of some specific information contained in the report on corporate governance and ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98;
- make a statement about any material misstatement in the report on operations and in some specific information contained in the report on corporate governance and ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98.

In our opinion, the report on operations and the specific information contained in the report on corporate governance and the ownership structure are consistent with the consolidated financial statements of Piquadro Group as at March 31, 2025.

In addition, in our opinion, the report on operations, excluding the section related to the consolidated corporate sustainability reporting, and the specific information contained in the report on corporate governance and ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98 are prepared in accordance with the law.

With reference to the statement referred to in art. 14, paragraph 2, sub-paragraph e-ter), of Legislative Decree 39/10, made on the basis of the knowledge and understanding of the entity and of the related context acquired during the audit, we have nothing to report.

Our opinion on the compliance with the law does not extend to the section related to the consolidated corporate sustainability reporting. The conclusions on the compliance of that section with the law governing criteria of preparation and with the disclosure requirements outlined in art. 8 of the EU Regulation 2020/852 are expressed by us in the assurance report pursuant to art. 14-bis of Legislative Decree 39/10.

DELOITTE & TOUCHE S.p.A.

Signed by
Stefano Montanari
Partner

Bologna, Italy
July 4, 2025

As disclosed by the Directors on page 1, the accompanying consolidated financial statements of Piquadro S.p.A. constitute a non-official version which has not been prepared in accordance with the provisions of the Commission Delegated Regulation (EU) 2019/815. This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.



STATEMENT OF FINANCIAL POSITION

<i>(in thousands of Euro)</i>	Notes	31/03/2025	31/03/2024
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	(1)	1,613	622
Right-of-use assets	(2)	18,532	13,897
Property, plant and equipment	(3)	8,200	7,654
Equity investments	(4)	14,539	14,539
Receivables from others	(5)	470	421
Receivables from subsidiaries	(6)	250	2,000
Deferred tax assets	(7)	1,644	1,573
TOTAL NON-CURRENT ASSETS		45,248	40,705
CURRENT ASSETS			
Inventories	(8)	18,426	13,815
Trade receivables	(9)	22,337	21,635
Receivables from subsidiaries	(10)	7,922	8,118
Other current assets	(11)	2,536	2,683
Derivative assets	(12)	47	296
Tax receivables	(13)	1,751	404
Cash and cash equivalents	(14)	15,569	19,193
TOTAL CURRENT ASSETS		68,589	66,145
TOTAL ASSETS		113,837	106,851

STATEMENT OF FINANCIAL POSITION

<i>(in thousands of Euro)</i>	Notes	31/03/2025	31/03/2024
LIABILITIES			
EQUITY			
Share Capital		1,000	1,000
Share premium reserve		1,000	1,000
Other reserves		(3,754)	(2,946)
Retained earnings		43,882	40,211
Profit /(Loss) for the year		5,886	10,672
TOTAL EQUITY	(15)	48,014	49,936
NON-CURRENT LIABILITIES			
Borrowings	(16)	3,756	3,873
Payables to other lenders for lease agreements	(17)	11,331	8,444
Other non-current liabilities	(18)	3,144	3,231
Provision for employee benefits	(19)	152	151
Provisions for risks and charges	(20)	1,263	1,276
TOTAL NON-CURRENT LIABILITIES		19,647	16,976
CURRENT LIABILITIES			
Borrowings	(21)	10,934	7,947
Payables to other lenders for lease agreements	(22)	7,695	6,214
Trade payables	(23)	19,048	15,946
Payables to subsidiaries	(24)	3,893	4,210
Derivative liabilities	(25)	0	0
Other current liabilities	(26)	3,410	3,476
Tax payables	(27)	1,195	2,144
TOTAL CURRENT LIABILITIES		46,176	39,939
TOTAL LIABILITIES		65,823	56,914
TOTAL EQUITY AND LIABILITIES		113,837	106,851

INCOME STATEMENT

<i>(in thousands of Euro)</i>	Notes	31/03/2025	31/03/2024
REVENUES			
Revenues from sales	(28)	77,018	79,046
Other income	(29)	2,936	2,885
TOTAL REVENUES (A)		79,953	81,931
OPERATING COSTS			
Change in inventories	(30)	(4,610)	728
Costs for purchases	(31)	27,858	23,784
Costs for services and leases and rentals	(32)	26,926	25,076
Personnel costs	(33)	15,101	13,688
Amortisation, depreciation and write-downs	(34)	6,329	5,452
Other operating costs	(35)	351	435
TOTAL OPERATING COSTS (B)		71,955	69,162
OPERATING PROFIT (LOSS) (A-B)		7,998	12,769
FINANCIAL INCOME AND COSTS			
Shares of profits (losses) of investee Companies	(36)	0	27
Financial income	(37)	905	1,421
Financial costs	(38)	(1,153)	(761)
TOTAL FINANCIAL INCOME AND COSTS		(248)	687
PROFIT (LOSS) BEFORE TAX		7,750	13,456
Income taxes	(39)	(1,864)	(2,784)
PROFIT / (LOSS) FOR THE YEAR		5,886	10,672

STATEMENT OF COMPREHENSIVE INCOME

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Profit / (Loss) for the year (A)	5,886	10,672
Components that can be reclassified to profit or loss		
Profit/ (Loss) on cash flow hedge instruments, net of related tax effects	(189)	(226)
Components that cannot be reclassified to profit or loss:		
Actuarial gains (losses) on defined-benefit plans	11	11
Total Profits / (Losses) recognised in equity (B)	(178)	(215)
Total Comprehensive Income /(Loss) for the year (A) + (B)	5,708	10,457

It should be noted that the items recognised in the Statement of Comprehensive Income are reported net of the related tax effect. For more details, reference should be made to Note 7.

STATEMENT OF CHANGES IN EQUITY

(in thousands of Euro)

	Share capital	Share premium reserve	Other reserves				Total Other reserves	Retained earnings	Profit/(Loss) for the period	Equity
			Fair value reserve	Reserve for Employee Benefits	Treasury shares reserve	Other reserves				
Balances at 31 March 2023	1,000	1,000	438	19	(3,459)	1,288	(1,713)	37,474	7,738	45,498
Profit/(Loss) for the year									10,672	10,672
Other comprehensive result at 31 March 2023:										0
- Reserve for actuarial gains (losses) on defined-benefit plans				11			11			11
- Fair value of financial instruments			(226)				(226)			(226)
Comprehensive Income (Loss) for the year	0	0	(226)	11		0	(215)	0	10,672	10,457
- Distribution of dividends to shareholders									(5,000)	(5,000)
- Negative reserve for purchase of treasury shares in portfolio					(1,096)		(1,096)			(1,096)
- Allocation to stock grant reserve						78	78			78
- Allocation of the result for the year ended 31 March 2023 to reserves								2,737	(2,737)	0
Balances at 31 March 2024	1,000	1,000	213	30	(4,555)	1,366	(2,947)	40,211	10,672	49,936
Profit/(Loss) for the year									5,886	5,886
Other comprehensive result at 31 March 2024:										0
- Reserve for actuarial gains (losses) on defined-benefit plans				11			11			11
- Fair value of financial instruments			(189)				(189)			(189)
Comprehensive Income/(Loss) for the year	0	0	(189)	11		0	(178)	0	5,886	5,708
- Distribution of dividends to shareholders									(7,000)	(7,000)
- Negative reserve for purchase of treasury shares in portfolio					(797)		(797)			(797)
- Award of treasury shares for stock grant					78	(78)	0			0
- Allocation to stock grant reserve						167	167			167
- Allocation of the result for the year ended 31 March 2024 to reserves								3,672	(3,672)	0
Balances at 31 March 2025	1,000	1,000	24	41	(5,273)	1,455	(3,754)	43,883	5,886	48,014

STATEMENT OF CASH FLOWS

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Profit/ (Loss) before tax	5,886	10,672
Adjustments for:		
Income taxes	1,864	2,784
Depreciation of property, plant and equipment/Amortisation of intangible assets and rights of use	5,814	4,894
Write-downs of property, plant and equipment/intangible assets and rights of use	65	108
Other accruals	(100)	200
Accrual to the provision for bad debts	450	450
Revaluation/Write-downs of equity investments	0	(27)
Adjustment to the provision for employee benefits	711	662
Net financial costs/(income), including exchange rate differences	248	(1,041)
Cash flows from operating activities before changes in working capital	14,938	18,702
Change in trade receivables (gross of the provision)	(1,152)	(4,090)
Change in receivables from subsidiaries	1,946	3,390
Change in inventories	(4,510)	528
Change in other current assets	98	(1,089)
Change in trade payables	2,566	1,330
Change in payables to subsidiaries	(317)	(1,204)
Change in provisions for risks and charges	(724)	(1,240)
Change in other current liabilities	14	(749)
Change in tax receivables/payables	(352)	1,198
Cash flows from operating activities after changes in working capital	12,507	16,776
Payment of taxes	(3,808)	(5,217)
Interest collected / (paid)	294	382
Cash flow generated from operating activities (A)	8,992	11,942
Investments in intangible assets	(1,345)	(301)
Disinvestments from intangible assets	(65)	(35)
Investments in property, plant and equipment	(1,817)	(1,606)
Disinvestments from property, plant and equipment	0	
Investments in non-current financial assets	0	0
Disinvestments from non-current financial assets	0	0
Changes generated from investing activities (B)	(3,227)	(1,942)
Financing activities		
Change in short- and medium/long-term borrowings	2,870	(10,762)
- new issues of long-term borrowings	12,000	0
- repayments and other net changes in borrowings	(9,130)	(10,762)
Changes in financial instruments	0	0
Reimbursements for lease liabilities	(4,463)	(3,465)
Change in the reserve for treasury shares in portfolio	(797)	(1,096)
Payment of dividends	(7,000)	(5,000)
Cash flow generated from/(absorbed by) financing activities (C)	(9,389)	(20,323)
Net increase (decrease) in cash and cash equivalents (A+B+C)	(3,624)	(10,324)
Cash and cash equivalents at the beginning of the period	19,193	29,517

Cash and cash equivalents at the end of the period	15,569	19,193
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STATEMENT OF FINANCIAL POSITION PURSUANT TO CONSOB RESOLUTION NO. 15519 OF 27 JULY 2006

Statement of financial position

<i>(in thousands of Euro)</i>	Notes	31 March 2025	Related parties	31 March 2024
ASSETS				
NON-CURRENT ASSETS				
Intangible assets	(1)	1,613		622
Right-of-use assets	(2)	18,532		13,897
Property, plant and equipment	(3)	8,200		7,654
Equity investments	(4)	14,539	14,539	14,539
Receivables from others	(5)	470		421
Receivables from subsidiaries	(6)	250	250	2,000
Deferred tax assets	(7)	1,644		1,573
TOTAL NON-CURRENT ASSETS		45,248	14,789	40,705
CURRENT ASSETS				
Inventories	(8)	18,426		13,815
Trade receivables	(9)	22,337		21,635
Receivables from subsidiaries	(10)	7,922	7,922	8,118
Other current assets	(11)	2,536		2,683
Derivative assets	(12)	47		296
Tax receivables	(13)	1,751		404
Cash and cash equivalents	(14)	15,569		19,193
TOTAL CURRENT ASSETS		68,589	7,922	66,145
TOTAL ASSETS		113,837	22,711	106,851

Statement of financial position

<i>(in thousands of Euro)</i>	Notes	31 March 2025	Related parties	31 March 2024
LIABILITIES				
EQUITY				
Share Capital		1,000		1,000
Share premium reserve		1,000		1,000
Other reserves		(3,754)		(2,946)
Retained earnings		43,882		40,211
Profit/(Loss) for the year		5,886		10,672
TOTAL EQUITY	(15)	48,014		49,936
NON-CURRENT LIABILITIES				
Borrowings	(16)	3,756		3,873
Payables to other lenders for lease agreements	(17)	11,331		8,444
Other non-current liabilities	(18)	3,144		3,231
Provision for employee benefits	(19)	152		151
Provisions for risks and charges	(20)	1,263		1,276
TOTAL NON-CURRENT LIABILITIES		19,647		16,976
CURRENT LIABILITIES				
Borrowings	(21)	10,934		7,947
Payables to other lenders for lease agreements	(22)	7,695		6,214
Trade payables	(23)	19,048		15,946
Payables to subsidiaries	(24)	3,893	3,893	4,210
Derivative liabilities	(25)	0		0
Other current liabilities	(26)	3,410		3,476
Tax payables	(27)	1,195		2,144
TOTAL CURRENT LIABILITIES		46,176	3,893	39,939
TOTAL LIABILITIES		65,823	3,893	56,914
TOTAL EQUITY AND LIABILITIES		113,837	3,893	106,851

INCOME STATEMENT PURSUANT TO CONSOB RESOLUTION NO. 15519 OF 27 JULY 2006

Income Statement

<i>(in thousands of Euro)</i>	Notes	31 March 2025	Related parties	31 March 2024
REVENUES				
Revenues from sales	(28)	77,018	2,712	79,046
Other income	(29)	2,936	2,166	2,885
TOTAL REVENUES (A)		79,953	4,878	81,931
OPERATING COSTS				
Change in inventories	(30)	(4,610)		728
Costs for purchases	(31)	27,858	7,127	23,784
Costs for services and leases and rentals	(32)	26,926	1,468	25,076
Personnel costs	(33)	15,101		13,688
Amortisation, depreciation and write-downs	(34)	6,329		5,452
Other operating costs	(35)	351		435
TOTAL OPERATING COSTS (B)		71,955	8,595	69,162
OPERATING PROFIT/(LOSS) (A-B)		7,998	(3,717)	12,769
FINANCIAL INCOME AND COSTS				
Shares of profits (losses) of investee Companies	(36)	0		27
Financial income	(37)	905	76	1,421
Financial costs	(38)	(1,153)		(761)
TOTAL FINANCIAL INCOME AND COSTS		(248)	76	687
PROFIT/ (LOSS) BEFORE TAX		7,750	(3,641)	13,456
Income taxes	(39)	(1,864)		(2,784)
PROFIT/(LOSS) FOR THE YEAR		5,886	(3,641)	10,672

STATEMENT OF CASH FLOWS PURSUANT TO CONSOB RESOLUTION NO. 15519 OF 27 JULY 2006

<i>(in thousands of Euro)</i>	31 March 2025	Related parties	31 March 2024
Profit/(Loss)	5,886		10,672
Adjustments for:			
Income taxes	1,864		2,784
Depreciation of property, plant and equipment/Amortisation of intangible assets and rights of use	5,814		4,894
Write-downs of property, plant and equipment/intangible assets and rights of use	65		108
Other accruals	(100)		200
Accrual to the provision for bad debts	450		450
Revaluation /Write-downs of equity investments	0		(27)
Adjustment to the provision for employee benefits	711		662
Net financial costs/(income), including exchange rate differences	248		(1,041)
Cash flows from operating activities before changes in working capital	14,938		18,702
Change in trade receivables (gross of the provision)	(1,152)		(4,090)
Change in receivables from subsidiaries	1,946	1,946	3,390
Change in inventories	(4,510)		528
Change in other current assets	98		(1,089)
Change in trade payables	2,566		1,330
Change in payables to subsidiaries	(317)	(317)	(1,204)
Change in provisions for risks and charges	(724)		(1,240)
Change in other current liabilities	14		(749)
Change in tax receivables/payables	(352)		1,198
Cash flows from operating activities after changes in working capital	12,507	1,629	16,776
Payment of taxes	(3,808)		(5,217)
Interest paid	294	76	382
Cash flow generated from operating activities (A)	8,992	1,705	11,942
Investments in intangible assets	(1,345)		(301)
Disinvestments from intangible assets	(65)		(35)
Investments in property, plant and equipment	(1,817)	(146)	(1,606)
Disinvestments from property, plant and equipment	0		0
Investments in non-current financial assets	0		0
Disinvestments from non-current financial assets	0		0
Changes generated from investing activities (B)	(3,227)	(146)	(1,942)
Financing activities			
Change in short- and medium/long-term borrowings	2,870		(10,762)
- New loans	12,000		0
- Repayments and other net changes in Borrowings	(9,130)		(10,762)
Changes in financial instruments	0		0
Lease instalments paid	(4,463)		(3,465)
Changes in treasury shares in portfolio	(797)		(1,096)
Payment of dividends	(7,000)	(4,786)	(5,000)
Cash flow generated from/(absorbed by) financing activities (C)	(9,389)	(4,786)	(20,323)
Net increase (decrease) in cash and cash equivalents (A+B+C)	(3,624)	(3,227)	(10,324)
Cash and cash equivalents at the beginning of the period	19,193		29,517

Cash and cash equivalents at the end of the period

15,569

19,193



General information

These separate financial statements of Piquadro S.p.A. (hereinafter also referred to as the “Company” or “Parent Company”) relate to the financial year ended 31 March 2025 and have been prepared by applying the IFRS adopted by the European Union. Piquadro S.p.A. is a Joint-stock Company established in Italy and registered in the Register of Companies of Bologna, with registered and administrative office in Silla di Gaggio Montano (Bologna). The separate financial statements are presented in Euro and all values reported therein are presented in Euro, unless otherwise specified.

For a better understanding of the economic performance of the Company, reference is made to the extensive information reported in the Report on Operations prepared by the Directors.

The data of these financial statements can be compared to the same of the previous financial year, except as reported below.

This document was prepared by the Board of Directors on 16 June 2025 and will be submitted for approval by the Shareholders’ Meeting called, on first call, for 28 July 2025.

Significant events during the financial year

Among the significant events that occurred during the financial year ended 31 March 2024 are the following:

On 24 July 2024 the Shareholders' Meeting of Piquadro S.p.A. approved the Financial Statements at 31 March 2024, and the distribution of a unit dividend of Euro 0.148320 to the shareholders, for a total amount of approximately Euro 7 million, taking account of no. 2,769,450 treasury shares, equal to 5.5389% of its share capital held by Piquadro on that date. The dividend was paid as from 7 August 2024, by detachment of coupon no. 15 on 5 August 2024.

The ordinary shareholders' meeting also approved the First Section of the Remuneration Report for the financial year that will end on 31 March 2025, which describes the Company's Policy concerning the fees due to the Directors, the members of the board of statutory auditors', and key management of the Company, in the implementation of the provisions of Article 123-ter, paragraphs no.3-bis and 6, of the TUF (*Testo Unico della Finanza*, Consolidated Act on Finance). Furthermore, the Shareholders' Meeting gave its favourable opinion on the Second Section of the Remuneration Report, and the fees paid in accordance with the aforesaid Article 123-ter, paragraph 4, of the TUF.

The Shareholders' Meeting also approved:

(a) to revoke the previous authorisation to purchase and make acts of disposition of treasury shares granted in execution of the resolution passed by the Ordinary Shareholders' Meeting held on 20 July 2023;

(b) to authorise the purchase of the Company's ordinary shares, in one or more tranches, up to the maximum number permitted by law, having regard to treasury shares held directly, and to those held by subsidiaries.

According to Article 2357, paragraph 1, of the Italian Civil Code, all purchases may be carried out within the limits of distributable profits and available reserves resulting from the most recent financial statements as duly approved, with a consequent reduction in equity, pursuant to Article 2357-ter, paragraph 3, of the Italian Civil Code, in the same amount, through the recognition of a specific item with a negative sign among balance sheet liabilities. Any purchase, sale, exchange or contribution of shares shall be accompanied by any appropriate accounting record in compliance with the provisions of law and applicable accounting standards. In any case of sale, exchange or contribution, the corresponding amount may be reused for additional purchases, until the expiry of the time limit set out for the authorisation given by the Shareholders' Meeting, without prejudice to any quantitative and expenditure limits, as well as to the terms and conditions laid down by the Shareholders' Meeting. The authorisation to purchase the shares is granted, as from the date of this resolution, until the approval of the financial statements at 31 March 2025. The purchase price of the shares shall be determined from time to time, having regard to the methods selected to carry out the transaction, and in accordance with legislative, regulatory provisions or permitted market practices, within minimum and maximum limits that can be determined according to the following criteria:

(i) in any case the minimum consideration for the purchase shall not be less, by 20%, than the reference price that the stock shall have recorded on the trading day prior to every individual transaction;

(ii) in any case, the maximum consideration for the purchase shall not be higher, by 10%, than the reference price that the stock shall have recorded on the trading day prior to every individual transaction.

Should the purchase of treasury shares be made within the scope of any market practice referred to in CONSOB resolution no. 16839/2009, the purchase price set for any proposed trading shall not exceed the higher of the price set for the most recent independent transaction and the current purchase price of the highest independent proposed trading in the market in which proposed purchases are launched, without prejudice to any additional limit set out in the resolution itself. The abovementioned transactions shall be carried out, on one or more occasions, by purchasing shares, pursuant to Article 144-bis, paragraph 1, letter b, of the Issuers' Regulation, on regulated markets or multilateral trading systems, which do not allow any direct matching of proposed purchase trading with predetermined proposed sales trading, according to operating procedures set out in the regulations governing the organisation and operation of the markets themselves, in compliance with Article 2357 and ff. of the Italian Civil Code, the equality of treatment of shareholders and any applicable legislation, including regulatory provisions, in force, including the principles referred to in Article 132 of the TUF, as well as with Regulation (EU) no. 596/2014 of 16 April 2014 and related implementing provisions, if applicable. The purchases may take place according to procedures other than those specified above pursuant to Article 132, paragraph 3, of Legislative Decree no. 58/1998, or any other provision applicable from time to time on the day of the transaction;

(c) to authorise, pursuant to and for the purposes of Article 2357-ter of the Italian Civil Code, any act of disposition, on one or more occasions, of any share that has been purchased according to this resolution, or that in any case is already held in the Company's portfolio, even well before having reached the maximum amount of shares that can be purchased, and any possible repurchase of the shares themselves to the extent that the treasury shares held by the

Company do not exceed the limit set out in the authorisation. The authorisation to acts of disposition of the shares is granted, as from the date of this resolution, without any time limit.

The consideration for any sale of treasury shares, which will be set by the Board of Directors, with the right of sub-delegating powers to one or more directors, may not be less by 20% at least, than the reference price that the stock shall have recorded on the trading day prior to every individual transaction. Should the sale of treasury shares be carried out within the scope of the permitted market practices referred to above, without prejudice to any additional limit set out in CONSOB resolution no. 16839/2009, the sales price of any proposed trading shall not be less than the lower of the price of the most recent independent transaction and the current sales price of the lowest independent proposed trading in the market in which proposed sales are launched. Should the treasury shares be the object of trading, exchange, contribution or any other act of non-cash disposition, the financial terms and conditions of the transaction shall be laid down based on its nature and features while also taking account of the market performance of the Piquadro S.p.A. stock. Any act of disposition of shares may take place according to such procedures as may be considered to be the most appropriate in the interest of the Company, and in any case in compliance with the applicable regulations and permitted market practices; and

(d) to grant the Board of Directors and, through it, any managing director, jointly and severally between them, the amplest powers required for the actual and full execution of the resolutions referred to in the points above in compliance with the provisions laid down in Article 132 of the TUF and the disclosure obligations referred to in Article 144-*bis*, paragraph 3, of the Issuers' Regulation and, if required, the disclosure obligations required by the abovementioned market practices and by Regulation (EU) no. 596/2014 of 16 April 2014, and related implementing provisions, if applicable, with the right to proceed with the purchase and acts of disposition of treasury shares, within the limits of the provisions laid down above, including through specialist intermediaries, also pursuant to and for the purposes of the abovementioned market practice governing operations in support of liquidity permitted by CONSOB under resolution no. 16839 of 19 March 2009, and pursuant to Regulation (EU) no. 596/2014 of 16 April 2014, and related implementing provisions, if applicable.

The Shareholders' Meeting also took steps to make new additions to the Board of Directors by appointing a new director, pursuant to Article 17.3 of the Company's By-Laws, since the list voting mechanism was not applicable, with the majorities required by law. In particular, the Shareholders' Meeting resolved to appoint Mr Tommaso Palmieri, as Director of the Company, who was born in Bologna, on 12 June 1999, tax code no. PLMTMS99H12A944S, and who will remain in office until the Shareholders' Meeting for the approval of the financial statements for the FY 2024/2025, and whose fees will be included in the total amount as determined by the Ordinary Shareholders' Meeting held on 25 July 2022.

Finally, the Shareholders' Meeting resolved to amend certain paragraphs of Articles 12, 13 and 20 of the Company's By-Laws in order to stipulate, as permitted by Article 11 of the Capital Bill, which was definitively approved by the Parliament on 24 February 2024, that attendance and voting at shareholders' meetings shall take place exclusively through the Company's designated representative, in accordance with the procedures laid down provisionally under Decree Law no. 18/2020 ("Cure Italy Decree"), and that, should the Company opt for the "compulsory" use of the Designated Representative, all entitled persons may also, or only, attend shareholders' meetings through appropriate means of telecommunication, without the need for the Chairman, Secretary and/or Notary Public to be in the same place.

As at 13 June 2025, Piquadro S.p.A. held, as a result of the purchases it had made, no. 2,769,450 treasury shares, equal to 5.5389% of the share capital while its subsidiaries did not hold any share in the Parent Company.

The invasion of Ukraine by the Russian Federation, undertaken in February 2022, has given rise to various consequences in economic and financial terms worldwide. This conflict, which is still ongoing, has caused, since the first months, high volatility, even in currencies, which has been reduced only partially, and has entailed the issue of targeted restrictive sanctions (individual sanctions against individuals), economic sanctions and diplomatic measures against the Russian Federation on the part of the United States of America, the United Kingdom and the European Union. Among economic sanctions, we must note those regarding the export of luxury goods, in response to which, in the early stages of the invasion, the Piquadro Group suspended logistics and invoicing operations to the Russian subsidiary, both towards DOSs and towards Russian multi-brand customers, which were then regularly resumed, since the scope of these sanctions had not restricted the Group's exports. It is specified that the Group has no suppliers of goods in Russia and Ukraine.

The effects for the Piquadro Group resulting from the conflict include, first and foremost, the direct impact arising from the exchange rate trends, to which the Piquadro Group responded by raising its selling prices to the public in

Russia as from the first months of the conflict. Nevertheless, sales of Piquadro Group products at DOSs were not significantly affected by this situation, in terms of sales volumes.

Among indirect impacts, although there has been a decline in the inflation rate, the population's spending capacity is weakened, reverberating on consumer products, and consequently affecting GDP growth.

In the financial year ended 31 March 2025, the Piquadro Group continued its sales to wholesale customers from the Russian Federation while also keeping all directly-operated retail stores open. The Piquadro Group's sales in Russia accounted for 1.93% of consolidated turnover at 31 March 2025 (2.16% at 31 March 2024).

As at the same date, the assets held by the Group in Russia amounted to about Euro 2.9 million, specifically relating to:

- i. rights of use pertaining to sales outlets (Euro 0.5 million);
- ii. inventories (Euro 1.3 million);
- iii. cash and cash equivalents (Euro 0.2 million);
- iv. receivables (Euro 0.1 million);
- v. property, plant and equipment (Euro 0.1 million);
- vi. non-current financial assets (Euro 0.1 million);
- vii. other current assets (Euro 0.6 million).
- viii.

On the basis of the information available to date, the recoverability of the aforementioned amounts does not show any critical issue, without prejudice to the normal uncertainty regarding the evolution of the context.

An armed conflict between Israel and Palestine broke out on 7 October 2023, which is still ongoing, and which has reinforced the macroeconomic uncertainties already present in the international scenario.

The limited contribution in terms of turnover produced in the territory affected by the conflict, and the absence of suppliers located therein, have had no significant direct impact on the Piquadro Group. Among indirect impacts are difficulties related to maritime transport, which has led to slowdowns in the supply chain, due to the tensions present in the Suez Canal areas, resulting in circumnavigation of the African continent.

In relation to the volatility of this scenario, our Management continues to monitor the situation in order to safeguard the Piquadro Group's assets, wealth and business continuity while taking any necessary measure to ensure that its activities are carried out in accordance with applicable regulations.

The Company's business

Piquadro S.p.A. designs and markets leather goods - bags, suitcases and accessories - characterised by attention to design and functional and technical innovation.

The Company was established on 26 April 2005. The Share Capital has been subscribed through the contribution of the branch of business relating to operating activities on the part of the former Piquadro S.p.A (then renamed Piquubo S.p.A., the ultimate company controlling the Company), which became effective for legal, accounting and tax purposes on 2 May 2005.

Effective from 14 June 2007, the registered office of Piquadro S.p.A. was moved from Riola di Vergato (Bologna), via Canova no. 123/O-P-Q-R to Località Sassuriano 246, Silla di Gaggio Montano (Bologna).

As of today's date, the Company is owned by Marco Palmieri through Piquubo S.p.A., which is 100% owned. Piquubo S.p.A., in fact, holds 93.34% of the Share Capital of Piquadro Holding S.p.A., which in its turn holds 68.3% of the Share Capital of Piquadro S.p.A., the shares of which are listed on the Milan Stock Exchange since 25 October 2007. The flexibility of the business model adopted by the Company allows it to maintain control over all of the critical phases of the production and distribution chain. Indeed, the Company carries out the design, planning, procurement, quality, marketing, communication and distribution phases wholly within the confines of its organisation and only resorts to outsourcing for a part of the production activities, although it also retains control over the quality and efficiency of the phases that are currently outsourced. The Company is particularly focused on the activity of design, planning and development of the product, which is carried out by an internal team whose commitment is aimed at maintaining quality and style innovation which have always characterised the Company's products. In this regard, the design team, in light of the well-established experience of the persons who compose it, represents a fundamental resource for the Company.

The Company makes use of a delocalised production model at the Chinese plant which is leased to the subsidiary Uni Best Leather Goods Zhongshan Co. Ltd., located in the region of Guangdong, China and at third-party workshops

located abroad (mainly in China), which are generally divided on the basis of the type of product. About 33.7% of production is carried out internally, through a subsidiary of Piquadro S.p.A., at the Chinese plant of Zhongshan - Guangdong, while the residual part is outsourced. This model, in the opinion of the Management, ensures flexibility and efficiency of the production cycle, thus reducing fixed costs, while retaining control over the critical phases of the value chain, also for the purpose of ensuring product quality.

Schedules of financial statements adopted and reporting currency

At the time of the preparation of the separate financial statements at 31 March 2024 and at 31 March 2025, the Management of Piquadro S.p.A. selected the following schedules from among those specified under IAS 1 (revised), as it considered them to be more suitable to represent the Company's equity, economic and financial position:

- classification of the statement of financial position reporting current assets/liabilities and non-current assets/liabilities;
- classification of costs in the Income Statement by nature;
- classification in the Statement of Comprehensive Income presented in a separate document with respect to the Income Statement, as permitted by IAS 1 (revised);
- preparation of the Statement of Cash Flows according to the indirect method.

The schedule of the Statement of Comprehensive Income has been amended in order to reflect the breakdown into components that can be reclassified and components that cannot be reclassified through profit and loss, as required by the amendments to IAS 1 introduced by Regulation (EC) no. 475/2012 (as illustrated in the paragraph on "Accounting standards, amendments and interpretations").

It should be noted that, following the adoption of IFRS 16 from 1 April 2019, the statement of financial position has been amended by adding a specific line to the section of non-current assets of the financial statements, separately from intangible assets and property, plant and equipment, relating to right-of-use assets. On the other hand, a new specific line for non-current lease liabilities has been added to the section of non-current liabilities of the financial statements, separately from the others, and, likewise, a new specific line for current lease liabilities has been added to the section of current liabilities of the financial statements, separately from the others. As regards the statement of cash flows, it should be noted that the reduction in financial liabilities for financial costs on leased assets has been recognised explicitly in the section of net cash flows from operating activities; moreover, the section of cash flows from financing activities now explicitly reports the disbursements of the nominal value of lease liabilities.

For a better recognition and ease of reading, except as regards the statement of financial position and the Income Statement, the accounting data both in the Schedules of Financial Statements and in these Notes to the Financial Statements, are reported in thousands of Euro.

The reporting currency of these separate financial statements is the Euro.

In compliance with Regulation (EU) no. 1606/2002, the separate financial statements of Piquadro S.p.A at 31 March 2023 were prepared in accordance with IAS/IFRS (International Accounting Standards and International Financial Reporting Standards, hereinafter also referred to as "IFRS") issued by the International Accounting Standards Board ("IASB") and endorsed by the European Union, as supplemented by the related interpretations issued by the International Financial Reporting Standards Interpretations Committee (IFRS IC), which was previously named Standing Interpretations Committee (SIC), as well as by the related measures issued in the implementation of article 9 of Legislative Decree no. 38/2005.

Accounting policies

The accounting standards and consolidation principles adopted in the preparation of these Financial Statements are consistent with those applied to prepare the Consolidated Financial Statements at 31 March 2024, while also taking account of the information provided below in relation to the new accounting standards, amendments and interpretations applicable from 1 April 2022.

The Directors have assessed whether the going-concern assumption can be applied to prepare the financial statements, concluding that this requirement is adequate since there is no doubt about the ability to continue as a going concern.

The present situation triggered by the continuing conflict between Russia and Ukraine, which is still ongoing, was taken into account in making this assessment.

The accounting policies used in preparing the separate financial statements at 31 March 2024, which do not differ from those used in the previous financial year, are indicated below.

Intangible assets

Intangible assets purchased or internally produced are entered under assets when it is probable that the use of the asset will generate future economic benefits and when the cost of the asset may be determined reliably. These assets are valued at their purchase or production cost.

Intangible assets relate to assets without an identifiable physical substance, which are controlled by the company and are able to generate future economic benefits, as well as any possible goodwill.

The rates applied are:

Development costs	25%
Patents	33.3%
Trademarks	10%
Concessions	33.3%

(i) Research and Development costs

Research costs are charged to the Income Statement in the financial year in which they are incurred. Development costs entered under intangible assets where all the following conditions are fulfilled:

- a) the project is clearly identified and the related costs can be identified and measured reliably;
- b) the technical feasibility of the project has been demonstrated;
- c) the intention to complete the project and to sell the intangible assets generated by the project has been demonstrated;
- d) a potential market exists or, in the case of internal use, the benefit of the intangible asset has been demonstrated for the production of the intangible assets generated by the project;
- e) the technical and financial resources necessary for the completion of the project are available.

Amortisation of development costs entered under intangible assets will start from the date when the result generated by the project is marketable. Amortisation is made on a straight-line basis over a period of 4 years, which represents the estimated useful life of capitalised expenses.

(ii) Industrial patent and intellectual property rights, Licences and similar Rights

Charges relating to the acquisition of industrial patent and intellectual property Rights, Licences and similar Rights are capitalised on the basis of the costs incurred for their purchase.

Amortisation is calculated on a straight-line basis so as to allocate the cost incurred for the acquisition of the right over the shorter of the period of the expected use and the term of the related contracts, starting from the time when the acquired right may be exercised; usually, this period has a duration of 5 years.

Right-of-use assets

The asset for the right to use leased assets is initially valued at cost, and subsequently amortised or depreciated over the lease term. The cost includes:

- the initial amount of lease liabilities;
- incentives received under the lease agreement;
- initial direct costs incurred by the lessee;
- any estimated costs that will be incurred by the lessee to restore the leased asset to the conditions existing prior to the lease inception date, in accordance with the provisions of the lease agreement.

Right-of-use assets are amortised or depreciated according to IAS16. Finally, right-of-use assets are tested for impairment according to IAS 36.

The Company has decided not to apply IFRS 16 for contracts containing a lease which has an intangible asset as underlying asset.

Property, plant and equipment

Property, plant and equipment are entered at their purchase price or production cost, including any directly-attributable additional charges required to make the assets available for use.

Costs incurred subsequent to the purchase are capitalised only if they increase the future economic benefits inherent in the asset to which they refer.

The assets whose sale is highly probable as at the reporting date of the financial statements are separated from property, plant and equipment and classified under current assets under item “Current assets available for sale” and measured at the lower of the book value and the related fair value, net of estimated selling costs. The sale of an asset classified under non-current assets is highly probable when the Management has defined, by a formal resolution, a plan for the disposal of the asset (or of the disposal group) and activities have been started to identify a purchaser and to complete the plan. Furthermore, the asset (or the disposal group) has been offered for sale at a reasonable price compared to its current fair value. Furthermore, the sale is expected to be completed within a year of the date of classification and the actions required to complete the sale plan show that it is improbable that the plan can be significantly amended or cancelled.

Leases in which the lessor substantially retains the risks and rewards attached to ownership of the assets are classified as operating leases. Costs for rentals arising from operating leases are charged to the Income Statement on a straight-line basis on the basis of the contract term.

No depreciation is carried out on tangible assets intended for transfer which are valued at the lower of the entry value and their fair value, net of disposal charges.

The rates applied are:

Land	Unlimited useful life
Buildings	3%
Leasehold improvements (shops)	17.5%*
Machinery and moulds	17.5%
General systems	17.5%
Industrial and business equipment	25%
Office electronic machines	20%
Fittings	12%
Motor vehicles and means of internal transport	20%
Cars	25%

* Or over the term of the lease agreement should the same be lower and there is not reasonable certainty of the renewal of the same at the natural expiry of the contract.

Should the asset being depreciated be made up of elements that can be clearly identified and whose useful life significantly differs from that of the other parts making up the asset, depreciation is made separately for each of the parties making up the asset (component approach).

Ordinary maintenance costs are fully charged to the Income Statement. Costs for improvements, refurbishment and transformation increasing the value of property, plant and equipment are charged as an increase in the relevant assets and depreciated separately.

Financial charges directly attributable to the construction or production of a tangible asset are capitalised as an increase in the asset under construction, up to the time when it is available for use.

The recoverability of the entry value of property, plant and equipment is verified by adopting the criteria indicated in point “Impairment losses of assets” below.

Equity investments

Equity investments in subsidiaries are accounted for at cost, which is possibly reduced for lasting impairment losses as required by IAS 36. The original value is reinstated in the subsequent financial years if the reasons for the write-down no longer apply.

Equity investments in other companies are measured at fair value; if the fair value cannot be estimated reliably, the investment is valued at cost.

The recoverability of their entry value is verified by adopting the criteria indicated in point “Impairment losses of assets”.

Receivables and other non-current and current assets

Financial assets

Financial assets, as required by the new IFRS 9, are classified, according to the management methods applied by the Company and based on the related features of contract cash flows, into the following categories:

- Amortised Cost: this category includes financial assets that are held for the sole purpose of collecting contract cash flows. They are measured at amortised cost, with proceeds recognised through profit or loss based on the effective interest rate method.

- Fair value through other comprehensive income (“FVOCI”): this category includes financial assets the contract cash flows of which exclusively consist of the payment of principal and interest and that are held in order to collect contract cash flows, as well as flows deriving from their sale. They are measured at fair value. Interest income, foreign exchange gains and losses, impairment losses (and related value write-backs) of financial assets classified as assets at FVOCI, are accounted for through profit or loss; other changes in the fair value of assets are accounted for among OCI. Upon the sale or reclassification of these financial assets to other categories, because of a change in the business model, cumulative profits or losses recognised in OCI are reclassified to profit or loss.

- Fair value through profit or loss (“FVTPL”): this category includes residual items concerning financial assets that do not fall within the categories of Amortised Cost or FVOCI, such as, for example, financial assets acquired for trading purposes or derivatives, or assets designated at FVTPL on the part of the Management upon initial recognition. They are measured at fair value. Any profits or losses arising from this measurement are recognised through profit or loss.

- FVOCI for equity instruments: financial assets consisting of equity instruments issued by other entities (i.e. interests in companies other than subsidiaries, associates and jointly-controlled companies), which are not held for trading purposes, can be classified in the category of FVOCI. This option can be applied on an instrument-by-instrument basis and provides for any change in the fair value of these instruments to be recognised in OCI, without being recycled to profit or loss, either upon their transfer or upon their impairment. Only the dividends arising from these instruments will be recognised through profit or loss.

The fair value of financial assets is determined on the basis of the listed offer prices or through the use of financial models. The fair value of unlisted financial assets is estimated by using appropriate valuation techniques adapted for the specific situation.

Measurements are carried out on a regular basis in order to establish whether there is any objective evidence that a financial asset or a group of assets may have reported an impairment loss. If there is objective evidence, the impairment loss is recognised as a cost in the income statement for the period.

Trade receivables

Upon initial recognition they are measured at fair value, while trade receivables without any significant financial component are valued at the transaction price. The measurement of their recoverable value is made on the basis of the Expected Credit Losses model required by IFRS 9.

They are measured at fair value upon initial recognition and then at amortised cost, using the effective interest method. They are stated net of a provision for bad debts, which is entered as a direct deduction from the receivables themselves to adjust their measurement at their presumed realisable value. Expected credit losses are estimated by using an allocation matrix broken down by maturities of overdue amounts, making reference to the entity’s past experience of credit losses, as well as to an analysis of the creditors’ financial position, as adjusted to include specific factors of the

creditor and a valuation of the current and expected trend in these factors on the reporting date of the financial statements.

An accrual due to impairment losses on trade receivables is recognised when there is any objective evidence that the Company will not be able to collect any and all amounts according to the initial terms and conditions. The amount of the accrual is charged to profit or loss.

Inventories

Inventories are valued and entered at the lower of the purchase or production cost, including additional charges, as determined according to the weighted average cost method, and the value of presumed realisable value inferable from the market performance.

Cash and cash equivalents

The item relating to cash and cash equivalents includes cash, current bank accounts, demand deposits and other short-term high-liquidity financial investments, which are readily convertible into cash, or which can be transformed into cash and cash equivalents within 90 days of the date of original acquisition and are subject to a non-significant risk of changes in value.

Impairment losses of assets

When events occur that make an impairment of an asset expected, its recoverability is checked by comparing its entry value with the related recoverable value, represented by the higher of the fair value, net of disposal charges, and the value in use.

In the absence of a binding sale agreement, the fair value is estimated on the basis of the values expressed by an active market, by recent transactions or on the basis of the best information available in order to reflect the amount that the business could obtain by selling the asset.

The value in use is determined by discounting back the expected cash flows deriving from the use of the asset and, if they are significant and if they can be determined reasonably, from its transfer at the end of its useful life. Cash flows are determined on the basis of reasonable assumptions that can be proved and that represent a best estimate of the future economic conditions that will arise during the residual useful life of the asset, giving greater importance to external factors. Valuation is carried out for individual assets or for the smallest identifiable group of assets that generate independent cash inflows deriving from their on-going use (the so-called cash generating unit). An impairment is recognised in the Income Statement should the entry value of the asset or of the cash generating unit to which it is allocated be higher than the recoverable value.

If the reasons for the write-downs previously made no longer apply, the assets, excluding goodwill, are reinstated and the adjustment is charged as a revaluation (reinstatement of value) in the Income Statement. The revaluation is made at the lower of the recoverable value and the entry value, including the write-downs previously made and reduced by the amortisation rates which would have been allocated had no write down been made.

Right-of-use assets have been tested for impairment according to IAS 36.

In determining the discounting of future cash flows, the Management uses many assumptions, including estimates of future increases in sales, gross margin, operating costs, investments, changes in working capital, and the weighted average cost of capital (discount rate), in consideration of the risks specific to the business or Cash Generating Unit.

The expected cash flows used in the model are determined during the Company's budgeting and planning processes and represent the best forecast estimate, based on multi-year plans, as updated annually, reviewed by the Management and approved by the Board of Directors of Piquadro S.p.A. The carrying value attributed to the cash generating unit is determined by reference to the balance sheet using criteria of direct, where applicable, or indirect allocation.

Equity

The Share Capital is made up of the outstanding ordinary shares and is entered at its nominal value. Any costs relating to the issue of shares or options are classified as a reduction in Equity (net of the tax benefit related thereto) as a deduction of the income arising from the issue of such instruments.

In case of purchase of treasury shares, the price paid, including directly-attributable additional charges (if any), is deducted from the Companies' Equity up to the time of cancellation, reissue or disposal of the shares. When the said

treasury shares are resold or reissued, the price received, net of directly attributable additional charges (if any) and of the related tax effect, is accounted for as an increase in the Company's Equity.

Reserve for financial assets/liabilities at fair value

This reserve refers to the effect of accounting for derivative instruments which are eligible for hedge accounting under Equity.

Legal reserve

Entries are made in the legal reserve through provisions recognised pursuant to art. 2430 of the Italian Civil Code, or the reserve is increased to an extent equal to the 20th part of the net profits achieved by the Company until the reserve in question reaches a fifth of the Share Capital. Once a fifth of the Share Capital is reached, if for whatever reason the reserve is decreased, it shall be replenished with the minimum annual provisions as indicated above.

Hedging financial instruments

The Company carries out transactions in derivative financial instruments to hedge exposure to foreign exchange and interest rate risks. The Company does not hold financial instruments of a speculative nature, as required by the risk policy approved by the Board of Directors. In accordance with IFRS 9, hedging financial instruments are accounted for according to the procedures laid down for hedge accounting if all the following conditions are fulfilled:

- i. at inception of the hedge, there is formal documentation of the hedging relationship and the company's risk management objective and strategy for undertaking the hedge;
- ii. the hedge is expected to be highly effective in offsetting changes in fair value (fair value hedge) or cash flows (cash flow hedge) that are attributable to the hedged risk;
- iii. for cash flow hedges, any forecast transaction being hedged is highly probable and presents an exposure to the changes in cash flows which could finally affect the economic result for the period;
- iv. hedge effectiveness is reliably measurable, i.e. the fair value or cash flows of the hedged item and the fair value of the hedging instrument can be reliably measured;
- v. the hedge must be assessed on an on-going basis and be highly effective for the entire life of the derivative.

The criterion for measuring hedging instruments is represented by their fair value as at the designated date.

The fair value of foreign exchange derivatives is calculated in relation to their intrinsic value and time value.

On each closing date of the financial statements, hedging financial instruments are tested for effectiveness, in order to verify whether the hedge meets the requirements to be qualified as effective and to be accounted for according to hedge accounting.

When the financial instruments are eligible for hedge accounting, the following accounting treatments will be applied:

Fair value hedge - If a derivative financial instrument is designated as a hedge of the exposure to changes in fair value of a balance sheet asset or liability attributable to a specific risk that might impact the Income Statement, the profit or loss arising from the subsequent measurements at fair value of the hedging instrument are recognised in the Income Statement. The profit or loss on the hedged item, attributable to the hedged risk, modify the book value of this item and are recognised in the Income Statement.

Cash flow hedge - If a derivative financial instrument is designated as a hedge of the exposure to changes in future cash flows of an asset or liability entered in the accounts or of a forecast transaction which is highly probable and which could have effects on the Income Statement, changes in fair value of the hedging instrument are taken to the Statement of comprehensive income, while the ineffective portion (if any) is recognised in the Income Statement.

If a hedging instrument or a hedging relationship are terminated, but the transaction being hedged has not yet been carried out, the combined profits and losses, which have been entered under the Statement of Comprehensive Income up to that time, are recognised in the Income Statement at the time when the related transaction is carried out.

If the transaction being hedged is no longer deemed probable, the profits or losses not yet realised and deferred to Equity are immediately recognised in the Income Statement.

If the hedge accounting cannot be applied, the profits or losses arising from the measurement at fair value of the derivative financial instrument are immediately entered in the Income Statement.

Financial liabilities

Financial liabilities are initially accounted for at fair value, net of transaction costs incurred. Subsequently they are stated at amortised cost; the differential between the amount collected, net of transaction costs, and the amount to be repaid is accounted for through profit or loss on the basis of the term of the loans, using the effective interest method. In the case of non-substantial amendments to the terms and conditions of a financial instrument, the difference between the present value of flows as changed (determined by using the effective interest rate of the instrument outstanding at the date of the change) and the book value of the instrument is stated through profit or loss.

The loans are classified among current liabilities if the Group has not any unconditional right to defer the repayment of the liability for at least 12 months after the reporting date.

Financial liabilities are derecognised from the balance sheet when the specific contract obligation is extinguished. This also occurs when the existing contract terms and conditions are amended if the new terms and conditions have changed the initial arrangements significantly.

Lease liabilities

Lease liabilities are measured at the present value of lease payments due for fixed rents not yet paid at the inception date of the lease, as discounted using the lessee's incremental borrowing rate. Liabilities for leased assets are subsequently increased by interest that accrues on these liabilities and decreased in correlation with lease payments. In addition, lease liabilities may increase or decrease in value in order to reflect reassessments or lease modifications of future lease payments that are made after the inception date.

Financial instruments and IFRS 7

The category of financial instruments

The disclosure required by IFRS 7, which allows the assessment of the significance of the Company's financial instruments and the nature of risks associated thereto, is reported in different paragraphs of these explanatory notes.

RISK FACTORS

The Company is exposed to risks associated with its own business, which are specifically referable to the following cases:

- Credit risk arising from business transactions or financing activities;
- Liquidity risk relating to the availability of financial resources and to the access to the credit market;
- Market risk which is identified in detail as follows:
 - o Foreign exchange risk, relating to operations in currencies other than currencies of denomination;
 - o Interest rate risks, relating to the Company's exposure on financial instruments which bear interest.

Credit risk

The operational management of this risk is delegated to the Credit Management function which is shared by the Administration, Finance and Control Department with the Sales Department and is carried out as follows:

- assessing the credit standing of the customers;
- monitoring the related expected incoming flows;
- the appropriate payment reminder actions;
- debt collection actions, if any.

The write-down necessary to bring the nominal value in line with the expected collectable value has been determined by analysing all of the expired loans in the accounts and using all the available information on individual debtors. Loans which are the object of disputes and for which there is a legal or insolvency procedure have been fully written down, while fixed write-down percentages have been applied to all the other receivables, again taking account of both legal and actual situations. Below is reported the summary statement of the changes in the Provision for bad debts.

	Provision at 31 March 2024	Use	Accrual	Provision at 31 March 2025
<i>(in thousands of Euro)</i>				
Provision for bad debts	2,458	(129)	450	2,779
Total Provision	2,458	(129)	450	2,779

Breakdown of loans

As required by IFRS 7, below is reported a breakdown of expired loans:

<i>in thousands of Euro</i>		Loans falling due	Expired loans			Provision for bad debts
31/03/2025	Amount in the accounts		1- 60 days	61 - 120 days	over 120 days	
DOS	0	0	0	0	0	0
Wholesale	22,338	19,843	1,125	731	3,148	(2,779)
Subsidiaries	7,922	5,569	648	298	1,407	0
Total	30,260	25,412	1,773	1,029	4,825	(2,779)

<i>in thousands of Euro</i>		Loans falling due	Expired loans			Provision for bad debts
31/03/2024	Amount in the accounts		1- 60 days	61 - 120 days	over 120 days	
DOS	21,635	20,585	895	620	1,993	(2,458)
Wholesale	6,168	2,488	670	418	2,592	0
Subsidiaries	0	0	0	0	0	0
Total	27,803	23,073	1,565	1,038	4,585	(2,458)

Liquidity risk

The financial requirements are affected by the dynamics of receipts from customers in the Wholesale channel, a segment which is mainly made up of points of sale/shops; as a consequence, credits are highly fragmented, with variable average payment times.

Nevertheless, the Piquadro Group is effortlessly capable of financing the growing requirements of net working Capital, through the cash flows generated by operations, including the short-term receipts generated by the DOS channel and, when necessary, through recourse to short-term loans.

Furthermore, policies and processes have been adopted which are aimed at optimising the management of financial resources, thus reducing liquidity risks:

- i. maintaining an adequate level of available funds;
- ii. obtaining adequate credit lines;
- iii. monitoring the perspective liquidity conditions, in relation to the corporate process.

Liquidity schemes:

Type of instruments (in thousands of Euro)	Amount in the accounts	Within 1 year	From 1 to 5 years	Beyond 5 years
31/03/2025				
Payables to banks for Loans	14,690	11,021	3,669	0
Payables to banks for credit lines	0	0	0	0
Trade payables	19,048	18,695	197	156
Trade payables to Subsidiaries	3,893	2,898	995	0
Other borrowings (lease)	19,026	7,695	9,314	2,017
Derivative liabilities for IRS contract	0	0	0	0
Derivative liabilities for USD forward contracts	0	0	0	0
Total	56,658	40,309	14,175	2,173

Type of instruments (in thousands of Euro)	Amount in the accounts	Within 1 year	From 1 to 5 years	Beyond 5 years
31/03/2024				
Payables to banks for Loans	11,820	7,947	3,873	0
Payables to banks for credit lines	0	0	0	0
Trade payables	15,946	15,572	203	171
Trade payables to Subsidiaries	4,210	3,137	1,073	0
Other borrowings (lease)	14,658	6,214	7,202	1,242
Derivative liabilities for IRS contract	0	0	0	0
Derivative liabilities for USD forward contracts	0	0	0	0
Total	46,635	32,870	12,351	1,413

Below are reported the main assumptions for the table above:

- (i) Loans payable: the future cash flows have been provided directly by the banks concerned;
- (ii) Current bank accounts: by virtue of the worst case in which the worst scenario is equal to the repayment on demand of the use of the credit line, the related cash out has been charged to the first time band;
- (iii) Foreign exchange forwards: the cash out in Euro has been reported which has been envisaged as per contract at the time of the subscription of the derivative instruments;
- (iv) Finance leases: the payables have been reported which arise from the adoption of the IFRS 16, calculated as the present value of discounted future payments due.

As at 31 March 2025 the Company could rely on credit lines of about Euro 14,690 thousand (about Euro 11,820 thousand at 31 March 2024). As regards the balance of Current Assets, and specifically the coverage of payables to suppliers, it is also ensured by the amount of Net trade receivables from third parties, which totalled Euro 22,338 thousand at 31 March 2025 (Euro 21,635 thousand at 31 March 2024).

MARKET RISK

Foreign exchange risk

The Company is subject to market risks arising from fluctuations in the exchange rates of the currencies, as it operates in an international context in which transactions, mainly those with suppliers, are settled in US Dollars (USD). It follows that the Company's net result is partially affected by the fluctuations in the Euro and US Dollars exchange rate.

The necessity to manage and control financial risks has induced the Management to adopt a risk containment strategy, better defined as "hedge accounting policy". This consists in continuously hedging the risks relating to purchases over

a time period of six months on the basis of the amount of the orders issued that shall be settled in US dollars. This conduct can be classified as a “cash flow hedge” or the hedge of the risk of changes in the future cash flows; these flows can be related to assets or liabilities entered in the accounts or to highly probable future transactions. In compliance with IFRS 9, the portions of profit or loss accrued on the hedging instrument, which is considered effective for hedging purposes, has been recognised directly in Equity under a special reserve.

During the financial year ended 31 March 2025, the Company executed forward currency contracts for USD 12,200 thousand, equal to an aggregate counter-value of Euro 11,101 thousand, with an average exchange rate of USD 1.099.

For an analysis of the effects of these risks, reference is made to the table reported below (sensitivity analysis):

	Book value	Of which subject to FER	Foreign Exchange risk (FER)			
			+ 10% Euro/USD		- 10% Euro/USD	
			Profit (Losses)	Other changes in Equity	Profit (Losses)	Other changes in Equity
Financial assets						
Cash and cash equivalents	15,569	711	(65)		(79)	
Trade receivables	22,337	1	(0)		0	
Receivables from subsidiaries	7,922	1,202	(109)		134	
Derivative financial instruments	47	0				
			(174)	0	213	0
Financial liabilities:						
Borrowings	14,690					
Payables to other lenders for lease	19,026					
Trade payables	19,048	2,416	(220)		268	
Payables to subsidiaries	3,893	1,367	(124)		152	
Derivative financial instruments	0					
			(344)	0	420	0
Total increases (decreases) at 31/03/2025			(518)	0	633	

	Book value	Of which subject to FER	Foreign Exchange risk (FER)			
			+ 10% Euro/USD		- 10% Euro/USD	
			Profit (Losses)	Other changes in Equity	Profit (Losses)	Other changes in Equity
Financial assets						
Cash and cash equivalents	19,193	97	(97)		(97)	
Trade receivables	21,635	2,615	(238)		291	
Receivables from subsidiaries	8,118	2,609	(237)		290	
Derivative financial instruments	296					
			(572)	0	484	0

Financial liabilities:				
Borrowings	11,820			
Payables to other lenders for lease	14,658			
Trade payables	15,946	2,456	(216)	282
Payables to subsidiaries	4,210	2,085	(178)	246
Derivative financial instruments	-			
			(394)	0
				527
				0
Total increases (decreases) at 31/03/2024			(966)	-
				1,011

The variability parameters applied were identified in the context of changes that are reasonably possible on exchange rates with all other variables being equal.

Interest rate risk

		Interest rate risk (IRR)				
		+ 50 bps on IRR		- 50 bps on IRR		
	Book value	Of which subject to IRR	Profits (Losses)	Other changes in Equity	Profits (Losses)	Other changes in Equity
Financial assets:						
Cash and cash equivalents	19,193	19,193	96		(96)	
Trade receivables	21,635	0	0		0	
Receivables from subsidiaries	8,118	0	0		0	
Derivative financial instruments	296	0	0		0	
			96		(96)	
Financial liabilities:						
Payables to banks for Loans	11,820	11,820	(59)		59	
Payables to banks for credit lines	0	0	0		0	
Trade payables	15,946	0	0		0	
Payables to subsidiaries	4,210	0	0		0	
Other borrowings (lease)	14,658	14,658	(73)		73	
Derivative financial instruments	0	0	0		0	
			(132)	0	132	0
Total increases (decreases) at 31 March 2025			(36)	0	36	0

		Interest rate risk (IRR)				
		+ 50 bps on IRR		- 50 bps on IRR		
	Book value	Of which subject to IRR	Profits (Losses)	Other changes in Equity	Profits (Losses)	Other changes in Equity
Financial assets:						
Cash and cash equivalents	19,193	19,193	96		(96)	
Trade receivables	21,635	0	0		0	
Receivables from subsidiaries	8,118	0	0		0	
Derivative financial instruments	296	0	0		0	
			96		(96)	
Financial liabilities:						
Payables to banks for Loans	11,820	11,820	(59)		59	

Payables to banks for credit lines	0	0	0	0
Trade payables	15,946	0	0	0
Payables to subsidiaries	4,210	0	0	0
Other borrowings (lease)	14,658	14,658	(73)	73
Derivative financial instruments	0	0	0	0
			(132)	0
				132
Total increases (decreases) at 31 March 2024			(36)	0
				36
				0

The variability parameters applied were identified in the context of changes that are reasonably possible on exchange rates with all other variables being equal.

Capital risk management

The Company manages the Capital with the objective of supporting the core business and optimising the value for Shareholders, while maintaining a correct structure of the Capital and reducing its cost.

Piquadro S.p.A. monitors the Capital on the basis of the gearing ratio, which is calculated as the ratio between Net Financial Position and Net Invested Capital.

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Net financial debt	(21,330)	(10,220)
Equity	48,014	49,936
Net invested capital	69,344	60,156
Gearing ratio	(30.76)%	(16.99)%

Risks associated with the cost and availability of raw materials

The manufacture of Piquadro-branded products requires high quality raw materials. The price and availability of these materials depend on a wide range of factors, which are largely beyond the Company's control and difficult to predict. Despite the fact that in recent years the Company has always managed to secure an adequate procurement of high-quality raw materials, it cannot be ruled out that the emergence of any further tensions on the supply side could lead to difficulties in procurement, thus causing a significant increase in costs with adverse effects on the results of its operations. In order to limit the risks associated with potential unavailability of raw materials in the time frame required for production, Piquadro S.p.A. adopts a multi-sourcing strategy of supplier diversification and schedules purchases with a medium-term time horizon.

Risks associated with Cyber Security

The growing interrelationship between technology and business and the increasing use of networks for sharing and transferring information entails various and numerous risks associated with the vulnerability of information systems in use. Despite the path to strengthening cyber security and in-house and third-party expertise, the rapid technological evolution and the increasing sophistication and frequency of cyber-attacks expose the Company to the potential risk of cyber threats, which could affect relevant data and information possessed by the Company, such as, for example, strategic plans that are not disclosed to the market, resulting in damage to the results of its operations, capital or image. In this regard, the Company is further strengthening the cyber risk management model that it has adopted, which includes procedural, training, risk assessment and periodic review issues, including in relation to third parties. This model has the ultimate goal of ensuring the implementation of robust protection and business continuity tools and processes, which include the adoption of the best technologies and methodologies to identify and protect the Company from cyber threats.

Employee benefits

Law no. 296 of 27 December 2006, the 2007 Finance Law, introduced considerable amendments as regards the allocation of funds of the Provision for TFR. Until 31 December 2006, TFR was included within the scope of post-employment benefit plans, of the "defined benefit" type of plans and was measured according to IAS 19, using the

Projected Unit Credit method made by independent actuaries. This calculation consists in estimating the amount of the benefit that an employee will receive on the alleged date of termination of the employment relationship using demographic and financial assumptions. The amount that is thus calculated is then discounted back and re-proportioned on the basis of the length of service built up against the total length of service and is a reasonable estimate of the benefits that each employee has already accrued with respect to the work performed. Actuarial gains and losses arising from changes in the actuarial assumptions used are recognised in the Income Statement.

As a result of the reform of supplementary pension schemes, the Provision for TFR, as regards the portion accrued from 1 January 2007, is to be considered as being substantially assimilated to a “defined contribution plan”. In particular, these amendments introduced the possibility for workers to choose where to allocate the TFR that is accruing. In companies with more than 50 employees, the new TFR flows may be allocated by the worker to selected pension schemes or kept in the company and transferred to INPS (*Istituto Nazionale di Previdenza Sociale*, National Social Security Institute).

In short, following the reform on supplementary pension schemes, the Company has carried out an actuarial measurement of the TFR accrued before 2007, without further including the component relating to future pay increases. On the contrary, the portion accrued after 2007 has been accounted for according to the procedures attributable to defined contribution plans.

June 2012 saw the issue of Regulation (EC) no. 475/2012, which adopted, at EU level, the revised version of IAS 19 (Employee benefits), which will be applicable effective from 1 April 2013 on a mandatory and retrospective basis, as required by IAS 8 (Accounting policies, changes in accounting estimates and errors).

As required by this standard, the Company applied said changes starting from the 2012/2013 consolidated financial statements. Specifically, IAS 19 revised provides for the recognition of changes in actuarial gains/losses (“re-measurements”) for defined-benefit plans (e.g. the Staff Severance Pay [*Trattamento di Fine Rapporto* – TFR]) under Other Comprehensive Income, thus eliminating any other options previously envisaged (including that adopted by the Piquadro Group, which recognised said components under personnel costs in the Income Statement). Any cost relating to work performance, as well as any interest expense relating to the time value component in actuarial calculations (reclassified under financial charges) remained in the Income Statement.

Provisions for risks and charges

Provisions for risk and charges cover certain or probable costs and charges of a fixed nature, whose timing or amount was uncertain at the closing date of the financial year. Provisions are recognised when: (i) it is probable that a current obligation (legal or constructive) exists as a result of past events; (ii) it is probable that the fulfilment of the obligation will require the payment of a consideration; (iii) the amount of the obligation can be estimated reliably. Provisions are entered at the value representing the best estimate of the amount that the Company would rationally pay to discharge the obligation or to transfer it to third parties at the closing date of the period. When the financial effect of time is significant and the payment dates of the obligations can be estimated reliably, the provision is discounted back; the increase in the Provision connected with the passage of time is charged to the Income Statement under item “Financial income (Charges)”. The Provision for supplementary clientele indemnity, as well as any other Provisions for risks and charges, is allocated on the basis of a reasonable estimate of the future probable liability, taking account of the available elements and also taking account of the estimates made by independent third-party actuaries.

Income taxes

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

Current taxes are determined on the basis of a realistic forecast of charges to be paid in the application of the tax regulations in force; the related debt is reported net of advances, taxes withheld and tax credits that can be offset, under item “Current tax payables”. If there is a credit, the amount is reported under item “Current tax receivables” under current assets.

Deferred tax assets and liabilities are calculated on the temporary differences between the values of assets and liabilities entered in the accounts and the corresponding values recognised for tax purposes. Deferred tax assets are entered when it is probable that they will be recovered. Deferred tax assets and liabilities are classified under non-current assets and liabilities and are offset if they refer to taxes that can be offset. The balance of the set-off is entered under item “Deferred tax assets” if positive and under item “Deferred tax liabilities” if negative.

Both current and deferred taxes are recognised under item “Income tax expenses” in the Income Statement, except when these taxes are originated from transactions whose effects are recognised directly in Equity. In this case, the contra-entry of the recognition of the debt for current taxes, of deferred tax assets and liabilities is charged as a reduction in the Equity item from which the effect being recorded originated.

Deferred tax assets and liabilities are calculated on the basis of the tax rates which are expected to be applied in the tax year when these assets will be realised or these liabilities will be discharged.

Furthermore, for a better representation of the provisions laid down under “IAS 12 – Income Taxes” in relation to the offsetting of deferred taxation, the Group has deemed it appropriate to reclassify portions of deferred tax assets and liabilities where there is a legal right to set-off current tax assets and the corresponding current tax liabilities.

Currency translation

Receivables and payables initially expressed in a currency other than the functional currency of the Company which recognises the receivable/payable (foreign currency) are translated into the functional currency of the said Company at the exchange rates prevailing at the dates on which the related transactions take place. The exchange rate differences realised on the occasion of the collection of receivables and the payment of debts in foreign currency are entered in the Income Statement. As at the reporting date of the financial statements, receivables and payables in foreign currency are translated at the exchange rates prevailing at that date, charging any changes in the value of the receivable/payable to the Income Statement (estimated foreign exchange gains and losses).

Revenue recognition

Revenues are recognised through Profit or loss at the time when the contract obligation relating to the transfer of goods or services has been satisfied. An asset is regarded as transferred to the end customer when the latter obtains control over the asset itself. With reference to the main types of revenues achieved by the Company, they are recognised on the basis of the following criteria:

I. Sales of goods - Retail segment. The Company operates in the retail business through its own network of DOSs. Revenues are accounted for at the time of the delivery of the goods to the customers. Sales are usually collected directly on a cash basis or through credit cards.

II. Sales of goods - Wholesale segment. The Company distributes products in the Wholesale market. Following the analysis carried out for the purposes of the first-time adoption of IFRS 15 (1 January 2018), it emerged that there is only one performance obligation for this type of transaction. In particular, the related revenues are accounted for when the customer obtains control of the goods shipped (at a point in time), while taking account of any estimated effect of period-end returns. The recognition of returns to be received in the consolidated statement of financial position includes a liability, under Other liabilities, consisting of the debt for the reimbursement of returns (contract liability) and an asset, under Inventories, consisting of the right to recover products for returns (contract assets).

III. Sales of goods - e-commerce. The Company also distributes products directly through the e-commerce channel. The related revenues are accounted for when the customer obtains control of the goods shipped, while taking account of any estimated effect of period-end returns, which are recorded by recognising separately a liability, under Other Liabilities, consisting of the debt for the reimbursement of returns (contract liability) and an asset, under Inventories, consisting of the right to recover products for returns (contract assets).

IV. Performance of services. These revenues are accounted for proportionally to the stage of completion of the service rendered as at the relevant date and in accordance with contract provisions.

V. Royalties. Royalties that accrue as a result of licensing the sale of products (sales-based royalties) or the use of certain assets (usage-based royalties) are recognised when the aforesaid sale or use occurs or when the obligation to which the royalty relates has been satisfied, whichever is later.

Financial income and costs

These include any and all financial items charged to profit or loss for the period, including interest expense accrued on borrowings, calculated using the effective interest method (mainly current account overdrafts, medium/long-term loans), foreign exchange gains and losses, profits and losses from derivatives (according to the accounting policies set out above), dividends received, the amount of interest arising from the accounting treatment of leased assets (IFRS 16) and provisions for personnel (IAS 19). Interest income and expense are charged to profit or loss for the period in which they are realised or incurred, except for capitalised costs (IAS 23).

Cost recognition

Costs are recognised when they relate to goods and services purchased and/or received during the period or relate to the systematic apportionment of an expense from which future benefits derive that can be apportioned over time. Financial charges and charges from services are recognised on an accrual basis.

Leases and rentals

Lease payments, as defined by IFRS 16, which are related to contracts involving low-value assets or whose term is 12 months or less (short-term leases) are recognized through profit or loss as expenses for the period. The Group has set the threshold for deeming the individual underlying asset as low-value at Euro 5,000.

The variable portions of lease payments under contracts that provide for such a case and lease payments under contracts containing a lease with an underlying intangible asset are also recognized through profit or loss as expenses for the period.

Use of estimates

The process of drawing up the financial statements involves the Management making accounting estimates based on complex and/or subjective judgements; these estimates are based on past experiences and assumptions that are considered reasonable and realistic on the basis of information known at the moment of making the estimate. The use of these accounting estimates affects the value of assets and liabilities and the disclosure on potential assets and liabilities as at the reporting date, as well as the amount of revenues and costs in the relevant period. The final results, or the actual economic effect that is recognised when the event takes place, of the financial statement items for which the abovementioned estimates and assumptions were used, may differ from those reported in the financial statements that recognise the effects arising from the event that is subject to estimation, due to the uncertainty that is characteristic of assumptions and the conditions on which the estimates are based.

Main estimates adopted by the Management

Below are briefly described the Accounting Standards which, more than others, require greater subjectivity on the part of the Directors in working out the estimates and for which a change in the conditions underlying the assumptions applied could have a significant impact on the consolidated financial data:

Impairment of assets: property, plant and equipment and intangible assets with a definite life are subject to verification in order to ascertain if an impairment has occurred. This impairment shall be recognised by means of a write-down when indicators exist that could lead to an expectation of difficulties in recovering the relative net book value through usage of the asset. Verifying that the abovementioned indicators exist requires Directors to exercise subjective valuations based on information available and inferable from the market, as well as using past experience. Moreover, should the likelihood of a potential impairment be ascertained, the Company will set about calculating this using the evaluation techniques that it considers appropriate. Correctly identifying the items that indicate the existence of a potential impairment and the estimates used for calculating the same depend on factors which can vary over time and affect the valuations and estimates carried out by the Directors.

Amortisation and depreciation of fixed assets: the amortisation and depreciation of fixed assets constitute a significant cost for the Company. The cost of property, plant and equipment is depreciated on a straight-line basis over the estimated useful life of the related assets. The useful economic life of the Company's fixed assets is determined by the Directors at the time when the fixed asset has been purchased; it is based on past experience for similar fixed assets, market conditions and expectations regarding future events which could have an impact on the useful life, including changes in technology. Therefore, the actual economic life may differ from the estimated useful life. The Company periodically evaluates technological and sector changes in order to update the residual useful life. This periodical update could involve a variation in the depreciation period and therefore also in the depreciation rates for future financial years.

Deferred taxes: deferred tax assets are accounted for on the basis of the income expected in the future financial years. The measurement of the expected income for the purposes of accounting for deferred taxes depends on factors which can vary over time and determine significant effects on the measurement of deferred tax assets.

Provisions for legal and tax risks: provisions are made for legal and tax risks, if required, which represent the risk of being the losing party. The amount of the Provisions (if any) entered in the account statements relating to such risks

represents the best estimate at that time made by Management. This estimate entails the adoption of assumptions which depend on factors which can vary over time and which could therefore have effects compared to the current estimated made by the Directors for the preparation of the financial statements.

Furthermore, below are the critical accounting estimates of the process of drawing up the financial statements for which the Management has availed itself of the support and valuations of independent third-party experts (actuaries and financial advisors). Please note that future amendments (if any) to the conditions underlying the judgments, assumptions and estimates adopted could have an impact on the results of financial years after 2021/2022.

Actuarial calculation of defined-benefit pension plans: the estimates, demographic and economic-financial assumptions adopted, with the support of the valuations of an actuarial expert, in the actuarial calculation for the determination of defined-benefit plans within post-employment benefits are broken down as follows:

Annual rate of inflation	Probability of exit of the employee from the Group	Probability of advance payments of the TFR
2.0% for 2025 and 2.3% for 2024	Frequency of 10.3% for 2025 and 2.3% for 2024	1.4% for 2025 and 2.3% for 2024

Finally, it is specified that the actuarial valuations have been made by using the curve of the interest rates of the corporate securities with rating AA 10+.

Amendments to Accounting Standards

IFRS Accounting Standards, amendments and interpretations applied from 1 April 2024

The following IFRS accounting standards, amendments and interpretations were applied by the Company for the first time as from 1 April 2024:

- On 23 January 2020 the IASB published “*Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current*” and on 31 October 2022 published “*Amendments to IAS 1 Presentation of Financial Statements: Non-Current Liabilities with Covenants*”. These amendments are aimed at clarifying how to classify short- or long-term payables and other liabilities. In addition, the amendments also improve the information that an entity must provide when its right to defer settlement of a liability for at least 12 months is subject to compliance with certain parameters (i.e., covenants). The adoption of these amendments had no effects on the Company’s financial statements.
- On 22 September 2022 the IASB published “*Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback*”. The document requires the seller-lessee to measure the lease liability arising from a sale & leaseback transaction so as not to recognise any income or loss that relates to the retained right of use. The adoption of this amendment had no effects on the Company’s financial statements.
- On 25 May 2023, the IASB published “*Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements*.” The document requires an entity to provide additional disclosures about reverse factoring arrangements that enable users of financial statements to assess how supplier finance arrangements may affect the entity's liabilities and cash flows, and to understand the effect of such arrangements on the entity's exposure to liquidity risk. The adoption of these amendments had no effects on the Company's financial statements.

IFRS ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS ENDORSED BY THE EUROPEAN UNION, NOT YET MANDATORILY APPLICABLE AND NOT EARLY ADOPTED BY THE COMPANY AS AT 31 MARCH 2025

As at the reporting date of this document, the competent bodies of the European Union have not yet completed the endorsement process necessary for the adoption of the amendments and standards described below, but these standards, which are not mandatorily applicable, had not been early adopted by the Company as at 31 March 2025:

- On 15 August 2023, the IASB published “*Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability*.” The document requires an entity to apply a methodology to be applied consistently in order to verify whether one currency can be converted into another and, when this is not possible, how to determine the exchange rate to be used, and the disclosures to be made in the notes to the financial statements. The amendment shall apply from 1 April 2025, with early adoption permitted. The Directors do not expect any significant effect in the Company’s financial statements from the adoption of this amendment.

IFRS ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS NOT YET ENDORSED BY THE EUROPEAN UNION

As at the reporting date of this document, the competent bodies of the European Union had not yet completed the endorsement process necessary for the adoption of the amendments and standards described below.

- On 30 May 2024, the IASB published “*Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7*”. The document clarifies some problematic issues that emerged from the post-implementation review of IFRS 9, including the accounting treatment of financial assets whose returns vary upon achievement of ESG objectives (i.e. green bonds). Specifically, the amendments aim:
- to clarify the classification of financial assets with variable returns that are linked to environmental, social and corporate governance (ESG) objectives and the criteria to be used for the SPPI test assessment;

- to determine that the settlement date for liabilities by using electronic payment systems is when the liability is extinguished. However, an entity is permitted to adopt an accounting policy to allow a financial liability to be derecognised before delivering cash on the settlement date if certain specific conditions are met.

With these amendments, the IASB has also provided for additional disclosure requirements with regard, in particular, to investments in equity instruments designated as FVOCI.

The amendments shall apply to financial statements for financial periods beginning on or after 1 April 2026. At present, the Directors are assessing any possible effects of the adoption of this amendment on the Company's financial statements.

- On 18 July 2024, the IASB published “*Annual Improvements Volume 11.*” The document includes clarifications, simplifications, corrections and changes aimed at improving the consistency of several IFRS Accounting Standards. The amended standards are:
 - o IFRS 1 First-time Adoption of International Financial Reporting Standards;
 - o IFRS 7 Financial Instruments: Disclosures and related guidelines on the implementation of IFRS 7;
 - o IFRS 9 Financial Instruments;
 - o IFRS 10 Consolidated Financial Statements; and
 - o IAS 7 Statement of Cash Flows.

At present, the Directors are assessing any possible effects of the adoption of these amendments on the Company's financial statements.

- On 18 December 2024, the IASB published “*Contracts Referencing Nature-dependent Electricity - Amendment to IFRS 9 and IFRS 7.*” The document aims to support entities in reporting the financial effects of contracts to purchase electricity generated from renewable sources (often structured as Power Purchase Agreements). Based on such contracts, the amount of electricity generated and purchased can vary based on uncontrollable factors such as weather conditions. The IASB has made targeted amendments to IFRS 9 and IFRS 7. The amendments include:
 - o a clarification regarding the application of “own use” requirements to this type of contract;
 - o criteria to allow accounting for these contracts as hedging instruments; and,
 - o new disclosure requirements to enable users of financial statements to understand the effect of these contracts on an entity's financial performance and cash flows.

The amendment shall apply from 1 April 2026, with early adoption permitted. At present the Directors are assessing any possible effects of the adoption of this amendment on the Company's financial statements.

- On 9 April 2024, the IASB published a new standard *IFRS 18 Presentation and Disclosure in Financial Statements*, which will replace IAS 1 *Presentation of Financial Statements*. The new standard aims to improve the presentation of formats of financial statements, with specific regard to the income statement. Specifically, the new standard requires:
 - o to classify revenues and costs into three new categories (operating, investing and financing activities), in addition to the categories of tax and discontinued operations which are already present in the income statement;
 - o to present two new sub-totals, operating profit (loss) and earnings before interest and taxes (i.e. EBIT).

The new standard also:

- o requires more information on management-defined performance indicators;
- o provides for new criteria for aggregating and disaggregating information; and,
- o makes some changes to the cash flow statement, including requiring EBIT to be used as the starting point for the presentation of the cash flow statement prepared by using the indirect method, and eliminating some classification options for some items that are currently existing (such as interest paid, interest received, dividends paid and dividends received).

The new standard will become applicable as from 1 April 2027, with early adoption permitted. At present, the Directors are assessing any possible effects of the adoption of the new standard on the Company's financial statements.

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COMMENTS ON THE ITEMS IN THE STATEMENT OF FINANCIAL POSITION

ASSETS

Non-current assets

The following statements have been prepared for the two classes of intangible assets and property, plant and equipment, which report, for each item, historical costs, the previous amortisation and depreciation, the changes that occurred in the last two financial years and the closing balances.

Note 1 – Intangible assets

The table below reports the opening balance, the changes that occurred in the FY 2024/2025 and FY 2023/2024 and the final balance of intangible assets:

<i>(in thousands of Euro)</i>	Development costs	Industrial patent rights	Software, licenses, trademarks and other rights	Other fixed assets	Fixed assets under development	Total
Gross value	0	80	4,391	0	16	4,628
Amortisation fund	0	(78)	(3,898)	0	0	(3,976)
Net value at 31/03/2023	0	3	493	0	157	650
Increases for the period	0	4	145	0	152	301
Sales	0	0	0	0	0	0
Reclassifications	0	0	173	0	(173)	0
Write-downs	0	0	0	0	0	0
Other changes in Historical Cost	0	0	0	0	(72)	(72)
Other changes in amortisation fund	0	0	0	0	0	0
Amortisation	0	(2)	(255)	0	0	(257)
Gross value	0	84	4,709	0	63	4,856
Amortisation fund	0	(79)	(4,154)	0	0	(4,233)
Net value at 31/03/2024	0	5	554	0	63	622
Increases for the period	0	23	1,254	0	68	1,345
Sales	0	0	0	0	0	0
Reclassifications	0	0	63	0	(63)	(0)
Write-downs	0	0	0	0	0	0
Other changes in Historical Cost	0	0	0	0	0	0
Other changes in amortisation fund	0	(0)	0	0	0	(0)
Amortisation	0	(5)	(348)	0	0	(353)
Gross value	0	107	6,024	0	68	6,200
Amortisation fund	0	(85)	(4,502)	0	0	(4,586)
Net value at 31/03/2025	0	22	1,522	0	68	1,612

Increases in intangible assets, equal to Euro 1,345 thousand in the financial year ended 31 March 2025 (Euro 301 thousand at 31 March 2024), mainly related to investments in software for the design and implementation of a new omnichannel IT architecture, in support of the CRM platform, data platform and marketing automation tools. The

share of fixed assets under development includes advances for the development of the human resources platform of Piquadro S.p.A..

Note 2 – Right-of-use assets

The breakdown of the historical cost, amortisation fund and net book value of the Right of use at 31 March 2025 is reported below:

<i>Right-of-use assets</i> <i>(in thousands of Euro)</i>	Land and Buildings	Key Money	Other Assets	Total
Gross Value	26,362	2,068	689	29,119
Depreciation fund	(13,128)	(1,450)	(644)	(15,223)
Total at 31.03.2024	13,234	618	45	13,897
Increases/Other changes	7,978	250	667	8,896
Decreases/write-downs	(65)	0	0	(65)
Reclassifications of historical cost	0	0	0	0
Decreases in depreciation fund	0	0	0	0
Reclassifications of depreciation fund	237	(237)	0	0
Depreciation	(4,048)	(49)	(99)	(4,196)
Gross Value	34,276	2,318	1,356	37,950
Depreciation fund	(16,939)	(1,736)	(744)	(19,418)
Total at 31.03.2025	17,337	582	613	18,532

Right-of-use assets at 31 March 2025 amounted to Euro 18,532 thousand and were mainly made up of assets relating to lease agreements for the spaces of shops, showrooms and long-term car hire agreements.

The increases, equal to Euro 8,896 thousand, were mainly due to the opening of new stores, and extensions of the terms of existing lease agreements involving sales outlets.

On 31 March 2025, the Company carried out an analysis of each directly-operated store (DOS) aimed at reporting any evidence of permanent impairment losses, if any, in right-of-use assets, intangible assets and property, plant and equipment attributable to each directly-operated store.

On the basis of this analysis, evidence of potential impairment losses was identified on a directly-operated store; therefore, the Company has prepared any impairment test of right-of-use assets, intangible assets and property, plant and equipment attributable to two sales outlets of Piquadro, proceeding with the write-down of the Right of Use for a value of Euro 65 thousand.

Note 3 - Property, plant and equipment

The table below reports the opening balance, the changes that occurred in the FY 2024/2025 and FY 2023/2024 and the final balance of property, plant and equipment:

<i>(in thousands of Euro)</i>	Land	Buildings	Plant and equipment	Industrial and business equipment	Other assets	Fixed assets under construction and advances	Total
Gross value	878	6,692	3,829	15,263	394	63	27,119
Depreciation fund	0	(3,275)	(3,261)	(12,991)	(370)	0	(19,897)
Net value at 31/03/2023	878	3,417	567	2,272	25	63	7,222
Increases for the period	0	22	163	1,398	19	0	1,603
Sales	0	0	0	0	0	0	0
Depreciation	0	(199)	(173)	(791)	(11)	0	(1,174)

<i>(in thousands of Euro)</i>	Land	Buildings	Plant and equipment	Industrial and business equipment	Other assets	Fixed assets under construction and advances	Total
Write-down of gross value	0	0	0	0	0	0	0
Write-down of depreciation fund	0	0	0	0	0	0	0
Other changes in historical cost	0	0	(2)	(2)	(1)	0	(5)
Other changes in depreciation fund	0	0	0	10	2	0	12
Reclassifications	0	0	0	63	0	(63)	0
Gross value	878	6,712	3,990	16,725	408	0	28,713
Depreciation fund	0	(3,473)	(3,434)	(13,772)	(379)	0	(21,059)
Net value at 31/03/2024	878	3,239	555	2,953	29	0	7,654
Increases for the period	0	3	249	1,548	0	18	1,817
Sales	0	0	0	(6)	0	0	(6)
Depreciation	0	(199)	(172)	(884)	(11)	0	(1,265)
Write-down of gross value	0	0	0	0	0	0	0
Write-down of depreciation fund	0	0	0	0	0	0	0
Other changes in historical cost	0	0	0	(268)	0	0	(268)
Other changes in depreciation fund	0	0	0	268	0	0	268
Reclassifications	0	0	0	0	0	0	0
Gross value	878	6,715	4,239	17,999	408	18	30,256
Depreciation fund	0	(3,672)	(3,606)	(14,388)	(390)	0	(22,057)
Net value at 31/03/2025	878	3,043	633	3,611	18	18	8,201

Increases in property, plant and equipment, equal to Euro 1,817 thousand in the financial year ended 31 March 2025 (Euro 1,603 thousand at 31 March 2024), were mainly attributable for Euro 249 thousand to plant and machinery installed at the refurbished sales outlets and at the Gaggio Montano office, as well as for Euro 1,548 thousand relating to the purchase of furniture and furnishings for the opening of the new sales outlet at Roma Termini, and the refitting of several existing sales outlets, located at Marcianise, Castel Guelfo, Fiumicino T3, Roma Termini, Euroma, Forte dei Marmi, Via Dante in Milan, and Venice, in addition to the purchase of miscellaneous equipment for other sales outlets operated under franchise agreements.

Note 4 – Equity investments

Below is the breakdown of the item:

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Piquadro España SLU	824	824
Piquadro Deutschland GmbH	151	151
Piquadro Hong Kong Co. Ltd.	66	66
Uni Best Leather Goods Zhongshan Co. Ltd.	447	447

Piquadro Taiwan Co. Ltd.	601	601
Piquadro UK Limited	1,171	1,171
OOO Piquadro Russia	1,752	1,752
The Bridge S.p.A.	4,208	4,208
Lancel International S.A.	5,292	5,292
Piquadro San Marino Retail Srl	26	26
Total equity investments in subsidiaries	14,538	14,538
Equity investments in other companies	1	1
Total equity investments	14,539	14,539

The statements below report the equity investments relating to subsidiaries, as well as any additional information required by Article 2427 of the Italian Civil Code. The values refer to the last financial statements, as adjusted by IFRS entries.

Company name	HQ	Ownership %	Book value	Equity	Provision for write-down of equity investments
<i>(in thousands of Euro)</i>					
Piquadro España SLU	Barcelona	100%	824	883	0
Piquadro Deutschland GmbH	Munich	100%	151	150	0
Piquadro Hong Kong Co. Ltd.	Hong Kong	100%	66	57	0
Uni Best Leather Goods Zhongshan Co. Ltd.	Zhongshan	100%	447	1,019	0
Piquadro Taiwan Co. Ltd.	Taipei	100%	601	878	0
Piquadro UK Limited	London	100%	1,171	1,184	0
OOO Piquadro Russia	Moscow	99%	1,752	2,022	0
The Bridge S.p.A.	Scandicci	100%	4,208	18,286	0
Piquadro Retail San Marino S.r.l.	Republic of San Marino	100%	26	27	0
Lancel International S.A.	Villar-Sur-Glane	99.9958%	5,292	24,170	0

Below is the breakdown of changes in the value of equity investments:

	Book value 31/03/2024	Increases	Write-downs	Revaluation	Other changes	Book value 31/03/2025
Piquadro España SLU	824	0	0	0	0	824
Piquadro Deutschland GmbH	150	0	0	0	0	150
Piquadro Hong Kong Co. Ltd.	66	0	0	0	0	66
Uni Best Leather Goods Zhongshan Co. Ltd.	447	0	0	0	0	447
Piquadro Taiwan Co. Ltd.	601	0	0	0	0	601
Piquadro UK Limited	1,171	0	0	0	0	1,171
OOO Piquadro Russia	1,752	0	0	0	0	1,752
The Bridge S.p.A.	4,208	0	0	0	0	4,208
Lancel International S.A. (*)	5,292	0	0	0	0	5,292
Piquadro Retail San Marino S.r.l.	26	0	0	0	0	26
Total equity investments in subsidiaries	14,538	0	0	0	0	14,538
Equity investments in other companies	1	0	0	0	0	1
Total equity investments	14,539	0	0	0	0	14,539

The value of equity investments as at 31 March 2025 did not record any change compared to the financial year ended 31 March 2024.

The Company has conducted, on a prudential basis, the impairment test of investee The Bridge, since the book value includes an amount paid as goodwill, in order to recognise impairment losses (if any) to be charged to Profit or Loss, following the procedure required by IAS 36 and thus comparing the book value of the investee and the value in use given by the present value of estimated cash flows that are expected to arise from the continuing use of the asset involved in the impairment test.

The Unlevered Discounted Cash Flow method has been used, which arises from the preparation of a plan relating to the long-term period from 2026 to 2030, as the Management's best estimate on the future operational performance of The Bridge.

The terminal value has been calculated based on the "perpetual annuity" formula, assuming a "g-rate" growth rate equal to zero on a prudential basis and considering an operating cash flow based on the last year of explicit forecasts, as adjusted in order to project a stable situation "perpetually", specifically using the following main assumptions: - balancing between investments and amortisation and depreciation (with a view to considering an investment level required to maintain the business continuity); - change in working capital equal to zero. From the value obtained by adding discounted cash flows for the explicit period and of the terminal value ("Enterprise Value") must be deducted the Net Financial Position as at the date of valuation, i.e. 31 March 2025, in order to obtain the economic value of the equity investments in the process of being measured ("Equity Value").

The average cost of capital is the result of the weighted average cost of debt (prepared by considering the relevant rates, plus a "spread"). The cost of net worth is determined by using the levered beta value and the financial structure of a panel of comparables in the sector.

The rate (WACC) used reflects the current market valuation of the time value of money for the period under consideration and the specific risks of the Company.

The discount rate used corresponds to an estimate, net of tax, determined on the basis of the following main assumptions:

- risk-free rate equal to the average yield on the relevant 10-year government bonds;
- indebtedness depending on the financial structure of comparables.

The WACC used to discount future cash flows, equal to 9.02%, (11.05% in the previous year) has been determined on the basis of the following assumptions:

- The average cost of capital results from the weighted average cost of debt (prepared by considering the relevant rates plus a "spread");
- the cost of net worth is determined by using the levered beta value and the financial structure of a panel of comparables in the sector, only except for specific risk-free rate and risk premium per country;
- the terminal value has been determined on the basis of a long-term growth rate (g) that is prudentially equal to zero.

The impairment test conducted on the investee The Bridge, which was approved by the Board of Directors on 16 June 2025, has not reported any impairment loss to be charged to profit or loss as at 31 March 2025, showing a cover of Euro 30,867 thousand.

Furthermore, also on the basis of the instructions laid down in the document no. 4 that was prepared jointly by the Bank of Italy, CONSOB and ISVAP on 3 March 2010, the Company has taken steps to prepare the sensitivity analysis based on the results of the impairment test with respect to the changes in the basic assumptions that affect the value in use of the CGU; the breakeven point would be achieved in the case of an increase of 7,313 basis points in the WACC.

As a result of the final results achieved by the investee Lancel International S.A. and its subsidiaries, forming part of the Lancel division (hereinafter also referred to as "Lancel"), the Company conducted the impairment test in order to recognize any impairment loss in the investment to be charged to the Income Statement following the procedure set forth in IAS 36 and then comparing the book value of the investee with the value in use given by the present value of the estimated cash flows that are supposed to derive from the continued use of the asset subject to impairment test.

The Unlevered Discounted Cash Flow method has been used, which arises from the preparation of a long-term plan relating to the period from 2026 to 2030, as the Management’s best estimate on the future operational performance of Lancel.

The terminal value has been calculated based on the “perpetual annuity” formula, assuming a “g-rate” growth rate equal to zero on a prudential basis and considering an operating cash flow based on the last year of explicit forecasts, as adjusted in order to project a stable situation “perpetually”, specifically using the following main assumptions: - balancing between investments and amortisation and depreciation (with a view to considering an investment level required to maintain the business continuity); - change in working capital equal to zero. From the value obtained by adding discounted cash flows for the explicit period and of the terminal value (“Enterprise Value”) must be deducted the Net Financial Position as at the date of valuation, i.e. 31 March 2025, in order to obtain the economic value of the equity investments in the process of being measured (“Equity Value”).

The average cost of capital is the result of the weighted average cost of debt (prepared by considering the relevant rates, plus a “spread”). The cost of net worth is determined by using the levered beta value and the financial structure of a panel of comparables in the sector.

The WACC used to discount future cash flows is equal to 8.91% (9.43% in the previous year) for the Lancel CGU.

The impairment test conducted on the investee Lancel International S.A, which was approved by the Board of Directors on 16 June 2025, has not reported any impairment loss to be charged to profit or loss as at 31 March 2025, showing a cover of Euro 109,215 thousand.

Furthermore, also on the basis of the instructions laid down in the document no. 4 that was prepared jointly by the Bank of Italy, CONSOB and ISVAP on 3 March 2010, the Company has taken steps to prepare the sensitivity analysis based on the results of the impairment test with respect to the changes in the basic assumptions that affect the value in use of the CGU; the breakeven point would be achieved in the case of an increase of 4.037 basis points in the WACC.

Note 5 - Receivables from others

Receivables from others (equal to Euro 470 thousand at 31 March 2025 against Euro 421 thousand at 31 March 2024) relate to guarantee deposits paid by the Company for various utilities, including those relating to the operation of Company-owned shops.

Note 6 – Receivables from subsidiaries

Receivables from subsidiaries amounted to Euro 250 thousand at 31 March 2025 against Euro 2,000 thousand at 31 March 2024, including the long-term portion of the loans granted to subsidiaries The Bridge S.p.A., and Lancel Sogedi SA at arm’s length.

Note 7 – Deferred tax assets

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Deferred tax assets:		
- within 12 months	0	0
- beyond 12 months	1,674	1,741
	1,674	1,741
Deferred tax liabilities		
- within 12 months	0	0
- beyond 12 months	(30)	(168)
Net Position	1,644	1,573

Below are the main elements that make up deferred tax assets and deferred tax liabilities and their changes in the financial years ended 31 March 2025 and 31 March 2024:

Deferred tax assets	31 March 2025		31 March 2024	
	Temporary differences	Tax effect (IRES+IRAP)	Temporary differences	Tax effect (IRES+IRAP)
<i>(in thousands of Euro)</i>				
Deferred tax assets with effect through P&L:				
Provision for bad debts	2,647	635	2,357	566
Provision for obsolescence of inventories	1,901	456	2,001	480
Provisions for risks and charges	135	32	372	89
Others	2,229	535	2,475	594
Total	6,912	1,658	7,205	1,729
Deferred tax assets with effect through Comprehensive Income:				
Hedging transactions (cash flow hedge)	0	0	0	0
Defined-benefit plans	57	16	42	12
Total	57	16	42	12
Total tax effect	6,969	1,674	7,247	1,741

Deferred tax liabilities	31 March 2025		31 March 2024	
	Temporary differences	Tax effect (IRES+IRAP)	Temporary differences	Tax effect (IRES+IRAP)
<i>(in thousands of Euro)</i>				
Deferred tax liabilities with effect through P&L:				
Others	(78)	(19)	(404)	(97)
Total	(78)	(19)	(404)	(97)
Deferred tax liabilities with effect through Comprehensive Income:				
Hedging transactions (cash flow hedge)	(47)	(11)	(296)	(71)
Defined-benefit plans	0	0	0	0
Total	(47)	(11)	(296)	(71)
Total tax effect	(125)	(30)	(700)	(168)

Note 8 – Inventories

The tables below report the breakdown of net inventories into the relevant classes and the changes in the provision for write-down of inventories (entered as a direct reduction in the individual classes of inventories), respectively:

<i>(in thousands of Euro)</i>	Gross value at 31 March 2025	Provision for write-down	Net value at 31 March 2025	Net value at 31 March 2024
Raw materials	1,581	(174)	1,407	1,257
Semi-finished products	98	-	98	85
Finished products	18,649	(1,727)	16,922	12,473
Inventories	20,327	(1,901)	18,426	13,815

Below are the breakdown and changes in the Provision for write-down of inventories:

<i>(in thousands of Euro)</i>	Provision as at 31 March 2024	Use	Accrual	Provision as at 31 March 2025
Provision for write-down of raw materials	174	0	0	174
Provision for write-down of finished products	1,827	(100)	0	1,727
Total Provision for write-down of inventories	2,001	(100)	0	1,901

Provision for write-down of inventories reflects the Management's best estimate based on the breakdown of inventories by type, as well as on the considerations inferred from past experience and future prospects for sales volumes, including in light of the macroeconomic environment.

As at 31 March 2025 there was a substantial increase in inventories compared to the corresponding values at 31 March 2024 resulting from difficulties related to maritime transport that led to slowdowns in the supply chain resulting in longer delivery terms from suppliers in the Asian region caused by tensions along the Suez Canal.

Note 9 - Trade receivables

Below is the breakdown of trade receivables:

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Receivables from customers	25,116	24,093
Provision for bad debts	(2,779)	(2,458)
Current trade receivables	22,337	21,635

Gross trade receivables showed a balance of Euro 25,116 thousand at 31 March 2025, showing an increase of about Euro 1.0 million compared to the balance as at 31 March 2024. The increase was mainly due to both the postponement of deliveries to customers made in the last quarter of the year, and longer payment terms on the part of some Italian customers, which led to an increase in overdue receivables compared to the previous year.

The adjustment to the face value of receivables from customers at their presumed realisable value was obtained through a special Provision for bad debts, whose changes are showed in the table below:

<i>(in thousands of Euro)</i>	Provision at 31 March 2025	Provision at 31 March 2024
Balance at the beginning of the period	2,458	2,765
Accrual	450	450
Uses	(129)	(758)
Total Provision for bad debts	2,779	2,458

Note 10 – Receivables from subsidiaries

Below is the breakdown of short-term receivables from subsidiaries:

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Piquadro España SLU	112	148
Piquadro Deutschland GmbH	77	144
Piquadro Hong Kong Co. Ltd.	0	0
Uni Best Leather Goods Zhongshan Co. Ltd.	1,142	2,609
Piquadro Taiwan Co. Ltd.	358	108
Piquadro UK Limited	341	85
OOO Piquadro Russia	215	197
The Bridge S.p.A.	2,961	3,701
Lancel Sogedi SA	2,339	819
Lancel Zhongshan Co. Ltd.	0	0
Piquadro San Marino Retail S.r.l.	377	305
Receivables from subsidiaries	7,922	8,118

The decrease in receivables from subsidiaries was mainly attributable to setoffs and payments with all subsidiaries, especially with Unibest and The Bridge.

Two loans are recognised between the Company and Lancel Sogedi SA and The Bridge S.p.A., respectively, which were all disbursed at arm's length.

It should be noted that at 31 March 2025 the receivables linked to the loans granted to The Bridge S.p.A. and Lancel Sogedi SA totalled Euro 500 thousand (Euro 2,450 thousand at 31 March 2024), and Euro 1,497 thousand (Euro 1,500 thousand at 31 March 2024), respectively. The related long-term portions have been reclassified to non-current assets, for which reference is made to note 6.

Note 11 – Other current assets

Below is reported the breakdown of other current assets:

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Other assets	419	823
Accrued income and prepaid expenses	2,118	1,860
Other current assets	2,536	2,683

Other assets were mainly made up of advances to suppliers for Euro 315 thousand, receivables from digital services for payment of Euro 41 thousand, and receivables for interest income accrued on current accounts for Euro 63 thousand.

Accrued income and prepaid expenses mainly related to prepaid expenses on media and advertising (Euro 1,383 thousand at 31 March 2025 against Euro 1,234 thousand at 31 March 2024), and on leases and rentals (Euro 381 thousand at 31 March 2025 against Euro 319 thousand at 31 March 2024) for which IFRS 16 was not applied.

Note 12 – Derivative assets

As at 31 March 2025 there were derivative assets for Euro 47 thousand (Euro 296 thousand at 31 March 2024).

The amount was made up of currency forward purchases (USD), the positive fair value of which was equal to Euro 15 thousand (against a positive value of Euro 52 thousand at 31 March 2024). The Company hedges the exchange risk connected to purchases of raw materials in US dollars and for contract work done in China. In consideration for this risk, the Company makes use of instruments to hedge the related interest rate risk, trying to fix the exchange rate at a level that is in line with the budget forecasts.

It was also made up of Euro 32 thousand relating to the measurement of the Interest Rate Swap (IRS) derivative contracts linked to Intesa Sanpaolo loans initially amounting to Euro 12,250 thousand. These derivatives were entered into for the

purposes of hedging fluctuations in interest rates on the loans taken out at variable rates and are accounted for as hedge accounting in cash flow hedge.

Note 13 – Tax receivables

As at 31 March 2025 tax receivables were equal to Euro 1,751 thousand (Euro 404 thousand at 31 March 2024). These receivables mainly related to tax credits for Research and Development activities, and tax credits arising from investments in industry 4.0.

Note 14 – Cash and cash equivalents

Below is reported the breakdown of cash and cash equivalents relating to Piquadro S.p.A.:

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Available current bank accounts	15,443	19,058
Money, cash on hand and cheques	126	135
Cash and cash equivalents	15,569	19,193

The balance represents cash and cash equivalents and the existence of money and cash on hand at the closing date of the financial year. For a better understanding of the dynamics in the Company's liquidity, reference is made to the Statement of Cash Flows.

LIABILITIES

Note 15 – Shareholders' Equity

a) Share capital

As at 31 March 2025, the Share Capital of Piquadro S.p.A. was equal to Euro 1,000 thousand and was represented by 50,000,000 ordinary shares, fully subscribed and paid up, with regular enjoyment, with no indication of their par value.

Other information on Equity

Below is the statement concerning Equity items, as broken down on the basis of their origin, the possibility of being distributed and availability, in compliance with the provisions under paragraph 7-bis) of Article 2427 of the Italian Civil Code (the values are expressed in thousands of Euro):

Description	Amount	Possible use	Available share	Distributable share	Other reserves Profit (Loss) for the period	
					Coverage	Other
Share Capital	1,000	B	0	0		
Capital reserves						
Share premium reserve	1,000	A, B, C	1,000	1,000		
Treasury shares reserve	(5,274)		0	0		
Other reserves						
<i>Fair value reserve</i>	24		0	0		
<i>Reserve for Employee Benefits</i>	41		0	0		
<i>Other reserves</i>	1,455	A, B, C	1,366	1,366		
Revenue reserves						
Retained earnings						
<i>Legal reserve</i>	200	B	200	0		
<i>Reserve of undivided profits</i>	43,883	A, B, C	43,883	43,883		
	42,329		46,249	46,249		

KEY: "A" for capital increase; "B" for loss coverage; "C" for distribution to shareholders.

a) Share premium reserve

This reserve, which remained unchanged compared to the previous financial year, was equal to Euro 1,000 thousand.

b) Treasury shares reserve

This reserve showed a loss of Euro 5,274 thousand, and is made up of the treasury shares held in portfolio equal to Euro 2,769,450 at 31 March 2025 while it was equal to Euro 4,455 thousand at 31 March 2024.

c) Fair value reserve - for cash flow hedge

This reserve was positive for Euro 24 thousand and included changes in fair value of the effective component of cash flow hedge derivatives, net of deferred taxation.

d) Reserve for actuarial gains (losses) on defined-benefit plans

This reserve was positive for Euro 41 thousand.

e) Other reserves

This item, showing a profit of Euro 1,455 thousand, includes a legal reserve equal to Euro 200 thousand, a capital reserve with a positive value of Euro 1,088 thousand, and the reserve for stock grant plan equal to Euro 167 thousand.

f) Profit for the year

This item relates to the recognition of the Company's profit for the year recorded, for Euro 5,886 thousand, as at 31 March 2025.

During the financial year ended 31 March 2025, the Company's profit for the year, as resulting from the separate financial statements as at 31 March 2024, was allocated as follows:

- Euro 7,000 thousand to the payment of dividends which took place on 6 August 2024;
- Euro 3,672 thousand to retained earnings .

Non-current liabilities

Note 16 – Borrowings

Below is the breakdown of non-current payables to banks:

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Borrowings from 1 to 5 years	3,669	3,874
Borrowings beyond 5 years	0	0
Medium/long-term borrowings	3,669	3,874

Below is the breakdown of loans:

<i>(in thousands of Euro)</i>	Interest rate	Date of granting of the loan	Initial amount	Currency	Current borrowings	Amort. cost (S/T)	Non-current borrowings	Amort. Cost (L/T)	Total
BPER loan	0.73%	27 November 2018	5,000	Euro	40	(1)			40
Crédit Agricole loan	3-m Euribor +0.10%	20 June 2024	5,000	Euro	5,000				5,000
Unicredit loan	0.50% p.a.	18 October 2019	5,000	Euro	253	(0)			253
Intesa Sanpaolo loan	0.10% p.a.	24 January 2020	5,000	Euro	750				750
Intesa Sanpaolo loan	0.3% p.a.	27 July 2020	6,250	Euro	893	(0)			893
Intesa Sanpaolo loan	0.20%	27 January 2022	6,000	Euro	1,500	(0)			1,500
Intesa Sanpaolo loan	3m Euribor +0.40%	30 July 2024	7,000	Euro	2,333	(10)	3,500	(6)	5,817
SIMEST financing	0.06% p.a.	20 January 2021	700	Euro	263		175		438
					11,032	(11)	3,675	(6)	14,690

Note 17 – Payables to other lenders for lease agreements

Below is reported the following breakdown:

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Non-current:		
Lease liabilities	11,331	8,444
Current:		
Lease liabilities	7,695	6,214
Payables to other lenders for lease agreements	19,026	14,658

The adoption of IFRS 16 entails the recognition of a financial liability, equal to the present value of residual future payments. As at 31 March 2025 this item amounted to Euro 19,026 thousand, classified among Non-current lease liabilities for Euro 11,331 thousand (Euro 8,444 thousand at 31 March 2024), and among current lease liabilities for Euro 7,695 thousand (Euro 6,214 thousand at 31 March 2024).

Below is reported the following additional breakdown:

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Payables to other lenders for lease agreements:		
Due within 1 year	7,695	6,214
Due from 1 to 5 years	9,314	7,202
Due beyond 5 years	2,017	1,242
Present value of payables to other lenders for lease agreements	19,026	14,658

Note 18 – Other non-current liabilities

Below is the related breakdown:

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Other payables	3,144	3,231
Other non-current liabilities	3,144	3,231

“Other payables” include the fair value of the Annual Earn-Out relating to the acquisition of the Lancel Group, equal to about Euro 3,144 thousand. This amount has been calculated by an independent expert.

Following the valuation, non-current debt showed a reduction compared to the financial year ended 31 March 2024, due to the reclassification of the current portion, although it was unchanged in the total amount.

Note 19 - Provision for Employee Benefits

This item includes post-employment benefits measured by using the actuarial valuation method of projected unit credit applied by an independent actuary according to IAS 19. Below are reported the changes that occurred in the course of the last two financial years in the Provision for TFR (which represents the entire value of the Provision for employee benefits), including the effects of the actuarial valuation:

<i>(in thousands of Euro)</i>	Provision for TFR
Balance at 31 March 2023	169
Financial costs	(6)
Net actuarial Losses (Gains) accounted for in the period	
Indemnities paid in the financial year/Others	(12)
Balance at 31 March 2024	151
Financial costs	(10)
Net actuarial Losses (Gains) accounted for in the period	
Indemnities paid in the financial year/Others	11
Balance at 31 March 2025	152

The actuarial criteria and assumptions used for calculating the Provision are indicated in the paragraph *Accounting Standards – Provision for employee benefits* in these Notes. From the sensitivity analysis carried out on this item, it results that variations in the main actuarial assumptions give rise to some minor changes in the provision, which are not significant.

Note 20 – Provisions for risks and charges

Below are the changes of provisions for risks and charges during the financial year:

<i>(in thousands of Euro)</i>	Provision at 31 March 2024	Use	Accrual	Provision at 31 March 2025
Provision for clientele supplementary indemnity	1,141	(162)	149	1,128
Other Provisions for risks	135	0	0	135
Provision for write-downs of equity investments	0	0	0	0
Total	1,276	(162)	149	1,263

The “Provision for clientele supplementary indemnity” represents the potential liability with respect to agents in the event of the Company terminating agreements or agents retiring. The amount of the liability was calculated by an independent actuary as at the reporting date.

Other provisions for risks, equal to Euro 135 thousand, mainly relate to the provision for risks relating to sales equal to Euro 125 thousand, and the provision for risks on repairs for Euro 10 thousand.

Current liabilities

Note 21 – Borrowings

As at 31 March 2025 borrowings were equal to Euro 11,021 thousand against Euro 7,947 thousand at 31 March 2024; for the breakdown, reference is made to Note 16 above, the balance of which is made up of the current portion of payables to banks for loans.

Note 22 - Payables to other lenders for lease agreements

This item amounted to Euro 7,695 thousand at 31 March 2025 (Euro 6,214 thousand at 31 March 2024). The change in this item is described in Note 17.

Net Financial Position

The table below reports the breakdown of the Net Financial Position, which includes the net financial debt determined according to the ESMA criteria (based on the schedule set out in CONSOB Call for attention notice no. 5/2021 of 29 April 2021):

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
(A) Cash	15,569	19,193
(B) Cash equivalents	0	0
(C) Other current financial assets	47	296
(D) Liquidity (A) + (B) + (C)	15,617	19,490

(E) Current financial debt (including debt instruments, but excluding the current portion of non-current financial debt)	(7,695)	(6,214)
(F) Current portion of non-current financial debt	(10,934)	(7,947)
(G) Trade payables and other current payables	(87)	0
(H) Current financial debt (E) + (F) + (G)	(18,716)	(14,161)
(I) Current Net Financial Position (H) - (D)	(3,186)	5,329
(J) Non-current financial debt (excluding the current portion and debt instruments)	(15,088)	(12,317)
(K) Debt instruments		
(L) Trade payables and other non-current payables	(3,144)	(3,231)
(M) Non-current Net Financial Position (J) + (K) + (L)	(18,232)	(15,548)
(N) Total Net Financial Position (I) + (M)	(21,330)	(10,220)

“Financial debt”, equal to Euro 36,947 thousand (a current portion of Euro 18,803 thousand, and a non-current portion of Euro 18,144 thousand), included financial liabilities for short/long-term lease agreements equal to Euro 7,695 thousand and Euro 11,331 thousand, respectively, with an impact in aggregate equal to Euro 19,026 thousand (Euro 14,658 thousand at 31 March 2024).

“Trade payables and other non-current payables” correspond to the fair value of the “Earn Out” to be paid to Richemont Holdings SA against the purchase of the stake representing the entire share capital of Lancel International SA.

As at 31 March 2025 Piquadro S.p.A.’s Net Financial Position posted a negative value of Euro (21.3) million, showing a negative change compared to 31 March 2024, when it posted a negative value of Euro (10.2) million.

The adjusted Net Financial Position, defined as the Net Financial Position, including the effects arising from the adoption of IFRS 16, at 31 March 2025 posted a negative value of Euro (2.3) million compared to 31 March 2024 (positive for Euro 4.4 million).

Note 23 – Trade payables

Below is the breakdown of current trade liabilities (including invoices to be received from suppliers):

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Payables to suppliers	19,048	15,946

Payables to suppliers at 31 March 2025 showed an increase of about Euro 3.1 million compared to the value recorded at 31 March 2024 (Euro 15.9 thousand).

Note 24 – Payables to subsidiaries

Below is the breakdown of liabilities to subsidiaries (including invoices to be received and a credit note to be received):

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Piquadro España SLU	87	204
Piquadro Deutschland GmbH	39	54
Piquadro Hong Kong Co. Ltd.	0	0
Uni Best Leather Goods Zhongshan Co. Ltd.	1,429	2,085
Piquadro Taiwan Co. Ltd.	746	546

Piquadro UK Limited	951	619
OOO Piquadro Russia	220	36
Lancel Zhongshan	0	6
The Bridge S.p.A.	250	619
Lancel Sogedi	36	18
Piquadro San Marino Retail S.r.l.	135	24
Payables to subsidiaries	3,893	4,210

Note 25 – Derivative liabilities

As at 31 March 2025, there were no derivative liabilities.

Note 26 - Other current liabilities

Below is the breakdown of other current liabilities:

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Payables to social security institutions	568	574
Payables to Pension funds	39	34
Other payables	180	48
Payables to employees	2,439	2,743
Advances from customers	145	62
Accrued expenses and deferred income	37	16
Other current liabilities	3,410	3,476

Payables to social security institutions (Euro 568 thousand) mainly relate to the payables due to INPS (equal to Euro 534 thousand) while payables to employees (equal to Euro 2,439 thousand) mainly included payables for remuneration and bonuses to be paid and deferred charges to employees.

Note 27 – Tax payables

As at 31 March 2025, Tax payables were equal to Euro 1,195 thousand (Euro 2,144 thousand at 31 March 2024), mainly relating to the VAT, IRES/IRAP taxes and IRPEF tax debts.

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Tax payables	1,195	2,144

COMMENTS ON THE MAIN INCOME STATEMENT ITEMS

Note 28 – Revenues from sales

The breakdown of revenues from sales according to categories of activities is not reported as it is considered not to be significant for the understanding of and the opinion on the economic results.

The Company's revenues are mainly realised in Euro.

Below is the breakdown of revenues by geographical area:

<i>(in thousands of Euro)</i>	Revenues from sales 31 March 2025	%	Revenues from sales 31 March 2024	%	% Change 2025-2024
Italy	58,427	75.9%	60,576	76.6%	(3.5)%
Europe	16,653	21.6%	16,491	20.9%	1.0%
Rest of the World	1,937	2.5%	1,979	2.5%	(2.1)%
Total	77,018	100%	79,046	100%	(2.6)%

Note 29 – Other income

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Charge-backs of transport and collection costs	99	100
Insurance and legal refunds	10	11
Other sundry income	2,827	2,773
Other income	2,936	2,885

In the financial year ended 31 March 2025, Other income totalled Euro 2,936 thousand (Euro 2,885 thousand at 31 March 2024). "Other sundry income" also included the allocation of tax credit, equal to Euro 60 thousand for Research and Development.

Note 30 – Change in inventories

The change in inventories of raw materials was negative for Euro 150 thousand (positive for Euro 95 thousand at 31 March 2024) while the change in inventories of semi-finished and finished products was negative for Euro 4,360 thousand (positive for Euro 622 thousand at 31 March 2024).

Note 31 - Costs for purchases

The item essentially includes the cost of materials used for the production of the Company's goods and consumables. As at 31 March 2025 costs for purchases were equal to Euro 27,858 thousand (Euro 23,784 thousand at 31 March 2024), showing an increase, both in absolute and percentage terms, compared to the FY 2023/2024.

The table below reports the amounts of purchases of raw and secondary materials, consumables and goods for resale, as well as the amount of other production costs incurred in a currency other than the Euro (a portion of these costs is classified under costs for services), the Euro counter-value of these purchases in foreign currency and their impact on the total purchases of raw and secondary materials, consumables and goods for resale.

	Currency amount	Average exchange rate	Amount in thousands of Euro	Currency amount	Average exchange rate	Amount in thousands of Euro
	31 March 2025			31 March 2024		
US Dollars	16,111,755	1.07	15,005	11,166,800	1.08	10,294

Total operating costs incurred in foreign currency	15,005	10,924
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In the FY 2024/2025, the Company made forward purchases of US Dollars for an overall amount of USD 16,111 million (USD 11,167 million in the FY 2023/2024), including purchases in dollars made for the supplies of Uni Best Leather Goods Zhongshan Co. Ltd. (net of the sale of leather made by the Company towards the Chinese subsidiary), equal to a counter-value of about 15 million at the average exchange rate of the FY 2024/2025 (about Euro 10.2 million at the average exchange rate prevailing in the FY 2023/2024; therefore 66.1% of the purchases in US Dollars made by the Company was covered (in relation to the 2023/2024, 65.0% of the purchases in US Dollars made by the Company was covered).

Note 32 - Costs for services and leases and rentals

Below is reported the breakdown of these costs:

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Third-party manufacturing	5,567	5,964
Advertising and marketing	4,754	3,819
Transport services	5,835	4,625
Business services	2,481	2,776
Administrative services	1,457	1,312
Production services	5,451	4,869
Costs for leases and rentals	1,382	1,711
Costs for services and leases and rentals	26,926	25,076

Costs for services recorded a slight increase during the financial year, arising from an improved efficiency of costs in third-party manufacturing of the Company. Furthermore, the rents stated among costs for leases and rentals related to the agreements for which the Company has made use of the exemption granted in relation to short-term leases (i.e. agreements expiring within 12 months or less) and for lease agreements for which the underlying asset consists of a low-value asset.

Note 33 - Personnel costs

Below is reported the breakdown of personnel costs:

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Wages and salaries	11,280	10,111
Social security contributions	2,984	2,836
Employee Severance Pay	711	662
Other personnel costs	127	79
Personnel costs	15,101	13,688

In the financial year ended 31 March 2025, personnel costs, equal to Euro 15,101 thousand, were substantially in line with the value posted in the financial year ended 31 March 2024, equal to Euro 13,688 thousand.

"Other personnel costs" include the cost related to the adoption (with the approval of the Shareholders' Meeting on 23 July 2024) of the new 4-year management incentive and loyalty plan reserved for executive directors, executives with strategic responsibilities, managers and employees of Piquadro S.p.A., as prepared by the Board of Directors, at the proposal of the Remuneration Committee and named "Stock Grant Plan 2024-2028".

The increase was mainly linked to the different mix, and contract job classification of the staff members employed during the year.

The table below reports the exact number of the staff members employed by the Company as at 31 March 2025 and 31 March 2024:

<i>Units</i>	31 March 2025	31 March 2024
Executives	7	7
Office workers	257	248
Manual workers	32	32
Total	296	287

Note 34 - Amortisation, depreciation and write-downs

In the FY 2024/2025, amortisation and depreciation were equal to Euro 5,814 thousand (Euro 4,894 thousand in the FY 2023/2024). Write-downs related to the accrual to the Provision for bad debts from customers for Euro 450 thousand, and to the write-down of rights of use for Euro 65 thousand and related to the write-down at the stores located in Milan (Via Spiga), and Naples (Via Filangieri).

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Amortisation of intangible assets	353	257
Depreciation of property, plant and equipment	1,265	1,174
Amortisation of right-of-use assets	4,196	3,463
Write-down of fixed right-of-use assets	65	109
Provision for bad debts	450	450
Amortisation, depreciation and write-downs	6,329	5,452

Note 35 - Other operating costs

In the FY 2024/2025, other operating costs, equal to Euro 351 thousand (Euro 435 thousand in the FY 2023/2024), mainly related to charges generated from current operations (Euro 224 thousand), and donations for Euro 127 thousand.

Note 36 – Shares of profits (losses) from investee Companies

No write-downs were recognised in relation to subsidiaries.

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Write-down of equity investments in subsidiaries	0	365
Revaluation of equity investments in subsidiaries	0	(392)
Shares of profits (losses) from investee companies	0	26

Note 37 - Financial income

The amount of Euro 905 thousand in the FY 2024/2025 (Euro 1,421 thousand at 31 March 2024) mainly related to bank interest income of Euro 320 thousand, interest receivable from customers for Euro 32 thousand, foreign exchange gains, either realised or estimated, for Euro 465 thousand (foreign exchange gains, either realised or estimated, at 31 March 2024 were equal to Euro 406 thousand).

Note 38 - Financial costs

Below is the breakdown of financial costs:

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Interest payable on current accounts	59	36
Financial costs on loans	449	144
Costs on right-of-use assets	466	381

Net financial costs on defined-benefit plans	10	6
Other charges	51	57
Write-down of equity investments in Subsidiaries	0	0
Foreign exchange losses (either realised or estimated)	118	137
Financial costs	1,153	761

The increase in financial costs, equal to Euro 392 thousand in the FY 2024/2025, was mainly attributable to higher financial costs on loans.

Note 39 – Income taxes

Below is reported the breakdown of income tax:

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
IRES tax	1,524	2,717
IRAP tax	371	547
Deferred tax liabilities	(43)	19
Taxes in the previous year	12	(499)
Total current and deferred taxes	1,864	2,784

Taxes relate to the tax burden calculated on the Company's taxable income. The lower value of current taxes arises from the benefit of Patent Box recognition, amounting to about Euro 490 thousand.

Below is reported the reconciliation between theoretical and actual tax charge:

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Profit (loss) before tax	7,750	13,456
Theoretical tax charge	24.0%	24.0%
Theoretical income taxes	1,860	3,229
Tax effect of permanent differences	(274)	(278)
Other changes	(105)	(215)
Total	1,481	2,736
IRAP tax	371	547
Taxes from previous year	12	(499)
Current and deferred taxes in the accounts	1,864	2,784

The table below reports the percentage impact of taxes on profit (loss) before tax for the financial years ended 31 March 2025 and 31 March 2024:

<i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Profit (loss) before tax	7,750	13,456
Income taxes	(1,864)	(2,784)
Average tax rate	24.05%	20.69%

Note 40 – Commitments

- a) *Commitments for purchases (if any) of property, plant and equipment and intangible assets*

As at 31 March 2025, the Company had not executed contractual commitments that would entail significant investments in property, plant and equipment and intangible assets in the FY 2024/2025.

Note 41 – Related-party transactions

Piquadro S.p.A., the Parent Company of the Piquadro Group, operates in the leather goods market and designs, produces and markets articles under its own brand. The subsidiaries mainly carry out activities of distribution of products (Piquadro España SLU, Piquadro Hong Kong Co. Ltd., Piquadro Deutschland GmbH, Piquadro Taiwan Co. Ltd, Piquadro Swiss SA, Piquadro UK Limited and OOO Piquadro Russia) or production (Uni Best Leather Goods Zhongshan Co. Ltd.), as well as The Bridge S.p.A. and Lancel Sogedi which sell The Bridge and Lancel-branded products.

The relations with the Piquadro Group companies are mainly commercial and regulated at arm's length. There are also financial relations (intergroup loans) between Piquadro S.p.A. and some subsidiaries, conducted at arm's length.

On 18 November 2010 Piquadro S.p.A. adopted, pursuant to and for the purposes of art. 2391-*bis* of the Italian Civil Code and of the "Regulation on transactions with related parties" as adopted by CONSOB resolution, the procedures on the basis of which Piquadro S.p.A. and its Subsidiaries operate to complete transactions with related parties of Piquadro S.p.A. itself.

On 15 June 2021 the Board of Directors of Piquadro S.p.A. adopted the new procedure concerning related-party transactions, which was also drawn up by taking account of the instructions provided by CONSOB for the application of the new regulations by resolution no. 2164 of 10 December 2020.

Below is the breakdown of financial receivables from subsidiaries:

Financial receivables <i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Controlling companies		
Piqubo S.p.A.	0	0
Piquadro Holding S.p.A.	0	0
Subsidiaries		
Piquadro España SLU	0	0
Piquadro Deutschland GmbH	0	0
Piquadro Taiwan Co. Ltd.	0	0
Piquadro Hong Kong Co. Ltd.	0	0
OOO Piquadro Russia	0	0
The Bridge S.p.A.	500	2,450
Lancel Sogedi S.A.	1,545	1,500
Lancel Italia S.r.l.	0	0
Piquadro San Marino Retail S.r.l.	0	0
Uni Best Leather Goods Zhongshan Co. Ltd.	0	0
Provision for write-down of receivables from subsidiaries	0	0
Total financial receivables from subsidiaries	2,045	3,950
Total financial receivables	2,045	3,950
% Incidence	100.0%	100.0%

The table below provides the breakdown of trade receivables from Subsidiaries, included in the items "Receivables from subsidiaries" as commented on in Note 9:

Trade receivables <i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Controlling companies		
Piqubo S.p.A.	0	0
Piquadro Holding S.p.A.	0	0

Subsidiaries		
Piquadro España SLU	112	148
Piquadro Deutschland GmbH	76	144
Piquadro Hong Kong Co. Ltd.	0	0
Piquadro Taiwan Co. Ltd.	357	108
Uni Best Leather Goods Zhongshan Co. Ltd.	1,142	2,609
Piquadro UK Limited	341	85
OOO Piquadro Russia	215	198
The Bridge S.p.A.	2,461	1,751
Lancel Sogedi S.A.	1,044	819
Piquadro San Marino Retail S.r.l.	377	305
Total trade receivables from subsidiaries	6,125	6,168
Total trade receivables	30,259	29,753
% Incidence	20.40%	20.7%

Trade receivables from subsidiaries mainly relate to the sale of products for the subsequent distribution by directly-operated stores, and specifically of Uni Best Leather Goods Zhongshan Ltd, to the sale of raw materials (leather) purchased directly from the Company and then to be used in manufacturing processes or also to charge-back by the Company of administrative and/or strategic services.

Below is the breakdown of borrowings from controlling companies:

Borrowings <i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Controlling companies		
Piqubo S.p.A.	0	0
Piquadro Holding S.p.A.	0	0
Total borrowings from controlling companies	0	0
Total borrowings	14,690	11,820
% Incidence	0.0%	0.0%

The table below provides the breakdown of trade payables to subsidiaries, included in the item “Payables to subsidiaries”, as commented on in Note 24:

Trade payables <i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Controlling companies		
Piqubo S.p.A.	0	25
Piquadro Holding S.p.A.	0	0
Subsidiaries		
Piquadro España SLU	87	205
Piquadro Deutschland GmbH	39	54
Uni Best Leather Goods Zhongshan Co. Ltd.	1,429	2,085
Piquadro Taiwan Co. Ltd.	746	546
Piquadro UK Limited	951	619
OOO Piquadro Russia	220	35
Piquadro San Marino Retail S.r.l.	134	24

The Bridge S.p.A.	250	619
Lancel Sogedi	36	17
Lancel Zhongshan	0	6
Total trade payables to subsidiaries	2,463	4,235
Total trade payables	22,942	20,157
% Incidence	10.74%	20.88%

Trade payables partly derive from the services rendered in relation to the Service Agreements executed with the subsidiaries Piquadro España SLU, Piquadro Deutschland GmbH, Piquadro Taiwan Co. Ltd., Piquadro UK Limited, OOO Piquadro Russia, and Piquadro San Marino Retail S.r.l. carried out on the basis of market values, and partly from the purchase of finished products realised by the subsidiary Uni Best Leather Goods Zhongshan Co. Ltd..

Below is the breakdown of revenues from (direct and indirect) controlling companies and from subsidiaries:

Revenues <i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Controlling companies		
Piqubo S.p.A.	0	1
Piquadro Holding S.p.A.	0	0
Subsidiaries		
Piquadro España SLU	640	570
Piquadro Deutschland GmbH	33	140
Piquadro Taiwan Co. Ltd.	249	246
Uni Best Leather Goods Zhongshan Co. Ltd.	1,176	1,240
Piquadro San Marino S.r.l.	72	132
Piquadro UK Limited	256	178
OOO Piquadro Russia	927	1,087
The Bridge S.p.A.	1,213	1,045
Lancel Sogedi S.A.	1,563	1,900
Lancel Zhongshan	0	6
Total revenues from subsidiaries	6,545	6,545
Total revenues	79,953	81,931
% Incidence	8.2%	8.1%

Revenues from subsidiaries essentially relate to the sale of leather products by the Company, as well as to charge-backs by the Company to subsidiaries in relation to administrative and strategic services. These transactions were carried out at arm's length.

Below are reported the operating costs towards controlling companies and subsidiaries:

Costs <i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Controlling companies		
Piqubo S.p.A.	239	294
Piquadro Holding S.p.A.	254	332
Subsidiaries		
Piquadro España SLU	249	396
Piquadro Deutschland GmbH	86	153

Piquadro Taiwan	218	181
Uni Best Leather Goods Zhongshan Co. Ltd.	6,766	6,484
Piquadro UK Limited	381	379
OOO Piquadro Russia	413	152
The Bridge S.p.A.	1,386	1,347
Lancel Sogedi S.A.	222	184
Piquadro San Marino S.r.l.	72	35
Lancel Zhongshan	0	178
Total costs towards controlling companies and subsidiaries	10,211	10,115
Total operating costs	71,955	69,162
% Incidence	13.3%	14.6%

Operating costs towards subsidiaries mainly relate to the purchase of finished products made by the Company towards the subsidiary Uni Best Leather Goods Zhongshan Co. Ltd. and to the services rendered in relation to the so-called Service Agreements executed with the subsidiaries Piquadro España SLU, Piquadro Deutschland GmbH, Piquadro UK Limited, Piquadro Taiwan Co. Ltd., OOO Piquadro Russia, and Piquadro San Marino S.r.l carried out on the basis of market values. All transactions were carried out at arm's length.

Piqubo S.p.A., the ultimate parent company, charged Piquadro the rent relating to the use of the plant located in Riola di Vergato (Province of Bologna) as a warehouse and of the Milan Showroom for the Lancel Brand.

On 29 June 2012, a lease agreement was entered into between Piquadro Holding S.p.A. and Piquadro S.p.A., concerning the lease of a property for office purposes located in Milan, Piazza San Babila no. 5, which is used as a Showroom of Piquadro S.p.A. This lease agreement has been entered into at arm's length.

Below is reported the financial income from controlling companies and subsidiaries:

Financial income <i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
Controlling companies		
Piqubo S.p.A.	0	0
Piquadro Holding S.p.A.	0	0
Subsidiaries		
Piquadro Deutschland GmbH	0	0
Piquadro San Marino Retail S.r.l.	0	1
Lancel Sogedi S.A.	63	30
The Bridge S.p.A.	12	38
Total financial income from subsidiaries	75	69
Total financial income	905	1,421
% Incidence	8.3%	4.9%

Below is the breakdown of financial costs to controlling companies and subsidiaries:

Financial costs <i>(in thousands of Euro)</i>	31 March 2025	31 March 2024
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Controlling companies		
Piqubo S.p.A.	0	0
Piquadro Holding S.p.A.	0	0
Subsidiaries		
Total financial costs to subsidiaries	0	0
Total financial costs	(1,153)	(761)
% Incidence	0.0%	0.0%

The Directors report that, in addition to Piqubo S.p.A., Piquadro Holding S.p.A., and the Palmieri Family Foundation, there are no other related parties (pursuant to IAS 24) of the Piquadro Group.

Below are reported the following financial relations with Piquadro Holding S.p.A.:

- in the FY 2023/2024 Piquadro S.p.A. distributed dividends of Euro 3,559 thousand relating to the profit reported in the FY 2022/2023, and resolved upon by the Shareholders' Meeting of Piquadro S.p.A. held on 20 July 2023, including the portion attributable to the treasury shares held by Piquadro S.p.A. at the record date of 7 August.
- In the FY 2024/2025 Piquadro S.p.A. distributed dividends of Euro 4,786 thousand relating to the profit reported in the FY 2023/2024, and resolved upon by the Shareholders' Meeting of Piquadro S.p.A. held on 23 July 2024, including the portion attributable to the treasury shares held by Piquadro S.p.A. at the record date of 6 August.
- In the FY 2024/2025 no transactions were effected with the Palmieri Family Foundation, which is a non-profit foundation, whose Founder is Marco Palmieri and which has the purpose of promoting activities aimed at the study, research, training, innovation in the field for the creation of jobs and employment opportunities for needy persons.

Fees due to the Board of Directors

Below are indicated the fees by name (including emoluments due to Directors and current and deferred remuneration, also in kind, by subordinate employment) due to the Directors and to the members of the Board of Statutory Auditors of Piquadro S.p.A. for the FY 2024/2025 for the performance of their duties in the Parent Company and other Piquadro Group companies, and the fees accrued by any Key Executives (as at 31 March 2025, the Directors had not identified Key Executives):

First and last name	Position held	Period in which the position was held	Term of office	Fees for the position	Non-cash benefits	Bonuses and other incentives	Other Fees	Total
Marco Palmieri	Chairman and CEO	01/04/24-31/03/25	2025	650	7	200	-	857
Pierpaolo Palmieri	Vice-Chairman-Executive Director	01/04/24-31/03/25	2025	257	4	100	-	361
Roberto Trotta	Executive Director	01/04/24-31/03/25	2025	101	3	100	165	369
Tommaso Palmieri	Non-executive Director	01/04/24-31/03/25	2025	-	-	-	20	20
Catia Cesari	Independent Director	01/04/24-31/03/25	2025	18	-	0	7	25

Barbara Falcomer	Executive Director	01/04/24 -31/03/25	2025	18	-	-	7	25
Valentina Beatrice Manfredi	Independent Director	01/04/24 -31/03/25	2025	18	-	0	2	20
				1,062	14	400	201	1,677

Fees due to the Board of Statutory Auditors

(in thousands of Euro)

First and last name	Position Held	Period in which the position was held	Term of office	Fees in Piquadro	Other fees	Total
Patrizia Riva	Chairman	01/04/24 - 31/03/25	2025	25	3	28
Maria Stefania Sala	Standing auditor	01/04/24 - 31/03/25	2025	17	1	18
Giuseppe Fredella	Standing auditor	01/04/24 - 31/03/25	2025	17	0	17
				59	5	63

The Statutory Auditors are also entitled to receive the reimbursement of expenses incurred in the performance of their duties and the reimbursement of any charges relating to the National Social Security Fund.

Information required by Article 149-duodecies of the CONSOB Issuers' Regulation

Type of service	Entity performing the service	Fees <i>(in thousands of Euro)</i>
Statutory audit of annual and half-year accounts ^(a)	Parent Company's Independent Auditors (Deloitte and Touche S.p.A)	147
Other Services ^(b)	Parent Company's Independent Auditors (Deloitte and Touche S.p.A)	15
Certification services ^(c)	Parent Company's Independent Auditors (Deloitte and Touche S.p.A)	120

- The item "Statutory audit of annual and half-year accounts" relates to the fees due by Piquadro;
- The item "Other services" mainly relates to the fees due for the voluntary audit of the pro-forma consolidated financial statements at 31 March 2024 of Lancel International SA and its subsidiaries ("Lancel Group"), prepared according to paragraph 4.4 of the contract of sale signed between Piquadro S.p.A. and Richemont Holdings AG.;
- "Certification services" relate to the Consolidated Sustainability Report at 31 March 2025.

Note 42 – Significant events after the reporting date

No further significant events are reported which occurred after the reporting date.

Note 43 – Other information

a) Shares of Piquadro S.p.A. owned by its Directors or Statutory Auditors

The chart below shows the equity investments held by Directors, Statutory Auditors, General Managers, Key Executives and their spouses and minor children in Piquadro S.p.A. and its subsidiaries.

First and last name	Position	Investee company	No. of shares owned at the end of the previous financial year	No. of shares purchased/obtained through stock grant plan	No. of shares sold through “sell to cover” plan	No. of shares owned at the end of the current financial year
Marco Palmieri	Chairman; CEO ⁽¹⁾	Piquadro S.p.A.	31,909,407	5,850	2,637	31,912,620
Pierpaolo Palmieri	Vice-Chairman; Executive Director ⁽²⁾	Piquadro S.p.A.	2,276,801	5,850	2,637	2,280,014
Roberto Trotta	Executive Director	Piquadro S.p.A.	3,000	5,850	2,637	6213

⁽¹⁾ At the end of the FY 2024/2025, the Chairman of the Board of Directors and CEO of Piquadro S.p.A., Marco Palmieri, owned a stake equal to 93.34% of the share capital of Piquadro Holding S.p.A., through Piquubo S.p.A., a company wholly owned by the latter. Piquadro Holding S.p.A., in turn, owns 68.37% of the share capital of Piquadro S.p.A.

⁽²⁾ At the end of the 2024/2025, the Executive Director Pierpaolo Palmieri, owned a stake equal to 6.66% of the share capital of Piquadro Holding S.p.A., which in turn, owns 68.37% of the share capital of Piquadro S.p.A.

b) Sale transactions with a reconveyance obligation

As at 31 March 2025, the Company had no sale transactions in place subject to an obligation of reconveyance or repurchase of its own assets sold to third-party customers.

c) Information on the financial instruments issued by the Company

The Company did not issue financial instruments during the financial year.

d) Shareholder loans to the Company

The Company has no payables to Shareholders for loans.

e) Information relating to assets and loans intended for a specific business

The Company has not constituted assets intended for a specific business, nor has it raised loans intended for a specific business.

f) Indication of the controlling entity and information on the management and coordination activity pursuant to article 2497 of the Italian Civil Code

Piquadro S.p.A. is not subject to management and coordination activities pursuant to Article 2497 and ff. of the Italian Civil Code. In fact, although under Article 2497-*sexies* of the Italian Civil Code “*it is presumed, unless there is evidence to the contrary, that the activity of management and coordination of Companies is carried out by the Company or entity that is required to consolidate their financial statements or that controls them in any way pursuant to Article 2359*”, neither Piquubo S.p.A. nor Piquadro Holding S.p.A., i.e. the companies controlling Piquadro S.p.A., carries out management and coordination activities in relation to Piquadro S.p.A., in that (i) they do not give instructions to their subsidiary; and (ii) there is no significant organisational/functional connection between these companies and Piquadro S.p.A.

In addition to directly carrying out operating activities, Piquadro S.p.A., in its turn, also carries out management and coordination activities in relation to the companies it controls, pursuant to Articles 2497 and ff. of the Italian Civil Code.

g) Information required by Article 1, paragraphs 125-129, of Law no. 124 of 4 August 2017

The regulations governing the transparency of government grants under Article 1, paragraphs from 125 to 129 of Law no. 124/2017 falls within the scope of a broader set of provisions aimed at ensuring transparency in financial relationships between public entities and other persons or entities, but the lack of clarity of the wording has immediately raised problems of interpretation and application in relation to companies. In this regard, ANAC (Italian Anti-corruption Authority) passed resolution no. 1134 of 8 November 2017, appointing each administration to implement and control said grants, in addition to be responsible for the proper performance of any consequent obligation. By opinion no. 1149 of 1 June 2018, the Council of State then clarified that the first year of application is that relating to the 2019 financial period for the sums received from 1 January to 31 December 2018.

More recently, under Law no. 12 of 11 February 2019 (Decree Law no. 135 of 14 December 2018), the grants that fall within the scope of the regulations governing the National register of state aids established by the Ministry for Economic Development (MISE) (Law no. 115/2015) are not required to be declared for the purposes of Law no. 124. Finally, note that both the Assonime (Italian Association of Joint-stock Companies= Circular no. 5 “Business activity and competition”, published on 22 February 2019, and the Circular issued by the Italian accounting Profession (*Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili*) in March 2019, confirm that the operations carried out as part of the entity’s business do not fall within the scope of the purpose of the request and from the scope of disclosures, where bilateral relationships exist which are managed according to market rules and the concessionary measures aimed at companies in general rather than to a specific business entity (for example, tax concession measures). In light of the above provisions, it is believed that Piquadro S.p.A. did not receive disbursements that fall within the scope of the cases required by Law no. 124 referred to above.

**CERTIFICATION ON THE SEPARATE FINANCIAL STATEMENTS PURSUANT TO ARTICLE 81-Ter
of CONSOB Regulation No. 11971 of 14 May 1999, as amended and supplemented**

The undersigned Marco Palmieri, in his capacity as Chief Executive Officer, and Roberto Trotta, in his capacity as Financial Reporting Officer of Piquadro S.p.A., certify, also taking account of the provisions under Article 154-*bis*, paragraphs 3 and 4, of Legislative Decree no. 58 of 24 February 1998:

- adequacy in relation to the characteristics of the Company and
- actual application,

of administrative and accounting procedures for the preparation of the separate financial statements in the course of the period from 1 April 2024 to 31 March 2025.

It is also certified that the separate financial statements as at 31 March 2025:

- have been prepared in accordance with the applicable International Accounting Standards acknowledged by the European Union pursuant to Regulation (EC) no. 1606/2002 of the European Parliament and of the Council of 19 July 2002;
- correspond to the results in the accounting books and records;
- are suitable to give a true and correct representation of the equity, economic and financial position of the Issuer.

The Report on Operations includes a reliable analysis of the performance and of the result of operations, as well as of the position of the Issuer, together with a description of the main risks and uncertainties to which they are exposed.

Silla di Gaggio Montano (BO), 16 June 2025

Marco Palmieri
Chief Executive Officer

Signed: Marco Palmieri



Roberto Trotta
Financial Reporting Officer

Signed: Roberto Trotta





The highlights of the financial statements of the subsidiaries included in the consolidation area are reported below pursuant to Article 2429, last paragraph, of the Italian Civil Code

Piquadro-brand distribution companies

Income Statement <i>(in thousands of Euro)</i>	Piquadro España SLU	Piquadro Deutschland GmbH	OOO Piquadro Russia
Revenues and other income	1,455	228	4,000
Operating costs	(1,440)	(228)	(3,961)
Operating profit (loss)	14	1	39
Financial income (costs)	-	-	58
Operating profit (loss) before tax	14	1	97
Income taxes	(5)	(5)	-
Profit (loss) for the period	9	(4)	97

Balance Sheet <i>(in thousands of Euro)</i>	Piquadro España SLU	Piquadro Deutschland GmbH	OOO Piquadro Russia
Assets			
Non-current assets	232	2	134
Current assets	811	236	2,480
Total assets	1,043	239	2,614
Equity and liabilities			
Equity	883	150	2,022
Non-current liabilities	-	-	-
Current liabilities	159	88	592
Total Equity and liabilities	1,043	239	2,614

Income Statement <i>(in thousands of Euro)</i>	Piquadro San Marino	Piquadro UK Limited	Piquadro Taiwan Co. Ltd.
Revenues and other income	482	908	831
Operating costs	(479)	(903)	(819)
Operating profit (loss)	3	5	12
Financial income (costs)	-	1	12
Profit (loss) before tax	3	7	24
Income taxes	-	(9)	-
Profit (loss) for the period	3	(2)	24

Balance Sheet <i>(in thousands of Euro)</i>	Piquadro San Marino	Piquadro UK Limited	Piquadro Taiwan Co. Ltd.
Assets			
Non-current assets	1	175	104
Current assets	413	1,470	1,200
Total assets	414	1,645	1,304
Equity and liabilities			
Equity	28	1,184	878
Non-current liabilities	-	-	-
Current liabilities	386	461	427
Total Equity and liabilities	414	1,645	1,304

Income Statement <i>(in thousands of Euro)</i>	Piquadro Hong Kong Co. Ltd.
Revenues and other income	65
Operating costs	(71)
Operating profit (loss)	(6)
Financial income (costs)	(2)
Profit (loss) before tax	(7)
Income taxes	-
Profit (loss) for the period	(7)

Balance Sheet <i>(in thousands of Euro)</i>	Piquadro Hong Kong Co. Ltd.
Assets	
Non-current assets	-
Current assets	66
Total assets	66
Equity and liabilities	
Equity	57
Non-current liabilities	-
Current liabilities	9
Total Equity and liabilities	66

Lancel-brand distribution companies

Income Statement <i>(in thousands of Euro)</i>	Lancel International S.A.	Lancel Sogedi S.A.
Revenues and other income	222	68,705
Operating costs	(214)	(68,717)
Operating profit (loss)	8	(12)
Financial income (costs)	60	(307)
Profit (loss) before tax	68	(319)
Income taxes	-	(45)
Profit (loss) for the period	68	(364)

Balance Sheet <i>(in thousands of Euro)</i>	Lancel International SA	Lancel Sogedi SA
Assets		
Non-current assets	17,038	4,966
Current assets	7,205	29,715
Total assets	24,242	34,682
Equity and liabilities		
Equity	24,170	2,625
Non-current liabilities	-	3,658
Current liabilities	73	28,398
Total Equity and liabilities	24,242	34,682

Income Statement <i>(in thousands of Euro)</i>	Lancel Zhongshan
Revenues and other income	2,760
Operating costs	(2,742)
Operating profit (loss)	18
Financial income (costs)	(17)
Profit (loss) before tax	(0)
Income taxes	-
Profit (loss) for the period	(0)

Balance Sheet <i>(in thousands of Euro)</i>	Lancel Zhongshan
Assets	
Non-current assets	139
Current assets	1,909
Total assets	2,048
Equity and liabilities	-
Equity	1,635
Non-current liabilities	-
Current liabilities	413
Total Equity and liabilities	2,048

Piquadro-brand production companies

Income Statement <i>(in thousands of Euro)</i>	Uni Best Leather Goods Zhongshan Co. Ltd. (b)
Revenues and other income	6,823
Operating costs	(6,399)
Operating profit (loss)	424
Financial income (costs)	51
Profit (loss) before tax	475
Income taxes	-
Profit (loss) for the period	475

Balance Sheet <i>(in thousands of Euro)</i>	Uni Best Leather Goods Zhongshan Co. Ltd. (b)
Assets	
Non-current assets	266
Current assets	2,619
Total assets	2,885
Equity and liabilities	
Equity	1,019
Non-current liabilities	-
Current liabilities	1,867
Total Equity and liabilities	2,885

The Bridge-brand management company

Income Statement <i>(in thousands of Euro)</i>	<u>The Bridge S.p.A.</u>
Revenues and other income	58,135
Operating costs	(51,584)
Operating profit (loss)	6,551
Financial income (costs)	(167)
Profit (loss) before tax	6,384
Income taxes	(1,683)
Profit (loss) for the period	4,701

Balance Sheet <i>(in thousands of Euro)</i>	<u>The Bridge S.p.A.</u>
Assets	
Non-current assets	3,047
Current assets	36,988
Total assets	40,035
Equity and liabilities	
Equity	18,286
Non-current liabilities	3,344
Current liabilities	18,405
Total Equity and liabilities	40,035

<i>Currency</i>	<i>Average exchange rate</i> <i>(*)</i>		<i>Closing exchange rate</i> <i>(*)</i>	
	2025	2024	2025	2024
Hong Kong Dollar (HKD)	8.37	8.49	8.41	8.46
Renminbi (RMB)	7.75	7.78	7.84	7.81
Taiwan Dollar (TWD)	34.85	34.07	35.89	34.60
Swiss Franc (CHF)	0.95	0.96	0.95	0.98
Great Britain Pound (GBP)	0.84	0.86	0.83	0.86
US Dollar (USD)	1.07	1.08	1.08	1.08
Russian Rouble (RUB)	100.29	97.47	91.58	100.12

**INDEPENDENT AUDITOR'S REPORT
PURSUANT TO ARTICLE 14 OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010
AND ARTICLE 10 OF THE EU REGULATION 537/2014**

**To the Shareholders of
Piquadro S.p.A.**

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Piquadro S.p.A. (the "Company"), which comprise the statement of financial position as at March 31, 2025, and the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at March 31, 2025, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union and the requirements of national regulations issued pursuant to art. 9 of Italian Legislative Decree no. 38/05.

Basis for Opinion

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

Key Audit Matters

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

Impairment test

Description of the key audit matter

In accordance with the reference accounting standards, the Management of Piquadro S.p.A. verifies, at least annually, the presence of impairment indicators for each investment; if such indicators occur, or in the presence of goodwill included in the book value, it carries out, by means of an impairment test, the assessment of the recoverability of the value of the equity investments; in the financial statements of Piquadro S.p.A. as of March 31, 2025 the impairment tests are carried out on equity investments in the subsidiaries Lancel International S.A. (Euro 5,292 thousand) and The Bridge S.p.A. (Euro 4,208 thousand).

The assumptions underlying the impairment test are, by nature, influenced by future expectations about the evolution of external market conditions also connected to the business, which determine elements of physiological estimation uncertainty.

In particular, the main elements of estimation are related to the determination of forecast cash flows, represented in this case by the economic-financial projections for the period 2026-2030, and the rates applied in the execution of these tests.

The notes to the financial statements in the paragraph "Impairment of assets" describe the valuation process applied by the Management, reporting the significant assumptions, while "Note 4 - Equity investments" shows the results of these tests, and of the related sensitivity analyses, which illustrates the effects deriving from any changes in the key variables used for the purposes of the impairment tests.

As a result of the impairment tests, approved by the Board of Directors, the Company did not detect any impairment loss to be recorded in the financial statements.

We considered the impairment tests to be a key matter for the audit of the Company's financial statements, in consideration the elements of estimation and uncertainty inherent in the assessments made by the Directors.

Audit procedures performed

In the context of our audit work we performed the following procedures, among others, also through the involvement of experts from our network:

- understanding of the process and relevant controls designed and implemented by the Management for the preparation and approval of impairment tests;
- analysis of the reasonableness of the main assumptions adopted for the formulation of multi-annual plans and obtaining information from Management that we deemed to be significant;

- analysis of actual values in comparison with the original plans, in order to assess the nature of variances and the reliability of the multi-annual planning process;
- assessment of the reasonableness of the discount rate (WACC), partly via the appropriate identification of and reference to external sources that are normally used in professional practice and to key data for main comparables, and the assumption of attributing a zero value to the long-term growth rate (g-rate);
- verification of the mathematical accuracy of the model used to determine the value in use of equity investments;
- verification of the sensitivity analyses prepared by the Management.

Finally, we examined the adequacy of the information provided by the Company on the impairment tests and its compliance with the requirements of IAS 36.

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

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union and the requirements of national regulations issued pursuant to art. 9 of Italian Legislative Decree no. 38/05 and, within the terms established by law, for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are 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 they have identified the existence of the conditions for the liquidation of the Company or for the termination of the operations or have no realistic alternative to such choices.

The Board of Statutory Auditors is responsible for overseeing, within the terms established by law, the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report.

Other information communicated pursuant to art. 10 of the EU Regulation 537/2014

The Shareholders' Meeting of Piquadro S.p.A. has appointed us on July 26, 2016 as auditors of the Company for the years from March 31, 2017 to March 31, 2025.

We declare that we have not provided prohibited non-audit services referred to in art. 5 (1) of EU Regulation 537/2014 and that we have remained independent of the Company in conducting the audit.

We confirm that the opinion on the financial statements expressed in this report is consistent with the additional report to the Board of Statutory Auditors, in its role of Audit Committee, referred to in art. 11 of the said Regulation.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinion on the compliance with the provisions of the Delegated Regulation (EU) 2019/815

The Directors of Piquadro S.p.A. are responsible for the application of the provisions of the European Commission Delegated Regulation (EU) 2019/815 with regard to the regulatory technical standards on the specification of the single electronic reporting format (ESEF – European Single Electronic Format) (hereinafter referred to as the “Delegated Regulation”) to the financial statements as at March 31, 2025, to be included in the annual financial report.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 700B in order to express an opinion on the compliance of the financial statements with the provisions of the Delegated Regulation.

In our opinion, the financial statements as at March 31, 2025 have been prepared in XHTML format in accordance with the provisions of the Delegated Regulation.

Opinions and statement pursuant to art. 14, paragraph 2, sub-paragraphs e), e-bis) and e-ter), of Legislative Decree 39/10 and pursuant to art. 123-bis, paragraph 4, of Legislative Decree 58/98

The Directors of Piquadro S.p.A. are responsible for the preparation of the report on operations and the report on corporate governance and ownership structure of Piquadro S.p.A. as at March 31, 2025, including their consistency with the related financial statements and their compliance with the law.

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

- express an opinion on the consistency of the report on operations and of some specific information contained in the report on corporate governance and ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98 with the financial statements;
- express an opinion on the compliance with the law of the report on operations, excluding the section related to the consolidated corporate sustainability reporting, and of some specific information contained in the report on corporate governance and ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98;
- make a statement about any material misstatement in the report on operations and in some specific information contained in the report on corporate governance and ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98.

In our opinion, the report on operations and the specific information contained in the report on corporate governance and ownership structure are consistent with the financial statements of Piquadro S.p.A. as at March 31, 2025.

In addition, in our opinion, the report on operations, excluding the section related to the consolidated corporate sustainability reporting, and the specific information contained in the report on corporate governance and ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98 are prepared in accordance with the law.

With reference to the statement referred to in art. 14, paragraph 2, sub-paragraph e-ter), of Legislative Decree 39/10, made on the basis of the knowledge and understanding of the entity and of the related context acquired during the audit, we have nothing to report.

Our opinion on the compliance with the law does not extend to the section related to the consolidated corporate sustainability reporting. The conclusions on the compliance of that section with the law governing criteria of preparation and with the disclosure requirements outlined in art. 8 of the EU Regulation 2020/852 are expressed by us in the assurance report pursuant to art. 14-bis of Legislative Decree 39/10.

DELOITTE & TOUCHE S.p.A.

Signed by
Stefano Montanari
Partner

Bologna, Italy
July 4, 2025

As disclosed by the Directors on page 1, the accompanying financial statements of Piquadro S.p.A. constitute a non-official version which has not been prepared in accordance with the provisions of the Commission Delegated Regulation (EU) 2019/815. This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

**REPORT OF THE BOARD OF DIRECTORS ON THE PROPOSALS CONCERNING THE ITEMS
ON THE AGENDA OF THE SHAREHOLDERS' MEETING OF THE**

28 July 2025 (First call)
29 July 2025 (Second call)

(drawn up pursuant to Article 125-ter, paragraph 1, of Legislative Decree No. 58 of 24 February 1998, No. 58 and Article 84-ter and Annex 3A of the Regulation implementing Legislative Decree No. 58 of 24 February 1998, concerning the regulation of issuers, adopted by Consob Resolution No. 11971 of 14 May 1999 as subsequently amended)

NOTICE OF CALL OF ORDINARY SHAREHOLDERS' MEETING

Those entitled to attend and exercise their voting rights are called to attend the Ordinary Shareholders' Meeting of Piquadro S.p.A., exclusively through the representative designated, as specified below, on first call, for 28 July 2025 at 11.00 a.m. at the registered office, Località Sassuriano, 246, Silla di Gaggio Montano (Bologna), and, if necessary, on second call, for 29 July 2025 in the same place and at the same time, to discuss and deliberate on the following

AGENDA

1. *Financial statements as at 31 March 2025. Directors' Report on Operations, Report of the Board of Statutory Auditors and Report of the Independent Auditors.*
 - 1.1 *approval of the separate financial statements and presentation of the consolidated financial statements for the year ended 31 March 2025; report of the Board of Directors on operations; report of the Independent Auditors; report of the Board of Statutory Auditors;*
 - 1.2 *proposal for the allocation of the profit for the year and distribution of available reserves; related and consequent resolutions.*
2. *Appointment of the Board of Directors for the financial years 2025/2026, 2026/2027 and 2027/2028:*
 - 2.1 *Determination of the number of members of the Board of Directors;*
 - 2.2 *Determination of the term of office of the Board of Directors;*
 - 2.3 *Appointment of the members of the Board of Directors;*
 - 2.4 *Appointment of the Chairman of the Board of Directors;*
 - 2.5 *Determination of the total amount for the remuneration of all Directors; related and consequent resolutions.*
3. *Appointment of the Board of Statutory Auditors and the Chairman for the financial years 2025/2026, 2026/2027 and 2027/2028:*
 - 3.1 *Appointment of the members of the Board of Statutory Auditors;*
 - 3.2 *Appointment of the Chairman of the Board of Statutory Auditors;*
 - 3.3 *Determination of the remuneration of the Board of Statutory Auditors; related and consequent resolutions.*
4. *Appointment of the independent auditors for the financial years 2025/2026 – 2033/2034.*
5. *Assignment of the assignment of certifying the compliance of the Sustainability Report for the financial years 2025/2026, 2026/2027 and 2027/2028; related and consequent resolutions.*
6. *Presentation of the Report on remuneration and compensation paid;*
 - 6.1 *binding resolution on "Section I" on the subject of the remuneration policy prepared pursuant to art. 123-ter, paragraph 3-bis, of Legislative Decree no. 58/1998;*
 - 6.2 *resolutions on "Section II" of the Report on the remuneration paid, pursuant to art. 123-ter, paragraph 6, of Legislative Decree no. 58/1998; related and consequent resolutions.*
7. *Proposal to authorize the purchase and sale of treasury shares; related and consequent resolutions.*

In consideration of the faculty granted by the Milleproroghe 2025 Decree, converted into Law no. 15 of 21 February 2025, which extended until 31 December 2025 the possibility of making use of the provisions contained in art. 106 of Decree-Law no. 18 of 17 March 2020, converted into Law no. 27 of 24 April 2020, as

well as pursuant to article 13.2 of the Statute, attendance at the Shareholders' Meeting by Shareholders and the exercise of voting rights may only take place **by granting a specific proxy to the Appointed Representative**, as defined below, **excluding access to the Shareholders' Meeting premises by shareholders or proxies other than the aforementioned Designated Representative**.

With regard to the participation of directors, statutory auditors, representatives of the independent auditors and the Appointed Representative at the Shareholders' Meeting, the Company will adopt the technical tools that allow the latter to intervene also by tele/video conference.

Share capital and voting rights

The current share capital of Piquadro S.p.A., subscribed and paid-in, is Euro 1,000,000 represented by 50,000,000 ordinary shares with no indication of par value; each ordinary share entitles the holder to one vote in the Company's ordinary and extraordinary shareholders' meetings.

As of June 13, 2025, the Company holds 2,769,450 treasury shares, equal to 5.389% of the share capital of Piquadro S.p.A..

Information on the composition of the share capital is available on the Company's website at www.piquadro.com, in the Investor Relations Section.

Participation in the Assembly

Pursuant to the law and Article 13 of the Articles of Association and Article 83-sexies of Legislative Decree No. 58 of 24 February 1998, as subsequently amended and supplemented ("**TUF**"), the right to attend the Shareholders' Meeting and to exercise voting rights is certified by a specific communication to the Company, made in accordance with the law by a qualified intermediary, in accordance with the evidence resulting from its accounting records, in favour of the person entitled to vote on the basis of the evidence relating to the end of the accounting day of the seventh trading day prior to the date set for the Shareholders' Meeting on first call, coinciding with 17 July 2025 (*record date*).

Those who become holders of shares after that date will not have the right to attend and vote at the Shareholders' Meeting. Therefore, credit and debit entries made on accounts subsequent to that date are not relevant for the purposes of entitlement to exercise voting rights in the Shareholders' Meeting.

The aforementioned communications must be received by the Company from the intermediary within the deadlines established by current legislation, i.e. by the end of the third trading day prior to the date set for the Shareholders' Meeting (i.e. 23 July 2025). The right to attend and vote remains unaffected if the communications are received by the Company after the deadlines indicated, provided that they are received before the beginning of the Shareholders' Meeting. The participation of shareholders in the Shareholders' Meeting is governed by the relevant laws and regulations.

Representation at the Shareholders' Meeting

In accordance with the provisions of the aforementioned Article 106 of Decree-Law no. 18 of 17 March 2020, as amended, and pursuant to Article 13.2 of the Articles of Association, participation in the Shareholders' Meeting and the exercise of voting rights may only take place **by granting a specific proxy** and voting instructions to Monte Titoli S.p.A. (the "**Appointed Representative**"), with registered office in Milan, in accordance with the procedures provided for by current legislation, **without physical participation by the shareholders**. The members of the corporate bodies, the Appointed Representative, as well as the representatives of the independent auditors will instead be guaranteed the opportunity to participate in the Shareholders' Meeting by means of remote communication. The function of secretary may also be carried out in the same way.

The granting of the proxy to the Appointed Representative does not involve any costs for the delegating party (except for any shipping costs).

The proxy must contain voting instructions on all or some of the items on the agenda and is effective only for the proposals in relation to which voting instructions are given.

The proxy (referred to in the specific form available on the Company's website at the address www.piquadro.com, in the Investor Relations Section, at the Company's registered office) with voting instructions must be received, together with a copy of a currently valid identity document of the delegating party or, if the delegating party is a legal person, of the pro tempore legal representative or of another person with suitable powers, together with suitable documentation certifying his/her qualification and powers, to the Appointed Representative, by the end of the second trading day prior to the date of the Shareholders' Meeting on first and also on second call (i.e. by 24 July 2025 and by 25 July 2025 respectively), by the following alternative methods: (i) transmission of an electronically reproduced copy (PDF) to the certified e-mail address rd@pec.euronext.com (subject "*Proxy of the Designated Representative of the Piquadro 2025 Shareholders' Meeting*") from their certified e-mail address (or, failing that, from their ordinary e-mail address, in which case the proxy with voting instructions must be signed with a qualified electronic or digital signature); (ii) transmission in original, by courier or registered mail with return receipt, to the address Monte Titoli S.p.A., c.a. Ufficio Register & AGM Services, Piazza degli Affari n. 6, 20123 Milan (Ref. "*Proxy of the Designated Representative of the Piquadro 2025 Shareholders' Meeting*") anticipating a copy reproduced electronically (PDF) by ordinary e-mail to the rd@pec.euronext.com box (subject "*Proxy for the Piquadro 2025 Shareholders' Meeting*").

Within the same terms as above, the proxy and voting instructions may be revoked.

It should be noted that the shares for which the proxy has been granted, even partial, are counted for the purposes of the regular constitution of the Shareholders' Meeting; In relation to the proposals for which voting instructions have not been given, the shares are not taken into account for the purposes of calculating the majority and the share of capital required for the approval of the resolutions.

Without prejudice to the need for a proxy to be granted to the Appointed Representative, such a person may be granted proxies or sub-proxies pursuant to Article 135-novies of the TUF, also by way of derogation from the provisions of Article 135-undecies, paragraph 4, of the TUF. For the above purposes, the proxy form available on the Company's website may be used in accordance with the procedures and timescales indicated therein, i.e. by 6:00 p.m. on the day before the Shareholders' Meeting (and in any case by the start of the Shareholders' Meeting).

Integration of the agenda and presentation of new resolution proposals

Pursuant to Article 126-bis of the TUF, Shareholders who, also jointly, represent at least one fortieth of the share capital may request, within 10 days of the publication of this notice (i.e. by 27 June 2025), the addition of the list of items to be discussed, indicating in the request the additional items proposed, or submit resolution proposals on items already on the agenda.

Applications, together with the certification attesting to the ownership of the shareholding, are submitted in writing, by registered mail with return receipt to the registered office or by e-mail to [the address investor.relator@piquadro.com](mailto:investor.relator@piquadro.com).

By the deadline for submitting the request for additions, the requesting shareholders must submit to the Board of Directors a report on the items they propose to discuss or the reasons for the additional resolution proposals presented on items already on the agenda.

Additions to the list of items to be discussed are not permitted for items on which the Shareholders' Meeting resolves, in accordance with the law, on the proposal of the Board of Directors or on the basis of a project or report prepared by the latter, other than the reports ordinarily prepared by the Board of Directors on the items on the agenda.

With reference to the limits, methods and/or terms of such integration, reference is made to the provisions of the laws and regulations in force and to Article 12.5 of the Articles of Association.

Any additions to the list of items to be dealt with by the Shareholders' Meeting or the submission of further resolution proposals on items already on the Agenda shall be announced, in the same forms prescribed for the publication of this notice of call, at least fifteen days before the date set for the Shareholders' Meeting. The reports on the additional resolution proposals on items already on the Agenda will be made available to the public in accordance with the procedures set out in Article 125-ter, paragraph I, of the TUF at the same time as the publication of the notice of the presentation, accompanied by any assessments by the Board of Directors.

In consideration of the fact that attendance at the Shareholders' Meeting is envisaged exclusively through the Designated Representative, the Shareholders entitled to attend the Shareholders' Meeting and to exercise their voting rights who intend to formulate individual resolution and voting proposals with regard to the second item on the Agenda concerning the "*Appointment of the Board of Directors for the financial years 2025/2026, 2026/2027 and 2027/2028*" must submit them by 13 July 2025 (15th day before the Shareholders' Meeting). These proposals will be published on 14 July 2025 on the Company's website, as well as on the authorised storage mechanism called "eMarket Storage" accessible at www.emarketstorage.com in order to enable those entitled to vote to express themselves in an informed manner, also taking into account such new proposals, and to allow the Appointed Representative to collect voting instructions, if necessary, also on the same.

Questions

Pursuant to Article 127-ter of the TUF, Shareholders may ask questions on the items on the agenda, even before the Shareholders' Meeting, provided that they are not met by *the record date* (i.e. by 17 July 2025) by sending them by registered mail to the Company's registered office or by e-mail to the e-mail address investor.relator@piquadro.com; The applications must be accompanied by an appropriate communication issued by the authorized intermediary proving the ownership of the exercise of the right to vote.

The deadline for submitting the aforementioned questions is the seventh trading day prior to the date set for the Shareholders' Meeting, i.e. 17 July 2025.

Questions received within this deadline will be answered at least by 12:00 noon three days before the Shareholders' Meeting (i.e. 23 July 2025), also by publication in a special section of the Company's website.

No answer will be required, even at the Shareholders' Meeting, to the questions asked prior to the Shareholders' Meeting, if the information requested is already made available by the Company in "Question and Answer" format on the Company's website at the address www.piquadro.com in the Investor Relations Section, or the answer is already published in the same section. The Company may provide uniform answers to questions with the same content.

There are no procedures for voting by mail or by electronic means.

Appointment of the Board of Directors

With reference to the appointment of the Board of Directors, which may take place on the basis of lists submitted by the Shareholders, reference should be made to the provisions of Article 17.2 of the Articles of Association and to what is published on the Company's website, recalling in particular that only Shareholders who, alone or together with other Shareholders, are entitled to submit a list represent, on the day of submission of the slate to the Company, a total of at least 2.5% of the share capital represented by ordinary shares, corresponding to 1,250,000 ordinary shares. The slates, accompanied by the documentation required by the Articles of Association and applicable regulations, must be filed at the Company's registered office, at least 25 (twenty-five) days before the date set for the Shareholders' Meeting (by 3 July 2025), with the exception of the certifications of the authorised intermediaries, certifying the total shareholding held, on the date of filing of the slate, which can be received by the Company by 4 July 2025. Any entries made on the accounts of the Shareholder who submitted the list after the day of submission of the list are not relevant for the purposes of entitlement to exercise the right.

Directors must meet the requirements set out in the *regulations in force at the time*; at least one third of them must meet the independence requirements referred to in Article 148, paragraph 3, of Legislative Decree no. 58/1998 as well as the additional requirements set out in the Corporate Governance Code (approved in January 2020 by the Corporate Governance Committee and promoted by Borsa Italiana S.p.A., ABI, Ania, Assogestioni, Assonime and Confindustria) and of these at least three must meet the professional requirements established by Article 148, paragraph 4, of Legislative Decree no. 58/1998. In addition to the above, at least one of the latter must be registered in the register of statutory auditors.

It should be noted that the Company has published the Board of Directors' guidelines on the maximum number of offices deemed compatible with the effective performance of the office of director of the Company and on the policy on qualitative and quantitative criteria for the purposes of assessing independence requirements. Shareholders are therefore invited, in the composition of their slates, to take into account the indications contained in the aforementioned documents published in the following <https://www.piquadro.com>.

The composition of the Board of Directors must take place in compliance with the *pro-tempore* regulations in force on gender balance and in compliance with the provisions of the Corporate Governance Code, as specified in the Reports of the Board of Directors. Under the aforementioned law, the least represented gender must obtain at least two-fifths of the elected directors.

Shareholders who intend to submit a slate may contact the Legal, Corporate Affairs and Compliance Department in advance, to obtain the necessary operational details at the email address investor.relator@piquadro.com.

Shareholders who submit a "minority list" are recommended to read the recommendations made in Consob Communication no. DEM/9017893 of 26 February 2009, concerning "Appointment of members of the administrative and control bodies" and, in particular, to file, together with the list, a declaration certifying the absence of affiliations, even indirect, referred to in Article 147-ter, paragraph 3, of the TUF and Article 144-quinquies of the Issuers' Regulation, with shareholders who hold, even jointly, a controlling or relative majority shareholding, where identifiable on the basis of the communications of significant shareholdings pursuant to Article 120 of the TUF or the publication of shareholders' agreements pursuant to Article 122 of the TUF.

For any other information relating to the procedures for the drafting, presentation and voting of the slates for the appointment of the Board of Directors, please refer to the provisions of Article 17.2 of the Articles of Association, available at the Company's registered office and published on the Company's website, at www.piquadro.com, in the Investor Relations Section.

Appointment of the Board of Statutory Auditors

With reference to the appointment of the Board of Statutory Auditors, which may take place on the basis of lists submitted by shareholders, reference should be made to the provisions of Article 26.4 of the Articles of Association and to what is published on the Company's website, recalling in particular that only Shareholders who, alone or together with other Shareholders, are entitled to submit a list represent, on the day of submission of the slate to the Company, a total of at least 2.5% of the share capital represented by ordinary shares, corresponding to 1,250,000 ordinary shares. The slates, accompanied by the documentation required by the Articles of Association and applicable regulations, must be received by the Company at least 25 (twenty-five) days before the date set for the Shareholders' Meeting (by 3 July 2025), with the exception of the certifications of the authorised intermediaries, certifying the total shareholding held, on the date of filing of the slate, which may be received by the Company by 7 July 2025. Any entries made on the accounts of the Shareholder who submitted the list after the day of submission of the list are not relevant for the purposes of entitlement to exercise the right.

In the event that, on the date of expiry of the deadline for filing, only one list has been filed, or only lists presented by Shareholders between whom there are significant relationships of affiliation in accordance with the provisions of the laws and regulations in force, lists may be submitted up to the third day following the expiry of such deadline: in this case, the threshold of participation in the share capital required for the presentation of the lists is to be considered reduced by half.

The composition of the Board of Statutory Auditors must take place in compliance with the *pro tempore* regulations in force on gender balance and in compliance with the provisions of the Corporate Governance Code, as specified in the Reports of the Board of Directors. Shareholders who intend to submit a slate may contact the Legal, Corporate Affairs and Compliance Department in advance to obtain the necessary operational details at the email address investor.relator@piquadro.com.

In particular, in compliance with the provisions of current legislation on gender balance, the slates which, considering both sections, have a number of candidates equal to or greater than three must also include, both in the first two places of the section of the list relating to standing auditors and in the first two places of the section of the list relating to alternate auditors, candidates of different genders.

For any other information relating to the procedures for the drafting, presentation and voting of the slates for the appointment of the Board of Statutory Auditors, please refer to the provisions of Article 26.4 of the Articles of Association, available at the Company's registered office and published on the Company's website, at www.piquadro.com, in the Investor Relations Section.

With reference to the appointment of the members of the corporate bodies, reference should be made to the recommendations set out in Consob Communication no. DEM/9017893 of 26 February 2009.

* * *

In order to allow the Company to identify the depositors, the filing of the lists for the appointment of the members of the Board of Directors and the Board of Statutory Auditors, complete with the relevant documentation, may take place in the following ways: (i) by registered mail to the Company's registered office or (ii) by certified e-mail to investor.relator@piquadro.com or by fax to +39 0534 409090.

The slates will be made available to the public, by publication on the Company's website at www.piquadro.com, in the Investor Relations Section and on the authorised storage mechanism called "eMarket Storage" accessible at www.emarketstorage.com by the 21st day prior to the date of the Shareholders' Meeting (i.e. by 7 July 2025).

* * *

Appointment of the independent auditors for the financial years 2025/2026 – 2033/2034

With reference to the fourth item on the agenda, it should be noted that, with the approval of the financial statements as at 31 March 2025, the mandate conferred on the independent auditors Deloitte & Touche S.p.A. for the financial years 2016/2017-2024/2025 inclusive, due to the expiry of the deadlines, expires.

Pursuant to Article. 17, paragraph 1, of Legislative Decree no. 10 of 27 January 2010, this appointment cannot be renewed or re-conferred unless at least three financial years have elapsed since the date of termination of the previous office. Therefore, pursuant to Article 27 of the Articles of Association, a new appointment will be appointed for the statutory audit of the accounts.

Article 13 of Legislative Decree no. 10 of 27 January 2010 establishes that the Shareholders' Meeting appoints the independent auditors and determines the remuneration due to the same for the entire duration of the appointment and any criteria for adjusting this consideration during the performance of the office, upon a reasoned proposal from the Board of Statutory Auditors, which will be made available to the public within the terms of the law.

The appointment has a duration of nine financial years starting from the financial statements that will close on March 31, 2026 and until the approval of the financial statements that will close on March 31, 2034.

Assignment of the assignment of certifying the compliance of the Sustainability Report for the financial years 2025/2026, 2026/2027 and 2027/2028.

With reference to the fifth item on the agenda, it should be noted that, at the Shareholders' Meeting, it will also be necessary to certify the compliance of the Sustainability Report for the financial years 2025/2026, 2026/2027 and 2027/2028.

* * *

Documentation

The Articles of Association, the current text of which is available to Shareholders at the Company's registered office, is available on the Company's website at www.piquadro.com, in the Investor Relations Section.

The documentation relating to the items on the agenda required by current legislation, the full texts of the proposed resolutions, together with the explanatory reports, required by current legislation and the other information referred to in Article 125-quarter of the TUF, are made available to the public at the Company's registered office and published on the Company's website at www.piquadro.com, in the Investor Relations Section and at the authorised storage mechanism called "eMarket Storage" accessible at [the address www.emarketstorage.com](http://www.emarketstorage.com), within the terms of the law and in the manner provided for by current legislation.

The Annual Financial Report, including the draft financial statements for the year ended 31 March 2025, the consolidated financial statements of the Piquadro Group, the report on operations, including sustainability reporting, the certification pursuant to Article 154-bis of Legislative Decree 58/98 and the reports of the Board of Statutory Auditors and the independent auditors, as well as the summary statements of the financial statements of subsidiaries and associated companies, is available to Shareholders and the public at its registered office, and on the Company's website at www.piquadro.com in the Investor Relations section and on the authorised storage mechanism called "eMarket STORAGE" accessible at (www.emarketstorage.com), under the terms and in the manner provided for by current legislation. The Shareholders have the right to obtain a copy.

Silla di Gaggio Montano (BO), 17 June 2025

The Chairman of the Board of Directors
Marco Palmieri

The extract of this notice of call is also published by the Company, on 17 June 2025, in the newspaper "Il Giornale".

1. Financial statements as at 31 March 2025. Directors' Report on Operations, Report of the Board of Statutory Auditors and Report of the Independent Auditors. Submission of the Non-Financial Statement prepared pursuant to Legislative Decree 254/2016.

1.1 approval of the separate financial statements and presentation of the consolidated financial statements for the year ended 31 March 2025; report of the Board of Directors on operations; report of the Independent Auditors; report of the Board of Statutory Auditors;

1.2 proposal for the allocation of the profit for the year and distribution of available reserves; related and consequent resolutions.

(point 1)

Dear Shareholders,

for complete information on the matter in question, please refer to the Board of Directors' report on operations and to the additional documentation made available to the public, within the terms and in the manner provided for by current legislation, at the Company's registered office and on the Company's website at www.piquadro.com, in the Investor Relations Section.

Taking into account the important results of the Piquadro Group for the financial year 2024/2025, which recorded a consolidated net profit of the Group of approximately 11.6 million Euros, the Board of Directors proposes, in addition to allocating the full profit for the year, amounting to 5,885,529 Euros, to pay a dividend, to draw an amount of 1,114,471 Euros from the "reserve for undivided profits" to therefore distribute a total dividend of 7 million Euros.

Resolution proposal

Dear Shareholders,

You are invited to approve the following resolution proposal:

"The ordinary shareholders' meeting of Piquadro S.p.A.:

- *examined the Company's separate financial statements and the Group's consolidated financial statements as at 31 March 2025 including sustainability reporting, the Directors' report on operations;*
- *having regard to the report of the Board of Statutory Auditors;*
- *having regard to the report of the Independent Auditors,*

deliberation:

- (a) to approve the Directors' report on the performance of operations for the year ended 31 March 2025;*
- (b) to approve the financial statements for the year ended March 31, 2025 in all its parts and as a whole, which closed with a profit for the year of Euro 5,885,529 (five million, eight hundred and eighty-five thousand, five hundred and twenty-nine)*
- (c) to propose to the Assembly:*
 - (i) to allocate in full the profit for the year, amounting to Euro 5,885,529 (five million, eight hundred and eighty-five thousand, five hundred and twenty-nine) to pay a dividend, the unit amount of which must be defined on the basis of the shares in circulation, taking into account the treasury shares;*
 - (ii) to distribute a further dividend, through the distribution of a portion of the "reserve for undivided profits", equal to Euro 1,114,471 (one million one hundred and fourteen thousand, four hundred and seventy-one) the unit amount of which must be defined on the basis of the shares in circulation, taking into account the treasury shares, for a total of € 7,000,000 (seven million/00) to pay a dividend whose unit amount will be defined on the basis of the shares in circulation taking into account the treasury shares."*

- 2. Appointment of the Board of Directors for the financial years 2025/2026, 2026/2027 and 2027/2028:**
- 2.1 Determination of the number of members of the Board of Directors;**
- 2.2. Determination of the term of office of the Board of Directors;**
- 2.3 Appointment of the members of the Board of Directors;**
- 2.4 Appointment of the Chairman of the Board of Directors;**
- 2.5 Determination of the total amount for the remuneration of all Directors; related and consequent resolutions.**
- (point 2)**

Dear Shareholders,

with this Shareholders' Meeting to approve the financial statements for the year ended 31 March 2025, as the term of office of the Board of Directors in office expires due to the expiry of the term, you are called upon to proceed with the appointment of the members of the Board of Directors and specifically to:

- (a) determine the numerical composition of the Board of Directors, recalling in this regard that Article 16.1 of the Articles of Association provides that the Board of Directors is composed of a minimum of 5 and a maximum of 9 members;
- (b) determine the term of office of the Board of Directors, which shall not exceed three financial years, as provided for in Article 16.2 of the Articles of Association;
- (c) appoint the Chairman of the Board of Directors; and
- (d) in accordance with the provisions of Article 24.2 of the Articles of Association, determine a fixed total amount for the remuneration of all Directors, including those vested with special offices and until the approval of the financial statements as at 31 March 2025, to be distributed by the Board.

With regard to the methods and terms of preparation, filing and publication of slates by Shareholders, the provisions in force as well as the provisions of Article 17.2 of the Articles of Association, already made available on the Company's website (www.piquadro.com, in the Investor Relations section) on the date of publication of the notice of call, are recalled:

- (a) only Shareholders who, alone or together with other Shareholders, represent, on the day of submission of the list to the Company, a total of at least 2.5% of the share capital represented by ordinary shares, are entitled to submit a list;
- (b) each candidate may appear on only one list under penalty of ineligibility;
- (c) each Shareholder, the Shareholders adhering to a shareholders' agreement pursuant to Article 122 of Legislative Decree no. 58 of 24 February 1998 ("TUF"), the parent company, subsidiaries and those subject to common control pursuant to Article 93 of the TUF, may not submit or vote, directly, through an intermediary, or through a trust company, more than one list;
- (d) the slates with a number of candidates equal to or greater than three must include candidates of different genders in order to ensure that the composition of the Board of Directors complies with the provisions of current legislation on gender balance;
- (e) The lists signed by those who submit them must be accompanied by:
 - *curricula vitae* concerning the personal and professional characteristics of the candidates, with a list of management and control positions held in other companies;
 - declaration by which the individual candidates accept their candidacy and certify, under their own responsibility, that there are no causes of ineligibility or incompatibility;
 - declaration by the candidates certifying the possession of the independence requirements, provided for by art. 148, paragraph 3, of the TUF;
 - declaration of shareholders other than those who hold, even jointly, a controlling or relative majority shareholding in the Company's capital, certifying the absence of any connection relationships, even indirect, pursuant to Article 147-ter, paragraph 3, of the TUF and Article 144-quinquies of the Issuers' Regulation (Consob Resolution 11971/1999 and subsequent amendments) with the latter, where identifiable on the basis of the communications of the

significant shareholdings pursuant to art. 120 of the TUF or the publication of shareholders' agreements pursuant to art. 122 of the TUF itself, specifying any existing relationships with such controlling or relative majority shareholders;

- (f) the list for the submission of which the provisions of Article 17 of the Articles of Association have not been complied with shall be deemed not to have been submitted;
- (g) the slates must be filed at the Company's registered office by twenty-five days before the day set for the Shareholders' Meeting on first call, i.e. by 3 July 2025, and will be made available to the public by 7 July 2025 at the Company's registered office and on the Company's website in the manner provided for by current legislation *internet* of the Company at the address www.piquadro.com, in the Investor Relations section.

The appointment of the members of the Board must ensure the presence of the minimum number of independent directors required by the laws and regulations in force, as well as compliance with current legislation and the provisions of the *Corporate Governance Code* on gender balance.

It should be noted that, pursuant to Recommendation 7 of the New Corporate Governance Code, to which the Company adheres, a director does not normally appear to be independent in the following cases:

- (a) if he is a significant shareholder of the company;
- (b) if you are, or have been in the previous three financial years, an executive director or employee:
 - of the Company, of a company controlled by it with strategic importance or of a company under common control;
 - a significant shareholder of the company;
- (c) if, directly or indirectly (e.g. through subsidiaries or companies of which he is an executive director, or as a partner of a professional firm or consulting firm), he has, or has had in the previous three financial years, a significant commercial, financial or professional relationship:
 - with the Company or its subsidiaries, or with its executive directors or top management;
 - with a person who, also together with others through a shareholders' agreement, controls the company; or, if the parent company is a company or entity, with its executive directors or the *top management*;
- (d) if he/she receives, or has received in the previous three financial years, from the Company, one of its subsidiaries or the parent company, a significant remuneration in addition to the fixed remuneration for the office and that provided for participation in the committees recommended by the Code or provided for by current legislation;
- (e) if he has been a director of the company for more than nine financial years, even if not consecutive, in the last twelve financial years;
- (f) if he holds the office of executive director in another company in which an executive director of the company holds a position of director;
- (g) if you are a partner or director of a company or an entity belonging to the network of the company in charge of the Company's statutory audit;
- (h) if he is a close family member of a person who is in one of the situations referred to in the previous points.

The Board of Directors also approved a new *policy*, which is available to the public at www.piquadro.com in the Investor Relations Section, regarding quantitative and qualitative criteria for assessing the significance of relationships, including non-economic ones, that may compromise the independence of its members and the members of the Company's Board of Statutory Auditors.

The Board, therefore, invites you to take these recommendations and the new *policy* into account in formulating proposals for the appointment of new members of the Board of Directors, highlighting which directors can be considered independent for the purposes of the Corporate Governance Code and illustrating their personal and professional characteristics.

The Board of Directors also recalls that the number of independent directors – in accordance with the criteria set out in art. IA.2.10.6 of the Instructions of Borsa Italiana S.p.A. – must be:

- at least 2 independent directors for Boards of Directors composed of up to 8 members;
- at least 3 independent directors per Board of Directors composed of 9 to 14 members;

- at least 4 independent directors per Board of Directors composed of over 14 members.

Therefore, we invite you to submit the lists for the appointment of the Board of Directors for the financial years 2025/2026, 2026/2027 and 2027/2028, within the deadlines provided for by the provisions in force and explained above and, on the basis of the proposed candidates, to resolve on the appointment of the members of the Board of Directors, after determining their number, and of the Chairman, expressing your preference for one of the lists presented by the entitled subjects. We also invite you, pursuant to Article 2389, third paragraph, of the Civil Code, and Art. 24.2 of the Articles of Association, to determine the total amount for the remuneration of all Directors.

With reference to the determination of the number of members of the Board of Directors, we remind you that, pursuant to art. 16, first paragraph, of the Articles of Association, the Shareholders' Meeting, before appointing the Board of Directors, is required to determine the number of members of the Board of Directors at not less than five and not more than nine members. The expiring Board of Directors, although it has deemed its quantitative composition adequate, as part of the self-assessment process carried out, refrains from formulating specific proposals in this regard and therefore invites you to determine the number of members of the Board of Directors, formulating the relevant proposal in the manner and within the terms indicated in the notice of call.

Taking into account that the Company qualifies as a "concentrated-owned" company pursuant to the Corporate Governance Code, in view of the Shareholders' Meeting for the renewal of the corporate bodies, the outgoing Board of Directors is not required to formulate guidelines to the Shareholders regarding the qualitative and quantitative composition deemed optimal, pursuant to art. 4, Recommendation no. 23 of the Corporate Governance Code.

However, without prejudice to the foregoing, with reference to the determination of the number of members of the Board, the Board of Directors, having regard to the positive dynamics of the functioning of the administrative body recorded over the last three years, hopes that when formulating proposals to the Shareholders' Meeting, the shareholders will endeavour to ensure that the composition, as already recommended by the same Code and in continuity with the past, adequately represents, in relation to the activity carried out by the Company, the various components (executive, non-executive, independent) and the professional and managerial skills and experience necessary for good business management, also taking into account the international dimension of Piquadro as well as is integrated in terms of less represented gender, in accordance with the provisions of the applicable regulations and bylaws.

Finally, with reference to the determination of the total amount for the remuneration of all Directors, in line with the Remuneration Policy approved by the Board of Directors on 16 June 2025, we also propose, after consulting the Remuneration and Appointments Committee, that the total amount for the remuneration of all Directors, including those vested with particular offices as well as for participation in the Committees within the Board, is set at a maximum amount of Euro 980,000.00 (nine hundred and eighty thousand/00) per annum, to be divided by the Board, without prejudice to the Board's right to assign additional variable remuneration to the Directors vested with particular offices.

Excerpt from the Articles of Association

"Article 17 - Election of the members of the Board of Directors

17.1 The Ordinary Shareholders' Meeting shall elect the members of the Board of Directors.

17.2 Pursuant to the provisions of Article 147-ter of Legislative Decree no. 58 of 24 February 1998 and in order to ensure the election of a member of the Company's Board of Directors to the minority, the Board of Directors is appointed on the basis of lists submitted by the shareholders in which the candidates are listed by progressive number.

Each slate must include a number of candidates – in accordance with the provisions of current legislation – who meet the independence requirements prescribed by the laws and regulations in force, as well as by the Corporate Governance Code prepared by the Corporate Governance Committee in force, indicating them distinctly and placing one of them at the top of the slate.

The slates with a number of candidates equal to or greater than three must also include candidates of different genders, as indicated in the notice of call of the Shareholders' Meeting, in order to ensure that the composition of the Board of Directors complies with the provisions of current legislation on gender balance.

One of the members of the Board of Directors is elected by the minority list that has obtained the highest number of votes and is not connected in any way, not even indirectly, with the shareholders who presented or voted for the list that came first in terms of number of votes.

Shareholders are entitled to submit slates of candidates who, with regard to the shares that are registered in favour of the shareholder on the day on which the slates are filed with the issuer, alone or together with other shareholders, hold a total of shares with voting rights representing at least 2.5% (two point five percent) of the share capital consisting of shares with voting rights at the Ordinary Shareholders' Meeting or the other measure provided for by the regulations laws or regulations in force at the time of appointment. The relevant certification may also be produced after filing, provided that it is within the deadline set for the publication of the lists by the issuer. Each shareholder, shareholders adhering to a shareholders' agreement pursuant to Article 122 of Legislative Decree No. 58 of 24 February 1998, the parent company, subsidiaries and those subject to common control pursuant to Article 93 of Legislative Decree No. 58 of 24 February 1998, may not present or vote, directly, through an intermediary, or through a trust company, more than a list.

Each candidate may appear on only one list under penalty of ineligibility.

The slates, accompanied by professional curricula, containing exhaustive information regarding the personal and professional characteristics of each candidate for office as well as the additional information required by the provisions of law and regulations that will be indicated in the notice of call of the Shareholders' Meeting, signed by the shareholders who submitted them, must be filed at the Company's registered office no later than the 25th (twenty-fifth) day prior to the date of the Shareholders' Meeting called to resolve on the appointment of the members of the Board of Directors and made available to the public at the Company's registered office, on the website and in the other ways provided for by Consob with regulations at least 21 (twenty-one) days before the date of the Shareholders' Meeting, without prejudice to any further form of publicity established by the regulations in force at the time, with documentation proving the right to submit the list.

Together with each slate, within the deadline indicated above, the declarations must be filed by which the individual candidates accept their candidacy and certify, under their own responsibility and under penalty of exclusion from the slate, the non-existence of causes of ineligibility and incompatibility, the existence of the requirements provided for by current legislation for their respective offices as well as any suitability to qualify as independent pursuant to the aforementioned discipline.

Lists for the presentation of which the above provisions have not been observed will not be accepted.

Each person entitled to vote may vote for only one list.

The election of the directors is carried out as follows:

a) from the list that obtained the highest number of votes at the Shareholders' Meeting, all the members of the Board of Directors are taken, in the progressive order in which they are listed on the list, except for one, as many as are resolved from time to time by the Shareholders' Meeting;

b) from the list that obtained the second highest number of votes at the Shareholders' Meeting (and is not connected in any way, not even indirectly, with the shareholders who presented and voted for the list that obtained the highest number of votes) a member of the Board of Directors is chosen in the person of the first candidate, as indicated on the basis of the progressive order in which the candidates are listed on that list, provided that this candidate meets the requirements prescribed by the regulations in force for the respective office;

c) if the candidates elected in the manner indicated above do not comply with the criterion that guarantees gender balance pursuant to Article 147-ter, paragraph 1-ter, Legislative Decree 58/1998, the members of the most represented gender who were elected last in the progressive order provided for by the list that received the highest number of votes will be replaced, in sufficient number to restore compliance with the aforementioned criterion and according to the progressive order of the same list, by the members of the less represented gender who have not been elected; and

d) at the end of the operations indicated above, the President proceeds to proclaim the elected.

In the event of a tie in the list votes and always with the same quotient, a new vote will be held by the entire Shareholders' Meeting, and the candidate who obtains a simple majority of votes will be elected. Should only one list be presented or admitted to vote, the candidates on that list will be appointed as Directors according to the progressive number with which the candidates have been listed on the list itself, in their respective sections, provided that the same obtains the relative majority of votes and the presence of the minimum number of independent directors required by the laws and regulations in force is ensured as well as compliance with

the current legislation on gender balance. In the event of failure to submit slates or if it is not possible to proceed with the appointment of one or more directors using the slate voting method, the Shareholders' Meeting will resolve with the majorities required by law and in such a way as to ensure the presence of the minimum number of independent directors required by the laws and regulations in force as well as compliance with current legislation on gender balance. The Directors are obliged to immediately report to the Chairman the occurrence of one of the causes that lead to the forfeiture of office. If such causes concern the Chairman, the communication must be made to the Vice-Chairman or, alternatively, to the Chairman of the Board of Statutory Auditors.

17.3 Should one or more Directors cease to exist during the financial year, they shall be replaced in accordance with Article 2386 of the Italian Civil Code, as indicated below: a) the Board of Directors shall appoint the substitutes from among the members of the same list to which the terminated Directors belonged and the Shareholders' Meeting resolves, with the majorities required by law, in compliance with the same principle and taking care to ensure, in any case, the presence on the Board of Directors of the necessary number of members who meet the independence requirements prescribed by the laws and regulations in force, as well as ensuring compliance with current legislation on gender balance; b) if there are no candidates not previously elected on the aforementioned list, the Board of Directors shall replace them without complying with the provisions of point (a) as provided for by the Shareholders' Meeting, always with the majorities required by law, and taking care to ensure, in any case, the presence on the Board of Directors of the necessary number of members in possession of the independence requirements prescribed by the laws and regulations in force, as well as ensuring compliance with current legislation on gender balance.

17.4 Until otherwise resolved by the Shareholders' Meeting, the members of the Board of Directors are not bound by the prohibition set out in Article 2390 of the Civil Code, with the exception of that of assuming the status of shareholders with unlimited liability in competing companies."

3. Appointment of the Board of Statutory Auditors and the Chairman for the financial years 2025/2026, 2026/2027 and 2027/2028:

3.1 Appointment of the members of the Board of Statutory Auditors;

3.2 Appointment of the Chairman of the Board of Statutory Auditors;

3.3 Determination of the remuneration of the Board of Statutory Auditors; related and consequent resolutions.

(point 3)

Dear Shareholders,

with this Shareholders' Meeting to approve the financial statements for the year ended 31 March 2025, the term of office of the Board of Statutory Auditors in office ends, therefore you are called upon to proceed with the appointment of the standing members and alternate members of the Board of Statutory Auditors for the three-year period 2025/2026, 2026/2027 and 2027/2028 as well as the Chairman and to determine the annual remuneration of the standing auditors pursuant to art. 2402 of the Civil Code.

It should be noted that the appointment will take place, in compliance with the principle enshrined in Article 148 of the Consolidated Law on Finance (Legislative Decree no. 58 of 24 February 1998, "TUF"), through the voting mechanism referred to in Article 26.4 of the Articles of Association and, therefore, on the basis of lists submitted by the shareholders in compliance with the formalities and deadlines provided for in the same article.

With regard to the methods and terms of preparation, filing and publication of slates by Shareholders, it is recalled that the provisions in force and the provisions of Article 26.4 of the Articles of Association, already made available on the Company's website at the address www.piquadro.com, in the *Investor Relations* section, on the date of publication of the notice of call:

- (a) only shareholders who, alone or together with other shareholders, represent, on the day of submission of the list to the Company, a total of at least 2.5% of the share capital represented by ordinary shares, corresponding to 1,250,000 ordinary shares, or, in the event that, on the date of expiry of the deadline for filing, only one list has been filed, or only lists presented by shareholders between whom there are significant affiliations in accordance with the provisions of current laws and regulations, at least 1.25% corresponding to 625,000 ordinary shares;
- (b) Statutory Auditors may not be appointed and, if elected, those who are in situations of incompatibility provided for by law or who do not meet the requirements of integrity and professionalism provided for by the combined provisions of Article 148, fourth paragraph, of Legislative Decree No. 58 of 24 February 1998 and the regulation adopted by Decree of the Minister of Justice No. 162 of 30 March 2000 may not be appointed as statutory auditors. At least one of the Standing Auditors and one of the Alternate Auditors must be chosen from among those registered in the Register of Statutory Auditors who have exercised the activity of statutory audit of the accounts for a period of not less than three years;
- (c) Statutory Auditors may not be appointed as statutory auditors by those who, pursuant to current laws or regulations, are subject to grounds of ineligibility or forfeiture, including limits on the accumulation of offices established by mandatory provisions of law or regulations;
- (d) the members of the Board of Statutory Auditors are appointed in accordance with the provisions of the Articles of Association in order to ensure that the minority appoints a standing auditor and an alternate auditor. To this end, lists consisting of two sections must be submitted: one for the appointment of standing auditors and the other for the appointment of alternate auditors;
- (e) in compliance with the provisions of current legislation on gender balance, the slates which, considering both sections, have a number of candidates equal to or greater than three must also include, both in the first two places of the section of the list relating to standing auditors and in the first two places of the section of the list relating to alternate auditors, candidates of different genders;
- (f) the lists must contain an indication of a minimum number of candidates equal to the number of candidates to be elected, listed by progressive number;
- (g) each candidate may appear on only one list under penalty of ineligibility;
- (h) each Shareholder, the Shareholder Shareholders adhering to a shareholders' agreement pursuant to Article 122 of the TUF, the parent company, the subsidiaries and those subject to common control

pursuant to art. 93 of the TUF, may not present or vote, directly, through an intermediary, or through a trust company, more than one list;

- (i) The lists signed by those who submit them must be accompanied by:
- information relating to the identity of the shareholder, with an indication of the total shareholding held;
 - the declaration of the Shareholders other than those who hold, even jointly, a controlling or relative majority interest in the Company's share capital, certifying the absence of any connection relationships, even indirect, pursuant to Article 148, paragraph 2, of the TUF and Article 144-quinquies of the Issuers' Regulation (Consob Resolution 11971/1999 and subsequent amendments) with the latter, also pursuant to Article 26.4 of the Articles of Association, as reported above, where identifiable on the basis of the communications of the significant shareholdings referred to in art. 120 of the TUF or the publication of shareholders' agreements pursuant to art. 122 of the TUF itself, specifying any existing relationships with such controlling or relative majority shareholders (Consob communication DEM/9017893 of 26 February 2009);
 - the declaration of acceptance of the candidacy of each candidate and of certification, under his/her own responsibility and under penalty of exclusion from the list, of the non-existence of causes of ineligibility and incompatibility, as well as the existence of the requirements provided for by current legislation to hold the office of statutory auditor of the Company, including compliance with the limits on the accumulation of offices established by the provisions of the law and regulations in force;
 - a declaration by each candidate certifying that he/she meets the requirements of independence, professionalism and integrity required by applicable legislation and the Articles of Association and the new policy adopted by the Company;
 - the *curriculum vitae* of each candidate, where the personal and professional characteristics of the same are exhaustively reported and the list of management and control positions held in other companies, of any further information required by law and regulations;
- (l) the slates must be filed at the Company's registered office by twenty-five days before the day set for the Shareholders' Meeting on first call, i.e. by 3 July 2025, and will be made available to the public by 7 July 2025 at the Company's registered office and on the Company's website in the manner provided for by current legislation *internet* of the Company at the address www.piquadro.com, in the Investor Relations section.
- (m) in the event that, on the date of expiry of the deadline for filing, only one list has been filed, or only lists submitted by shareholders between whom there are significant affiliations in accordance with the provisions of current laws and regulations, lists may be submitted until 7 July 2025, and the participation thresholds for the submission of lists are reduced by half, i.e. 1.25% corresponding to 625,000 ordinary shares.

If compliance with the criterion guaranteeing gender balance referred to in Article 148, paragraph 1-bis, of the TUF is not ensured with the elected candidates, the members of the most represented gender who were elected last within the progressive order provided for by the list that received the highest number of votes will be replaced, in sufficient number to restore compliance with the aforementioned criterion and according to the progressive order of the same list, by the exponents of the less represented gender who have not been elected.

In the light of the above, we invite you to submit the lists for the appointment of the Board of Statutory Auditors for the financial years 2025/2026, 2026/2027 and 2027/2028, within the deadlines provided for by the provisions in force and explained above and, on the basis of the proposed candidates, to resolve on the appointment of the members of the Board of Statutory Auditors and the Chairman, expressing your preference for one of the lists presented by the entitled parties. We also invite you to determine the remuneration of the Board of Statutory Auditors.

In this regard, we propose that the total amount for the remuneration of the entire Board of Statutory Auditors be determined at a maximum amount of Euro 60,000.00 (sixty thousand/00) per year, in addition to the supplementary contribution required by law and the reimbursement of expenses incurred for the performance of the office.

Excerpt from the Articles of Association

"Article 26 - Board of Statutory Auditors

26.1 *The Shareholders' Meeting elects the Board of Statutory Auditors, consisting of 3 (three) Standing Auditors and 2 (two) Alternate Auditors, appointed in accordance with the law. The Shareholders' Meeting, at the time of appointment, designates the Chairman of the Board of Statutory Auditors and also determines the remuneration due to the Statutory Auditors.*

26.2 *The Statutory Auditors remain in office for 3 (three) financial years and may be re-elected.*

26.3 *The Statutory Auditors must meet the requirements prescribed by the regulations in force on the subject. Those who find themselves in situations of impediment and ineligibility or who do not meet the requirements of professionalism, integrity and independence provided for by current legislation may not be elected Statutory Auditors and, if elected, lose their office. Without prejudice to the situations of ineligibility provided for by law, those who hold positions of administration and control in excess of the limits established by the laws and regulations in force may not be appointed as statutory auditors, and if elected, those who hold positions of administration and control shall lose their office.*

The Statutory Auditors must meet the requirements of integrity and professionalism established by the combined provisions of Article 148, fourth paragraph, of Legislative Decree No. 58 of 24 February 1998 and the regulation adopted by Decree of the Minister of Justice No. 162 of 30 March 2000. For the purposes of the provisions of Article 1, second paragraph, letters b) and c) and third paragraph, of the Decree of the Minister of Justice no. 162 of 30 March 2000 on the professional requirements of the members of the Board of Statutory Auditors of listed companies, matters and sectors of activity closely related to those of the company carried out by the Company are understood to mean the matters and sectors of activity connected or inherent to the activity carried out by the Company and of which to the corporate purpose.

26.4 *In order to ensure the election of a Standing Auditor and an Alternate Auditor to the minority, the Board of Statutory Auditors is appointed on the basis of slates, submitted by the shareholders, in accordance with the following procedures. Shareholders are entitled to submit slates of candidates who, with regard to the shares that are registered in favour of the shareholder on the day on which the slates are filed with the issuer, alone or together with other shareholders, hold a total of shares representing at least 2.5% (two point five per cent) of the share capital consisting of shares with voting rights at the Ordinary Shareholders' Meeting or the other amount provided for by law or regulations in force at the time of appointment. The relevant certification may also be produced after filing, provided that it is within the deadline set for the publication of the lists by the issuer. Each shareholder, the Shareholders adhering to a shareholders' agreement pursuant to Article 122 of Legislative Decree no. 58 of 24 February 1998, the controlling entity, the subsidiaries and those subject to common control pursuant to art. 93 of Legislative Decree no. 58 of 24 February 1998, may not present or vote, directly, through an intermediary, or through a trust company, more than one list. The list consists of two sections, one for the candidates for the office of standing auditor, the other for the candidates for the office of alternate auditor; Candidates are listed in each section by progressive number.*

In compliance with the provisions of current legislation on gender balance, the slates which, considering both sections, have a number of candidates equal to or greater than three must also include, both in the first two places of the section of the list relating to standing auditors and in the first two places of the section of the list relating to alternate auditors, candidates of different genders.

Each candidate may appear on only one list under penalty of ineligibility. The slates must be filed at the Company's registered office no later than 25 (twenty-fifth) days prior to the date of the Shareholders' Meeting called to resolve on the appointment of the members of the Board of Statutory Auditors and made available to the public at the Company's registered office, on the website and in the other manner provided for by Consob with settlement at least 21 (twenty-one) days before the date of the Shareholders' Meeting, without prejudice to any further form of publicity established by the regulations in force at the time, with documentation proving the right to submit the list.

A list for the submission of which the above provisions have not been complied with shall be deemed not to have been submitted.

Together with each list, within the deadline indicated above, the following must be filed: i) information relating to the identity of the shareholders who submitted the list and the percentage of the shareholding held by them

overall; ii) a declaration by the shareholders, other than those who hold, even jointly, a controlling or relative majority shareholding, certifying the absence of any relationship of affiliation with the latter provided for by the regulations in force; iii) the declarations by which the candidates accept the candidacy and certify, under their own responsibility and under penalty of exclusion from the list, the absence of causes of ineligibility or incompatibility, as well as the existence of the requirements provided for by current legislation to hold the office of statutory auditor of the Company, including compliance with the limits on the accumulation of offices established by the provisions of the law and regulations in force.

The curriculum vitae of each candidate must also be filed where the personal and professional characteristics of the same are exhaustively reported and the list of any management and control positions held in other companies and any further information required by the provisions of law and regulations.

Lists presented and/or votes exercised in violation of the aforementioned prohibitions will not be accepted.

At least one of the Standing Auditors and one of the Alternate Auditors must be chosen from among those registered in the Register of Statutory Auditors who have exercised the activity of statutory audit of the accounts for a period of not less than three years.

Each person entitled to vote may vote for only one list.

Two Standing Auditors and one Alternate Auditor will be appointed from the list that has obtained the highest number of votes, according to the progressive number with which the candidates have been listed on the list itself, in their respective sections.

One Standing Auditor and one Alternate Auditor will be taken from the list that obtained the highest number of votes from the lists presented and voted for by shareholders who are not related to the reference shareholders pursuant to Article 148, paragraph 2, of Legislative Decree no. 58 of 24 February 1998.

The Company's Shareholders' Meeting appoints as Chairman of the Board of Statutory Auditors the standing auditor expressed from the minority list.

In the event of a tie between the lists, a new vote will be held by the entire Shareholders' Meeting in order to obtain an unequivocal result.

If the candidates elected in the manner indicated above do not comply with the criterion that guarantees gender balance referred to in Article 148, paragraph 1-bis, Legislative Decree 58/1998, the members of the most represented gender who were elected last within the progressive order provided for by the list that received the highest number of votes will be replaced, in sufficient number to restore compliance with the aforementioned criterion and according to the progressive order of the same list, by the members of the less represented gender who have not been elected.

If, at the end of the deadline indicated above for the submission of lists, only one list is filed, or only lists presented by shareholders who are connected to each other pursuant to Article 148, paragraph 2, of Legislative Decree no. 58 of 24 February 1998, lists may be submitted up to the third day following the expiry of the aforementioned deadline. In this case, the threshold of participation in the share capital required for the presentation of the slates is to be considered reduced by half.

In any case, even if, at the end of the additional three-day period provided for above, only one list is presented or admitted to vote, the candidates on that list will be appointed as Standing Auditors and Alternate Auditors according to the progressive number with which the candidates were listed on the list itself, in their respective sections.

In the event of failure to submit slates or if it is not possible to proceed with the appointment of one or more Statutory Auditors using the slate voting method, the Shareholders' Meeting will resolve with the majorities required by law, in compliance with current legislation on gender balance.

In the event of the replacement of a Statutory Auditor, the alternate Auditor belonging to the same list as the one who has ceased to be terminated takes his place, so that the gender balance is guaranteed. If it is not possible to proceed with the replacements in compliance with the above criteria, a Shareholders' Meeting will be called to supplement the Board of Statutory Auditors, which will resolve with the majorities required by law, in compliance with the principle of the necessary representation of minorities and the legislation in force on gender balance.

This is without prejudice to further replacement procedures established by the provisions of applicable laws and regulations.

26.5 The Shareholders' Meeting provided for by art. 2401, paragraph 1 of the Italian Civil Code, shall appoint or replace the child in compliance with the principle of the necessary representation of minorities and in accordance with current legislation on gender balance. [Omissis]".

4. Appointment of the independent auditors for the financial years 2025/2026 – 2033/2034. (point 4)

Dear Shareholders,

with the approval of the financial statements as at 31 March 2025, the appointment of Deloitte & Touche S.p.A. as independent auditors for the financial years 2016/2017-2024/2025 inclusive expires.

Therefore, the proposal relating to the appointment of the independent auditors for the financial years 2025/2026 – 2033/2034 and for the determination of the related fee, pursuant to Legislative Decree 39/2010 ("Implementation of Directive 2006/43/EC, relating to statutory audits of annual accounts and consolidated accounts, amending Directives 78/660/EEC and 83/349/EEC, and repealing Directive 84/253/EEC").

In this regard, it should be noted that art. Article 13 of Legislative Decree 39/2010 provides that the Ordinary Shareholders' Meeting, upon a reasoned proposal by the Board of Statutory Auditors, shall appoint the independent auditors and determine the remuneration due to the independent auditors for the entire duration of the appointment and any criteria for adjusting this remuneration during the appointment itself.

Art. Article 17 of the aforementioned Legislative Decree 39/2010 also provides that, for Italian companies issuing transferable securities admitted to trading on the Italian and European Union regulated markets, the appointment of an independent auditor to audit is for nine financial years, with the exclusion of the possibility of renewal if at least three financial years have not elapsed since the date of termination of the previous appointment.

The Board of Directors therefore submits the reasoned proposal of the Board of Statutory Auditors to the Shareholders' Meeting for examination and approval, pursuant to art. 13 of Legislative Decree 39/2010, regarding the appointment of KPMG S.p.A. as independent auditors for the financial years 2025/2026 – 2033/2034 of Piquadro S.p.A., attached below.

In consideration of the above, we propose that you adopt the following resolution:

"The ordinary shareholders' meeting of Piquadro S.p.A., having taken note of the reasoned proposal for the assignment of a new independent auditor appointed by the Board of Statutory Auditors;

resolves:

(i) to appoint KPMG S.p.A. the independent auditors for the financial years 2025/2026 to 2033/2034, including the statutory audit services and other professional services related to the independent audit engagement as listed in the Recommendation provided by the Board of Statutory Auditors;

(ii) to set the total annual consideration in favour of KPMG S.p.A. at Euro 220,000.00 (two hundred and twenty thousand/00), as indicated in the Recommendation provided by the Board of Statutory Auditors;

(iii) to confer on the Chairman of the Board of Directors and the Chief Executive Officer, severally, a broad mandate to carry out all the initiatives resulting from the assumption and inherent to the implementation of this resolution, including the powers to sign the audit engagement and make amendments or additions that may be necessary in the light of any legislative or regulatory amendments."

Attachments to this Report: Reasoned proposal containing the recommendation of the Board of Statutory Auditors for the appointment of the independent auditors for the financial years 2025/2026 to 2033/2034. to approve the proposal to appoint the Board of Statutory Auditors for the appointment of the independent auditors.

5. Assignment of the assignment of certifying the compliance of the Sustainability Report for the financial years 2025/2026, 2026/2027 and 2027/2028; related and consequent resolutions.
(point 5)

Dear Shareholders, with the approval of the financial statements as at 31 March 2025, the mandate to carry out the limited audit of the consolidated non-financial statement granted to Deloitte & Touche S.p.A. expires.

Pursuant to Article 13, paragraph 2 ter, of Legislative Decree no. 39/2010, the Shareholders' Meeting, upon a reasoned proposal from the Supervisory Body, appoints the Shareholders' Meeting to certify the compliance of the sustainability reporting and determines the fee due to the independent auditors for the entire duration of the appointment and any criteria for adjusting this fee during the engagement. It should also be noted that, pursuant to the same Article 13, the term of office has a duration of three financial years, expiring on the date of the shareholders' meeting called to approve the financial statements for the third financial year. The Board of Statutory Auditors of Piquadro S.p.A. has carried out the necessary activities to formulate its reasoned proposal to the Shareholders' Meeting for the assignment of the task of certifying the compliance of the sustainability reporting for the financial years 2025/2026, 2026/2027 and 2027/2028, which is reported in full in the attachment.

In view of the above, we submit the following resolution proposal for your approval.

"The Ordinary Shareholders' Meeting: - having examined the explanatory report of the Board of Directors, - having examined the reasoned proposal made by the Board of Statutory Auditors regarding the assignment of the mandate to certify the compliance of sustainability reporting for the financial years 2025/2026, 2026/2027 and 2027/2028, pursuant to art. 13 of Legislative Decree no. 39/2010,

deliberation

(i) to appoint KPMG S.p.A. the task of certifying the compliance of sustainability reporting, for the financial years 2025/2026, 2026/2027 and 2027/2028;

(ii) to set the total annual consideration at Euro 50,000.00 (fifty thousand/00), as indicated in the Recommendation provided by the Board of Statutory Auditors;

(iii) to confer on the Chairman of the Board of Directors and the Chief Executive Officer, severally, a broad mandate to carry out all the initiatives resulting from the adoption and relating to the implementation of this resolution, including the powers to sign the mandate to certify the compliance of the sustainability report and to make any changes or additions thereto that may be necessary in the light of any regulatory or regulations."

Attachments to this Report: Reasoned proposal of the Board of Statutory Auditors for the assignment of the assignment of certifying the compliance of sustainability reporting for the financial years 2025/2026, 2026/2027 and 2027/2028.

6. Presentation of the Report on remuneration and compensation paid;

6.1 binding resolution on "Section I" on the subject of the remuneration policy prepared pursuant to art. 123-ter, paragraph 3-bis, of Legislative Decree no. 58/1998;

**6.2 resolutions on "Section II" of the Report on the remuneration paid, pursuant to art. 123-ter, paragraph 6, of Legislative Decree no. 58/1998; related and consequent resolutions.
(point 6)**

Dear Shareholders,

with reference to the second item on the agenda of the Shareholders' Meeting, you are called upon to express your opinion on the content of the Report on the remuneration policy and compensation paid, prepared by the Company, pursuant to Articles 123-ter, TUF, and 84-quarter, of the Issuers' Regulation.

In particular, pursuant to the aforementioned provisions, the Shareholders' Meeting convened annually to approve the financial statements is called upon to express its opinion *on (i)* with a binding vote on the Company's policy on the remuneration of Executive Directors, non-executive Directors, members of the Board of Statutory Auditors and other Executives with Strategic Responsibilities and on the procedures used for the adoption and implementation of such policy; and *(ii)* with a non-binding vote on the remuneration paid and/or otherwise paid to the Executive Directors, non-executive Directors, members of the Board of Statutory Auditors and other Executives with Strategic Responsibilities in the financial year ended 31 March 2025.

In this regard, reference should be made to the Remuneration Report, approved by the Company's Board of Directors on 16 June 2025, on the proposal of the Remuneration and Appointments Committee, prepared pursuant to Article 123-ter of Legislative Decree No. 58/1998, as subsequently amended, and Article 84-quarter and Annex 3A, Schedule 7-bis and 7-ter of Consob Regulation no. 11971/1999, as subsequently amended.

This Report is made available to the public within the terms of the law, at the Company's registered office, at Borsa Italiana S.p.A., as well as on the Company's website at www.piquadro.com, in the *Investor Relations* section.

Resolution proposal

Dear Shareholders,

In consideration of the above, you are therefore invited to approve the following resolution proposal:

"The ordinary shareholders' meeting of Piquadro S.p.A.,

- having examined Section I of the Report on the remuneration policy and compensation paid pursuant to art. 123-ter, paragraph 3, of the TUF, prepared by the Board of Directors, on the proposal of the Remuneration and Appointments Committee, containing an illustration of the Company's policy on the remuneration of Executive Directors, non-executive Directors, other Executives with Strategic Responsibilities and, without prejudice to the provisions of Article 2402 of the Italian Civil Code, the members of the Board of Statutory Auditors, as well as the procedures used for the adoption and implementation of this policy, and made available to the public in the manner and within the time limits provided for by current legislation;*
- having examined Section II of the Report on the remuneration policy and compensation paid pursuant to art. 123-ter, paragraph 4, of the TUF, prepared by the Board of Directors on the proposal of the Nomination and Remuneration Committee, containing an illustration of the remuneration paid and/or otherwise recognised in the financial year ended 31 March 2025, by the Company and its subsidiaries or associates, to Executive Directors, non-executive Directors, members of the Board of Statutory*

Auditors and other Executives with Strategic Responsibilities in the financial year ended 31 March 2025;

- *Considering that the aforementioned Report on the remuneration policy and compensation paid complies with the provisions of the applicable legislation on the remuneration of administrative bodies, executives with strategic responsibilities and control bodies,*

deliberation:

- (a) *to approve Section I of the Report on Remuneration and Compensation Paid pursuant to the aforementioned Article 123-ter, paragraph 3-bis of the TUF, approved by the Board of Directors on 16 June 2025;*
- (b) *to express a favourable opinion on Section II of the Report on Remuneration and compensation paid pursuant to the aforementioned Article 123-ter, paragraph 4, of the TUF, approved by the Board of Directors on 16 June 2025."*

7. Proposal to authorise the Board to purchase and sell treasury shares; related and consequent resolutions.

(point 7)

Dear shareholders,

it should be noted that, by resolution of the Shareholders' Meeting of 23 July 2024, the Board of Directors had been authorised to purchase and dispose of ordinary shares of the Company, for the period up to the date of approval of the financial statements as at 31 March 2025, in compliance with the methods and criteria set out therein, and that, therefore, such authorisation will expire on 28 July 2025.

The Chairman recalls that the share buyback plan communicated on 2 August 2023 was definitively suspended on 10 July 2024, as duly communicated to the market, and that, after that date, no new plan was launched.

As of June 13, 2025, the Company holds 2,769,450 treasury shares, equal to 5.389% of the share capital of Piquadro S.p.A..

In particular, since the previous authorization to purchase treasury shares will expire during the current financial year, the Board of Directors of the Company at its meeting of June 16, 2025 resolved to submit to you the proposal to revoke the previous authorization and grant a new authorization effective for a further 12 months with respect to the previous expiration according to the relevant terms, reasons and procedures illustrated below and in accordance with the provisions of Article 132 of Legislative Decree No. 58/1998, as subsequently amended (the "TUF") and Arts. 73 and 144-bis as well as Annex 3 Schedule no. 4 of Consob Resolution no. 11971 of 14 May 1999 and subsequent amendments (the "**Issuers' Regulation**").

To date, the current share capital of Piquadro S.p.A., subscribed and paid-in, is Euro 1,000,000.00 divided into 50,000,000 ordinary shares, with no par value.

The subsidiaries do not hold shares in the Company. Specific instructions will be given to the subsidiaries so that they promptly report any acquisition of shares carried out pursuant to Article 2359-bis of the Italian Civil Code.

Following the scheme provided for in Annex 3A Schedule 4 of the Issuers' Regulation, we present the characteristics of the transaction.

1. Reasons for which authorisation to purchase and sell treasury shares is requested.

The Board considers it useful to submit the proposal for the renewal of the authorisation to the Shareholders' Meeting as it intends to pursue, also operating, where appropriate, pursuant to market practice no. 1 and 2 referred to in Consob Resolution 16839/2009, without prejudice to the provisions of EU Regulation no. 596/2014 of 16 April 2014 and its implementing provisions, Where applicable, the following objectives:

- (a) to promote the stabilization of the performance of the stock and the support of liquidity, and in this context to acquire shares of the Company at prices lower than their actual value, based on the company's income prospects, with the consequent enhancement of the Company;
- (b) to set up a so-called "securities warehouse" so that the Issuer can store the shares and dispose of them for the possible use of the same as consideration in extraordinary transactions, including the exchange of shareholdings, with other parties in the context of transactions of interest to the Company itself;
- (c) purchase, sell and/or assign treasury shares (or options therefor) in relation to (i) compensation plans based on financial instruments pursuant to Article 114bis of the TUF, in favour, inter alia, of executive directors, executives with strategic responsibilities, *manager* and employees of the Company or its subsidiaries and (ii) to plans for the free assignment of shares in favour, inter alia, of executive directors, executives with strategic responsibilities, *manager* and employees of the Company or its subsidiaries.

2. Maximum number, class and par value of the shares to which the authorisation relates.

The authorisation proposal refers to the purchase of ordinary shares of the Company, in one or more *tranches*, up to the maximum number permitted by law, taking into account treasury shares held directly and those held by subsidiaries.

The aforementioned purchases may be made, pursuant to Article 2357, first paragraph of the Italian Civil Code and in compliance with the applicable laws and regulations, within the limits of the distributable profits and available reserves resulting from the last duly approved financial statements, with a consequent reduction, pursuant to Article 2357-ter, third paragraph of the Civil Code, of the shareholders' equity of the same amount through the recognition in the liabilities of the financial statements of a specific item with a negative sign.

On the occasion of the purchase of shares or their sale, exchange or contribution, the appropriate accounting arrangements must be made, in compliance with the provisions of the law and the applicable accounting standards. In the event of sale, exchange or contribution, the corresponding amount may be reused for further purchases, until the expiry of the term of the Shareholders' Meeting's authorisation, without prejudice to the quantitative and expenditure limits, as well as the conditions established by the Shareholders' Meeting.

In addition, pursuant to and for the purposes of Article 2357-ter of the Italian Civil Code, authorisation is required for the disposal, in one or more tranches, of the shares purchased on the basis of this resolution or in any case already in the Company's portfolio, even before having exhausted the maximum number of shares that can be purchased and, if necessary, to repurchase the shares to such an extent that the treasury shares held by the Company do not exceed the established limit authorization.

3. Duration for which authorisation is required.

The authorization to purchase should be requested for a period shorter than the maximum period allowed by current legislation which is currently 18 months from the date of the resolution of the Shareholders' Meeting, and therefore, it is proposed to request that the authorization be valid for a period of 12 months until the Shareholders' Meeting that will approve the financial statements as at 31 March 2026.

The authorization for the sale is requested from the Shareholders' Meeting, in the same way, as of the date of the resolution of the Shareholders' Meeting of 28 July 2025 without time limits.

4. Minimum and maximum consideration.

The purchase price of the shares will be identified from time to time, taking into account the method chosen for carrying out the transaction and in compliance with laws, regulations or accepted market practices, within a minimum and a maximum that can be determined according to the following criteria:

- the minimum purchase price must not be less than 20% lower than the reference price that the share will have recorded in the stock exchange session on the day prior to each individual transaction;
- the maximum purchase price must not exceed 10% of the reference price that the share will have recorded in the stock exchange session on the day prior to each individual transaction.

In the event that the purchase of treasury shares is carried out within the framework of the practices allowed with reference to the liquidity support activity referred to in point 1 of Consob Resolution 16839/2009, without prejudice to the further limits provided for by the same, the price of the purchase proposals must not be higher than the higher of the price of the last independent transaction and the current price of the independent purchase proposal present in the market in which the purchase proposals are inserted.

For any other sale of treasury shares, the consideration, which will be set by the Board of Directors, may not be less than 20% at the minimum of the reference price that the share will have recorded in the stock market session on the day prior to each individual transaction.

In the event that the sale of treasury shares is carried out within the framework of the accepted practices in relation to the activity of supporting market liquidity, referred to in point 1 of Consob Resolution 16839/2009, without prejudice to the further limits provided for by the same and without prejudice to the provisions of EU Regulation no. 596/2014 of 16 April 2014 and its implementing provisions, Where applicable, the price of the proposed Offers for Sale shall not be lower than the lower of the price of the last Independent Trade and the current price of the lowest Proposed Independent Sale in the market in which the Proposals for Sale are entered.

If the treasury shares are exchanged, exchanged, contributed or any other non-cash disposal act, the economic terms of the transaction will be determined according to the nature and characteristics of the transaction, also taking into account the market performance of the Piquadro share.

5. Methods of purchase and sale of shares.

The Board proposes that the authorisation grant the execution of the aforementioned transactions, in one or more tranches, by purchasing shares, pursuant to Article 144-bis, paragraph 1, letter b, of the Issuers' Regulation, on regulated markets or multilateral trading facilities, which do not allow the direct combination of purchase proposals with predetermined offer to sell, in accordance with the operating procedures established in the regulations for the organisation and management of the markets themselves in compliance with Article 2357 et seq. of the Italian Civil Code, the equal treatment of shareholders and the applicable laws, including regulations, in force, including the principles referred to in Article 132 of the TUF as well as EU Regulation no. 596/2014 of 16 April 2014 and its implementing provisions, where applicable.

Purchases may take place in a manner other than those indicated above pursuant to Article 132, paragraph 3, of the TUF or other provisions applicable from time to time at the time of the transaction.

The disposal of shares may take place in the manner deemed most appropriate in the interest of the Company, and in any case in compliance with applicable regulations and accepted market practices.

The purchase of treasury shares subject to the request for authorization to the Shareholders' Meeting is not instrumental to the reduction of the share capital.

The Board will act in compliance with the disclosure obligations referred to in Article 144-bis, paragraph 3, of the Issuers' Regulation and, where applicable, with the disclosure obligations provided for by the aforementioned market practices and by EU Regulation no. 596/2014 of 16 April 2014 and related implementing provisions, where applicable.

Resolution proposal

Dear Shareholders,

In consideration of the above, you are therefore invited to approve the following resolution proposal:

"The Ordinary Shareholders' Meeting of Piquadro S.p.A., accepting the proposals made by the Board of Directors

deliberation:

- (a) to revoke the previous authorization for the purchase and disposal of treasury shares assumed in execution of the resolutions of the Ordinary Shareholders' Meeting held on 23 July 2024;*
- (b) to authorise the purchase and disposal of ordinary shares of the Company, in one or more tranches, up to the maximum number permitted by law, with regard to treasury shares held directly and those held by subsidiaries, for the purposes indicated in the Directors' Report, including in relation to (i) compensation plans based on financial instruments pursuant to Article 114bis of the TUF, in favour, inter alia, of executive directors, executives with strategic responsibilities, managers and employees*

of the Company or its subsidiaries and (ii) to plans for the free assignment of shares in favour, inter alia, of executive directors, executives with strategic responsibilities, managers and employees of the Company or its subsidiaries.

Purchases may be made, pursuant to Article 2357, first paragraph of the Civil Code, within the limits of the distributable profits and available reserves resulting from the last duly approved financial statements, with a consequent reduction, pursuant to Article 2357-ter, paragraph three of the Civil Code, of the net assets of the same amount through the recognition in the liabilities of the financial statements of a specific item with a negative sign.

On the occasion of the purchase of shares or their sale, exchange or contribution, the appropriate accounting arrangements must be made, in compliance with the provisions of the law and the applicable accounting standards.

In the event of sale, exchange or contribution, the corresponding amount may be reused for further purchases, until the expiry of the term of the shareholders' meeting authorization, without prejudice to the quantitative and expenditure limits, as well as the conditions established by the Assembly.

The authorization for the purchase of shares is granted, as of the date of this resolution, until the approval of the financial statements as at 31 March 2026.

The purchase price of the shares will be identified from time to time, taking into account the method chosen for carrying out the transaction and in compliance with laws, regulations or accepted market practices, within a minimum and a maximum that can be determined according to the following criteria:

- (i) the minimum purchase price must not be less than 20% lower than the reference price that the share will have recorded in the stock exchange session on the day prior to each individual transaction;
- (ii) the maximum purchase price must not exceed 10% of the reference price that the share will have recorded in the stock exchange session on the day prior to each individual transaction.

In the event that the share buybacks are carried out within the framework of the market practices referred to in Consob resolution 16839/2009, without prejudice to the further limits provided for by the resolution itself, the price of the purchase proposals must not be higher than the higher of the price of the last independent transaction and the current price of the highest independent purchase proposal on the market in which the proposals in purchase are entered.

The aforementioned transactions will be carried out, in one or more tranches, by purchasing shares, pursuant to Article 144-bis, paragraph 1, letter b, of the Issuers' Regulation, on regulated markets or multilateral trading facilities, which do not allow the direct combination of purchase trading proposals with predetermined sale trading proposals, according to the operating procedures established in the regulations for the organisation and management of the markets themselves, in compliance with Article 2357 et seq. of the Italian Civil Code, equal treatment of shareholders and applicable laws, including regulations, in force, including the principles referred to in Article 132 of the TUF as well as EU Regulation no. 596/2014 of 16 April 2014 and related implementing provisions, where applicable. Purchases may be made in ways other than those indicated above pursuant to art. 132, third paragraph, of Legislative Decree 58/1998 or by other provisions applicable from time to time at the time of the transaction.

- (c) to authorize pursuant to and for the purposes of art. 2357-ter of the Italian Civil Code, the disposal, in one or more tranches, of the shares purchased on the basis of this resolution or in any case already in the Company's portfolio even before having exhausted the maximum number of shares that can be purchased, and possibly to repurchase the shares to such an extent that the treasury shares held by the company do not exceed the limit established by the authorisation. Authorisation to dispose of the shares is granted, as of the date of this resolution, without time limits.

For each sale of treasury shares, the consideration, which will be set by the Board of Directors with the right to sub-delegate to one or more directors, may not be less than 20% at the minimum of the reference price that the share will have recorded in the stock market session on the day prior to each individual transaction.

In the event that the sale of treasury shares is carried out within the framework of the above-mentioned accepted market practices, without prejudice to the further limits provided for by Consob resolution 16839/2009, the price of the proposed shares must not be lower than the lower price of the price of the last independent transaction and the current price of the lowest offer to buy shares on the market where the proposals for sale are made. Inserted.

If the treasury shares are exchanged, exchanged, contributed or any other non-cash disposal act, the economic terms of the transaction will be determined on the basis of the nature and characteristics of the transaction, also taking into account the market performance of the Piquadro S.p.A. share. The disposal of shares may take place in the manner deemed most appropriate in the interest of the Company, and in any case in compliance with applicable regulations and accepted market practices; and

- (d) to confer on the Board of Directors and on its behalf on the Chief Executive Officers, severally from each other, all the broader powers necessary to give concrete and full execution to the resolutions referred to in the previous points in compliance with the provisions of Article 132 of the TUF and the disclosure obligations referred to in Article 144-bis, paragraph 3, of the Issuers' Regulation and, if applicable, the disclosure obligations provided for by the aforementioned market practices and by EU Regulation no. 596/2014 of 16 April 2014 and related implementing provisions, where applicable, with the right to proceed with the purchase and disposal of treasury shares, within the limits of the above, including through specialized intermediaries, also pursuant to and for the purposes of the aforementioned market practice relating to the liquidity support activity admitted by Consob with resolution no. 16839 of 19 March 2009 and pursuant to EU Regulation no. 596/2014 of 16 April 2014 and related implementing provisions, where applicable."*

Silla di Gaggio Montano (BO), 16 June 2025

The Prime Minister
of administration



(Marco Palmieri)