



I.L.P.R.A. GROUP

Consolidated Financial Statements as at 31 December 2025

Financial statements prepared in accordance with Italian accounting standards



ILPRA S.p.A.

Innovative SME from 6.7.2018

Milan – Galleria Buenos Aires 13

Share Capital Euro 2,407,720 = fully paid-in

Tax Code, VAT Number and Registration in the Milan Business Register n° 01054200157

Economic and Administrative Directory of Milan no. 466339

www.ilpra.com

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CORPORATE BODIES

BOARD OF DIRECTORS¹

Chair and
CEO

Maurizio Bertocco

Directors

Gianluca Apicella (Managing Director)

Paolo Arata (Managing Director)

Stefano Bertocco (Managing Director)

Carlo Alberto Carnevale Maffè (Independent Director)

Liborio Livio Portera (Managing Director)

Vittorio Vecchio (Managing Director)

Andrea Zini (Managing Director)

Gianluca Montesano (Managing Director)

BOARD OF STATUTORY AUDITORS²

Chair

Alessandro Maruffi

Statutory Auditors

Enzo Massignan

Antonio Pera

Alternate Auditors

Gianluca Arcidiacono

Andrea Panzarasa

INDEPENDENT AUDITORS³

BDO Audit Services S.r.l.

¹The Board of Directors of Ilpra SpA, appointed on 29 April 2024, will remain in office for three financial years, until the Shareholders' Meeting that will be called to approve Financial Statements for the year ended 31 December 2026.

²The Company's Board of Statutory Auditors, appointed on 29 April 2024, will remain in office for three financial years, until the Shareholders' Meeting called to approve Financial Statements for the year ended 31 December 2026.

³ The audit firm BDO Italia S.p.A., appointed by the Company's Ordinary Shareholders' Meeting on 29 April 2024, pursuant to Article 13 of Italian Legislative Decree No. 39/2010, to carry out the statutory audit of your company's separate financial statements and consolidated financial statements, was entrusted with the statutory audit of the separate financial statements and consolidated financial statements for the 2024, 2025 and 2026 financial years, as well as with the limited review of the consolidated half-yearly financial report for each interim period ending up to 30 June 2026. With effect from 1 January 2026, it transferred a business unit, which included, among other things, the above-mentioned engagement for the statutory audit of your company's financial statements, to BDO Audit Services S.r.l.

1. DIRECTORS' REPORT

Dear Shareholders,

We present the consolidated financial statements of your Group for the year ended 31.12.2025, prepared in accordance with Italian GAAP (OIC) with the application of the "financial method" for leasing, and accompanied by this report, by which we wish to illustrate the Group's performance, both for the year ended and for the Group's expected prospects.

The year ended with a positive result of Euro 7,553,232, of which Euro 6,127,772 were attributable to the Group (and the rest to third parties), after depreciation and amortisation of Euro 5,162,928 and provisions for income taxes of Euro 2,240,713.

This report, prepared in thousands of Euros, is presented in support of Consolidated Financial Statements in order to provide economic, financial and management information of the Group accompanied, where possible, by historical elements and practical assessments.

Your Group is active in the production and sale of machinery for packaging of food, cosmetic and medical products; it is one of the main players in the packaging sector thanks to its wide range of machines (heat-sealers, fillers, thermoformers, doypacks, dosing machines, weighers, packaging machines for beauty, fixed-weight portioning of hard cheese and end-of-line) and cutting-edge technological solutions. It is an innovative SME, and it stands out for its continuous investments in R&D (on average Euro 7.6 million in the last 3 years) which have allowed it to develop innovative technologies and packaging techniques internally that can promptly meet customer needs. The Group, with 422 employees, an extensive network of salespeople and a presence in 11 countries (Italy, France, Spain, Netherlands, Germany, UK, United Arab Emirates, Saudi Arabia, Russia, India and South Korea), achieves about 62% of its turnover abroad.

The international economic context

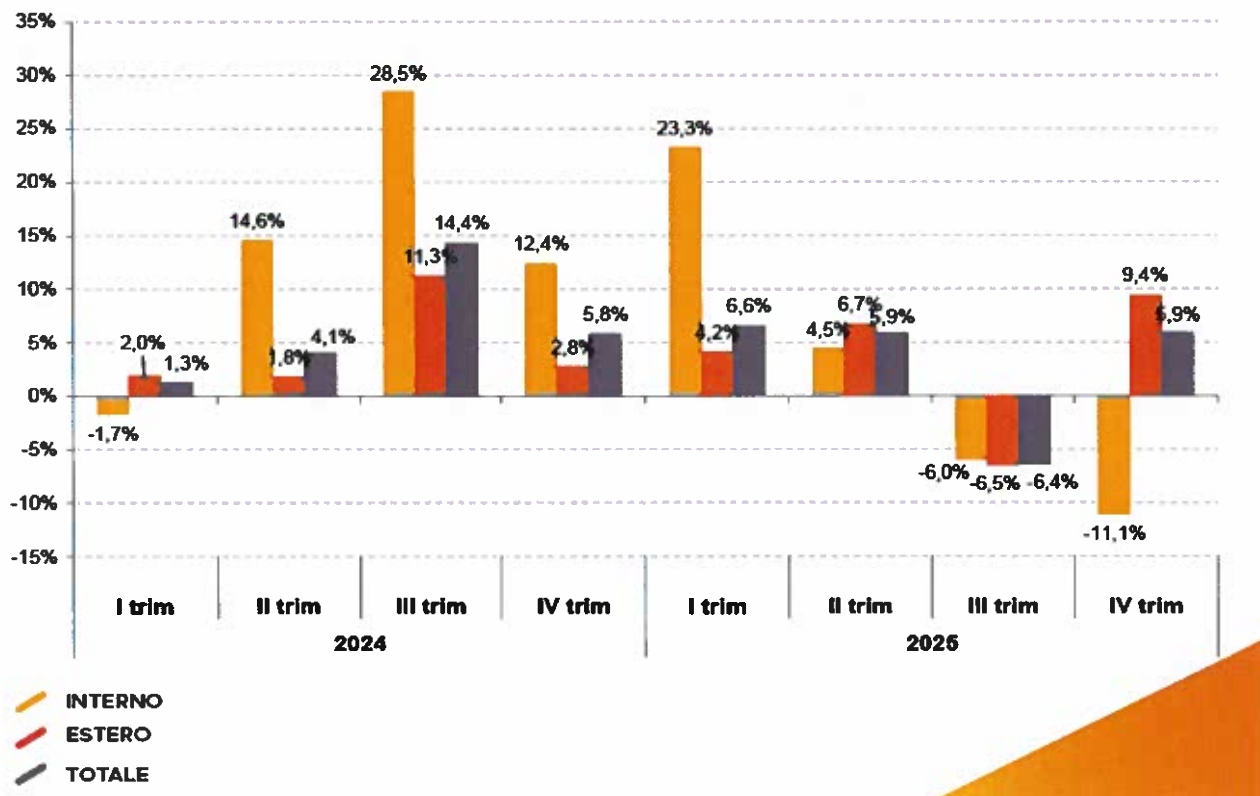
Preliminary UCIMA data for 2025 show the situation below.

Foreign turnover of Italian machinery manufacturers in the packaging sector, of which your Group is a part, recorded growth of +3.6% during 2025 compared to the previous year, while the domestic market rose by +2.6%, with total growth in sales compared to the previous year of 3.0%.

The 2025 figures were negatively affected by the market contraction, particularly in the third quarter of the year, which recorded a decline of 6.4%, of which 6.0% in the domestic market and 6.5% in foreign markets. The first two quarters of the year showed very positive results, especially in the domestic market, while the fourth quarter showed a decline in sales in Italy and significant growth in foreign markets, as can be seen from Figure 1 below.

Percentages of growth in turnover of your Group, during the year under review, compared to the previous year are as follows: 20.2% (16.0% organic growth), of which 15.9% abroad and 27.7% in Italy, well above what was achieved by the reference market.

Grafico 1 - FATTURATO A PREZZI CORRENTI



As regards order intake during the whole of 2025, the result was in line with that recorded in 2024 (-0.1%), while the number of months of secured production showed a slight increase, as can be seen from Figure 2 and Figure 3, rising from 7.5 months in 2024 to 7.8 months in 2025.

Grafico 2 - MESI DI PRODUZIONE ASSICURATA

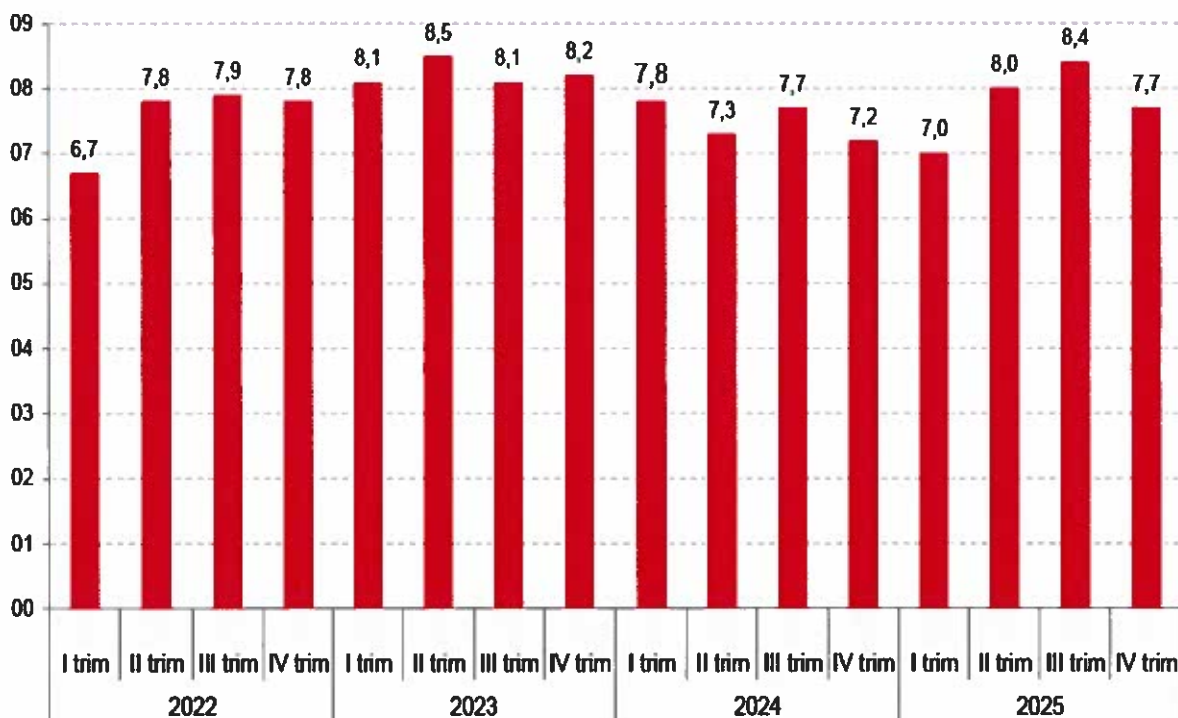
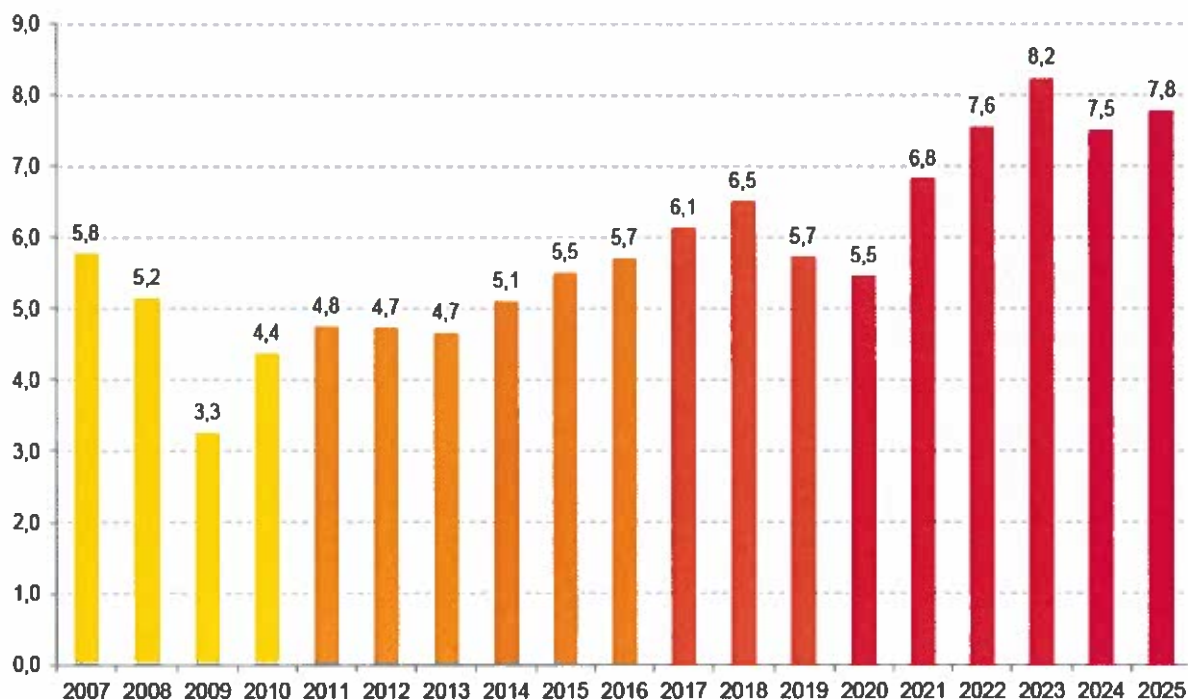


Grafico 3 - MESI DI PRODUZIONE ASSICURATA - media annua



Information on the conflict between Russia and Ukraine and the situation in the Middle East

With reference to the conflict between Russia and Ukraine and the Middle East crisis, reference should be made to "Risks associated with the Group's international presence" section of this report.

Significant events occurred in 2025

Opening of ILPRA FRANCE S.a.S. branch

On 27 January 2025, a sales branch was opened in Saint Bauzille de Montmel, France, under the name ILPRA France S.a.s. The new entity is a distribution company for ILPRA products on the French market and in the DROM-COM (French overseas territories).

With a share capital of Euro 50,000, ILPRA France S.a.S. is 51% owned by Ilpra S.p.A., 29% by TJRD34 Conseil, represented by Mr. Thomas Delemarle and 20% by BLPB Conseil84, represented by Mr. Beaudoin Berthault.

A shareholders' loan of Euro 113,250 was also resolved, of which Euro 76,500 to be borne by ILPRA S.p.A. and the remaining Euro 36,750 to be borne by the minority shareholders, which cannot be repaid until after 18 months and according to the availability of Newco ILPRA France S.a.S..

The parties signed a shareholders' agreement regulating the governance of the company and specific call/put options. Mr. Thomas Delemarle took over as Chair and Mr. Beaudoin Berthault as General Manager. The Supervisory Board consists of five members: 3 members appointed by ILPRA S.p.A. (Mr. Klaus Mattia Vignati, Mr. Stefano Bertocco and Mr. Vittorio Vecchio) and the remaining 2 representing the minorities, in the persons of Mr. Thomas Delemarle and Mr. Beaudoin Berthault.

Appointment of Stefano Bertocco as General Manager

On 5 February 2025, Stefano Bertocco was appointed as General Manager.

Maurizio Bertocco will remain in his role as Chief Executive Officer, continuing to be a key point of reference for the entire company structure: the launch of a process of delegating day-to-day operations has led to the appointment of a General Manager, a figure who will act as a guide for operational change.

With the full support of the Board of Directors, Stefano aims to be a catalyst for change, recognising the immense potential of the company and the people within it. His vision for the future is clear: a path of innovation and transformation that will lead ILPRA to respond proactively to the challenges of a constantly evolving market.

In his new role, Stefano will focus primarily on improving corporate productivity and optimising organisational efficiency, acting on three crucial areas: people, processes, and product. His commitment is to build an environment where collaboration and teamwork are central to change. In this journey, he invites all members of the company to participate actively, since only by joining forces can significant results be achieved.

Establishment of TI WRAP S.r.l.

On 23 April 2025, TI WRAP S.r.l. was established, a company manufacturing horizontal heat-sealing (flow pack) machines, through a joint venture between Ilpra S.p.A. and Mosaiko Holding S.r.l., each holding a 50% stake.

The Newco is the direct expression of the strategic union of the know-how of the Ilpra Group and of T.L.M. S.r.l., a company controlled by Mosaiko Holding S.r.l. and active for over 45 years in the horizontal sealing machine sector, thus completing the Ilpra Group's range of packaging machines.

TI WRAP S.r.l. is headquartered in Volpiano (Turin), has a share capital of Euro 100,000.00, and a Board of Directors composed of 3 members, of which the Chairman and one director are representatives of ILPRA.

Centralisation of commercial management of the Middle East market at the branch "Ilpra Middle East Dwc-llc"

On 13 May 2025, as part of the ongoing process of optimising and streamlining the Group's structure, it was resolved to close "ILPRA ARABIA", wholly owned by "ILPRA Middle East Dwc-llc".

The commercial management of the Middle East market, historically very important for ILPRA S.p.A., will be centralised in "ILPRA Middle East Dwc-llc", based in Dubai.

"ILPRA Arabia", whose closure is expected by the end of 2025, generated in 2024 a turnover of Euro 69 thousand, an EBITDA of Euro 1 thousand, and as at 31 December 2024 showed a Net Financial Position cash positive of Euro 21 thousand. It was more of a representative office than a true operating branch, lacking both service facilities and a spare parts warehouse.

Activation of the buy-back plan

On 10 July 2025, with minutes of the Board of Directors, the share buyback plan was launched, as resolved by the Shareholders' Meeting on 29 April 2025, proceeding with the purchase of treasury shares on the market (as specified below).

Acquisition of 90% of GELMINI S.r.l.

On 17 July 2025, ILPRA S.p.A., in execution of the agreement signed on 16 June 2025, completed the acquisition of 90% of the share capital of Gelmini S.r.l.

Founded in 1978 and based in Parma, Gelmini S.r.l. operates in the design and manufacture of machines and systems for the processing and packaging of matured and semi-matured cheeses. In 2024, the company achieved a turnover of Euro 6.1 million, total assets of Euro 6.8 million, and a Net Financial Position, at a ratio of approximately 3.5 times operating margin, of Euro 972 thousand.

The transaction was carried out through the acquisition of 78% of Gelmini S.r.l.'s share capital from Futura Holding S.r.l. and 12% from Mr. Vittorio Gaspari. The consideration for the transaction amounted to Euro 2.7 million, paid in cash, in addition to an earn-out of Euro 1.35 million to be paid over three years, subject to the achievement of targets linked to turnover and EBITDA margin.

Marco Mantovani, legal representative of Futura Holding S.r.l., was appointed Chairman and Chief Executive Officer of Gelmini and will remain in office until approval of the financial statements as at 31 December 2025; the remaining directors were appointed by ILPRA S.p.A.

During the financial year under review, the target objectives were not achieved and, accordingly, the earn-out portion relating to the period will not be paid to the former shareholders of Gelmini S.r.l.

Acquisition of 95.46% of ILPRA BENELUX BV

On 20 November 2025, ILPRA S.p.A. acquired 95.46% of the share capital of ILPRA Benelux BV, which in turn wholly owns ILPRA Deutschland GmbH. Following the favourable opinion of the Related-Party Transactions Committee, the transaction, which was not material in overall amount and totalled Euro 954,622, was carried out entirely by way of a capital increase and, in particular, for Euro 754,622 through the waiver and corresponding contribution of a trade receivable of the same amount owed to ILPRA S.p.A. as at 31 December 2024, and for the remaining amount through a cash contribution of Euro 200,000.

ILPRA Group S.r.l., the former sole shareholder of ILPRA Benelux BV and attributable to the Bertocco family, waived its pre-emption right in relation to the above capital increase, thereby relinquishing control and retaining a minority interest of 4.54%.

This transaction completes the strategy of establishing a direct presence in the key markets of Western Europe.

Significant events after the end of the financial year

Approval of ILPRA S.p.A.'s Organisation, Management and Control Model and appointment of the Supervisory Body pursuant to Italian Legislative Decree No. 231/01

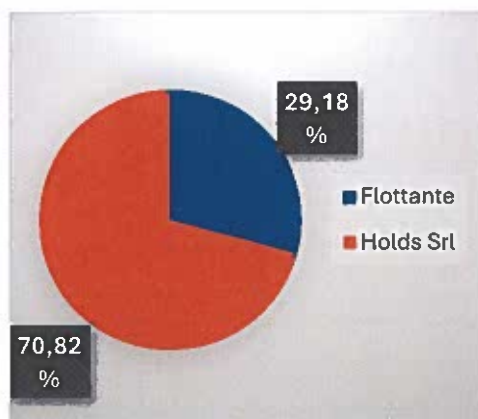
On 30 March 2026, the Board of Directors of ILPRA S.p.A. approved the Organisation, Management and Control Model pursuant to Italian Legislative Decree No. 231/01. All relevant documentation is available on the Company's website at www.ilpra.com.

Concurrently with the approval of the above model, the Supervisory Body pursuant to Italian Legislative Decree No. 231/01 was appointed for a three-year term, and therefore until 2029. It is composed of Mr Massimo Penco, Solicitor, as Chair, Mr Claudio Cerino, Solicitor, as External Member, and Dr Luca Rubino as Internal Member.

Shareholding structure - Corporate evolution during 2025

The table below shows the composition of the shareholding structure as of 31 December 2025.

It should be noted that, as of 31 December 2025, the Bertocco family directly and indirectly, through the company HOLDS S.r.l., holds a total stake of 70.82% of Company's share capital; therefore, also as a result of the above, the free float is equal to 29.18%.



Management and coordination activities

Pursuant to paragraph 5 of art. 2497-bis of the Italian Civil Code, it is hereby certified that the Parent Company is not subject to third-party management and coordination activities.

INCOME STATEMENT

In order to better understand Group's operating results, an Income Statement reclassification table is provided below.

The results for the financial year show a 20% increase in sales revenue compared with the previous financial year, a 2% decrease in EBITDA, which nevertheless stood at 19%, and a 1% decrease in EBIT, together with a 16% increase in profit before tax and a 14% increase in net profit.

Increases in costs of services and personnel are the natural consequence of structuring the Group and related companies belonging to it, in such a way as to be able to face the challenges of the near future with more peace of mind.

CONSOLIDATED INCOME STATEMENT	31.12.2025	31.12.2024	Variations	Variations
(Figures in Euro/000)				%
Sales Revenue	84.000	69.888	14.112	20%
Changes in finished products and working progress	4.122	3.408	714	21%
Increase in working progress for internal works	2.627	2.407	220	9%
Other revenues and income	1.223	1.546	(323)	-21%
PRODUCTION VALUE	91.972	77.249	14.723	19%
Raw materials and semi-finished products	(36.048)	(30.078)	(5.970)	20%
Services	(15.072)	(12.742)	(2.330)	18%
Use of Lease hold Assets	(1.392)	(1.171)	(221)	19%
Staff	(21.235)	(17.541)	(3.694)	21%
Change in raw materials	(1.066)	(8)	(1.058)	13225%
Micellaneous operating costs	(937)	(1.052)	115	-11%
PRODUCTION COSTS	(75.750)	(62.592)	(13.158)	21%
EBITDA	16.222	14.657	1.565	11%
<i>EBITDA Margin (%)</i>	<i>19%</i>	<i>21%</i>		<i>-2%</i>
Depreciation	(5.163)	(4.701)	(462)	10%
Provision for risks	(70)	(60)	(10)	17%
Writedowns	(95)	(92)	(3)	3%
EBIT	10.894	9.804	1.090	11%
<i>EBIT Margin (%)</i>	<i>13%</i>	<i>14%</i>		<i>-1%</i>
Financial Management Balance	(1.100)	(1.384)	284	-21%
Financial income	150	137	13	9%
Financial charges	(1.203)	(1.589)	386	-24%
Gains/(Losses) on FX	(112)	12	(124)	-1033%
Adjustments to financial assets	65	56	9	16%
PRE-TAX RESULT	9.794	8.420	1.374	16%
Taxes	(2.241)	(1.797)	444	25%
NET RESULT	7.553	6.623	930	14%
- of which Group	6.128	5.264	864	16%
- of which from Third Parties	1.425	1.359	66	5%
<i>Net Profit Margin (%)</i>	<i>9%</i>	<i>9%</i>		<i>0%</i>

STATEMENT OF FINANCIAL POSITION

In order to better understand the Group's financial position, a reclassification of the Balance Sheet is provided below.

CONSOLIDATED BALANCE SHEET (Figures in Euro/000)	31.12.2025	31.12.2024	Variations	Variations %
Inventories	39.161	32.510	6.651	20%
Receivables vs Customers	23.498	19.862	3.636	18%
Payables vs Suppliers	(13.101)	(10.323)	(2.778)	27%
Advances	(9.357)	(8.216)	(1.141)	14%
TRADE WORKING CAPITAL	40.201	33.833	6.368	19%
Other receivables and non-fixed assets	8.257	7.840	417	5%
Other payables	(5.662)	(5.166)	(496)	10%
Accrued income and deferred income	1.332	852	480	56%
Accrued expenses and deferred income	(3.921)	(2.358)	(1.563)	66%
NET WORKING CAPITAL	40.207	35.001	5.206	15%
Intangible assets	13.979	12.945	1.034	8%
Property, plant and equipment	17.841	16.100	1.741	11%
Financial fixed assets	1.197	107	1.090	1019%
NET FIXED ASSETS	33.017	29.152	3.865	13%
GROSS INVESTED CAPITAL	73.224	64.153	9.071	14%
Severance pay fund	(4.704)	(4.076)	(628)	15%
Provision for risks	(1.342)	(1.177)	(165)	14%
NET INVESTED CAPITAL	67.178	58.900	8.278	14%
S.T. Banks	19.948	18.248	1.700	9%
Debts vs banks and other finance M/L Term	17.406	16.077	1.329	8%
Payables to other lenders at s.t.	565	528	37	7%
Total financial payables	37.919	34.853	3.066	9%
Cash equivalents	(14.377)	(14.064)	(313)	2%
Securities held for trading	(835)	(688)	(147)	21%
NET FINANCIAL POSITION	22.707	20.101	2.606	13%
Share capital	2.408	2.408	-	0%
Reserves	34.510	29.768	4.742	16%
Profit for the year	7.553	6.623	930	14%
EQUITY	44.471	38.799	5.672	15%
Group Shareholder's Equity	36.484	32.103	4.381	14%
Minority Interests	7.987	6.696	1.291	19%
TOTAL SOURCES	67.178	58.900	8.278	14%

Consolidated Net Financial Debt as at 31 December 2025 is provided below:

<i>Net financial debt</i> <i>(Figures in Euro/000)</i>	<i>31.12.2025</i>	<i>31.12.2024</i>	<i>Variations</i>	<i>Variations</i> <i>%</i>
A. Cash and cash equivalents	14.377	14.064	313	2%
B. Cash equivalents	-	-	-	
C. Other current financial assets	835	688	147	21%
D. Liquidity (A) + (B) + (C)	15.212	14.752	460	3%
E. Current financial debt	18.939	17.261	1.678	10%
E. Current financial debt lease/rent	861	808	53	7%
F. Current portion of non-current debt	565	528	37	7%
G. Current financial debt (E)+(F)	20.365	18.597	1.768	10%
H. Net current financial debt (G) - (D)	5.153	3.845	1.308	34%
I. Non-current financial debt	14.857	13.740	1.117	8%
I. Non-current financial debt lease/rent	2.332	1.972	360	18%
J. Debt instruments			-	
K. Trade payables and other non-current payables	365	544	(179)	-33%
L. Non-current financial debt (I) + (J) + (K)	17.554	16.256	1.298	8%
M. Net financial debt (H) + (L)	22.707	20.101	2.606	13%

Net Financial Debt amounted to Euro 22.7 million, which is worse than the Euro 20.1 million as of 31 December 2024.

The deterioration in Net Financial Debt of Euro 2.6 million is mainly attributable to the investments made during the financial year under review, namely the acquisition of Gelmini S.r.l. for Euro 2.7 million, the opening of the French branch with a cash outlay of Euro 102 thousand, the incorporation of NewCo TI Wrap S.r.l. for Euro 50 thousand, and the acquisition of 95.46% of Ilpra Benelux BV with a cash outlay of Euro 200 thousand, in addition to the Net Financial Debt of the newly consolidated companies amounting to Euro 870 thousand.

The impact of the "financial method" generated a debt of Euro 3,193 thousand, of which Euro 861 thousand is payable within the year and Euro 2,332 thousand beyond the year.

Key ratios of the financial position

On the basis of the previous reclassification, the following balance sheet ratios are calculated:

Profitability indices		2025	2024	Variations
ROI	Return on Invested Capital	9,04%	10,12%	-1,08%
ROS	Profitability of sales	12,97%	14,58%	-1,61%
ROE	Return on Equity	16,98%	18,36%	-1,38%

Solvency Ratio (or Liquidity)		2025	2024	Variations
	Current Ratio	1,80%	1,79%	0,01%
	Secondary Liquidity Ratio (Treasury Margin)	1,00%	1,02%	-0,02%

In 2025, the Return on Invested Capital was 9.04%, a decrease of -1.08% compared to the previous year. This is due to an increase in operating costs, mainly personnel costs, an investment necessary to cope with and sustain the strong growth recorded during the period and in anticipation of significant performances in the near future.

Return on Sales stood at 12.97% in 2025, down by 1.61% compared with 2024 (14.58%). These figures were affected both by the numerous extraordinary transactions carried out in 2025 and by your company's entry into the large-scale plant segment.

Return on Equity continues to stand at a highly respectable level (16.98%), showing a slight decrease (-1.38%) compared with 2024 (approximately 18.36%). The relevant cause is the allocation of 2024 profit, which increased the extraordinary reserve by Euro 2 million, and, therefore, burdened the denominator with an increase (shareholders' equity), which compares with an increased net profit (in the numerator of the ratio) of Euro 7.6 million, compared to that of 2024 (and around Euro 6.6 million).

The current Ratio remains excellent and in line with last year, with current assets showing strong growth compared with current liabilities.

The cash ratio is also appreciable, with deferred and immediate liquidity fully covering current liabilities (at 1.00x), although slightly worse than last year (it was 1.02x). Both ratios lead to a positive assessment of the Company's liquidity situation.

The inventory holding period is approximately 170 days, in line with the previous financial year (169 days), also taking into account the increase in inventories of the newly consolidated companies amounting to Euro 4.6 million.

Key non-financial ratios

Pursuant to the second paragraph of Article 2428 of the Italian Civil Code, it is hereby certified that, for the specific activity carried out and for a better understanding of the Group situation, performance and result of operations, the presentation of non-financial ratios is not considered relevant.

Environmental Disclosure

Commitment to social and territorial responsibility is now an integral part of the Group's principles and behaviour, which are geared towards technological excellence, maintaining high levels of safety, environmental protection, as well as training, raising awareness and involving staff on social responsibility issues.

As of today, your company is under no obligation to prepare an ESG report.

Environmental Litigation

The companies belonging to the Group do not currently have any civil or criminal litigation against third parties for damage caused to the environment or environmental crimes.

Personnel Management Information

No significant information regarding personnel management is reported.

The average number of Group employees recorded as of 31 December 2025 was 422, up from 371 at 31 December 2024.

The Group does not currently have any litigation against employees or former employees of any kind.

Safety

The Group operates in all its environments in compliance with the provisions of Legislative Decree 81/08 for the safety of workers.

Activity carried out in this field includes:

- the training of employees and associates;
- periodic medical examinations;
- the organisation and training of emergency response teams required by the legislation;
- continuous corporate monitoring of RSPP (prevention and protection service manager);
- the preparation and dissemination of the documents of Legislative Decree 81/08.

In particular, the following initiatives were taken during the period:

- training course for ILPRA employees, faithful to the principle of continuous training, both for the development of role-specific skills and for training on corporate safety;
- regular safety meeting;
- emergency and evacuation drills.

Research and development activities

During the 2025 financial year, the Group, continuing with the approach adopted in 2024, continued its Research and Development and Technological Innovation activities aimed at significantly improving production techniques and the Company's product range.

More specifically, innovative efforts focused on the following projects:

1. Development activities aimed at creating an innovative thermoforming machine for the packaging of mainly food products in skin mode; the project was completed during the financial year under review;
2. Development activities aimed at creating a heat-sealing machine with an innovative container-handling system based on a double chain arrangement; the project was completed during the financial year under review;
3. Development activities aimed at creating an accessory for dosing liquid products into containers sealed by heat-sealing machines; the project was completed during the financial year under review;
4. Development activities aimed at creating an accessory for lidding trays previously sealed by heat-sealing machines; the project was completed during the financial year under review;
5. Development activities aimed at the renewal and industrialisation of the Food Pack 1465 in-line heat-sealing model;
6. Development activities aimed at improving the performance of the semi-automatic skin heat-sealing machine;
7. Development activities aimed at creating a new model of 10-position rotary heat-sealing machine;
8. Development activities aimed at creating a centre-trimming machine with fully automatic robotic handling; the project was completed during the financial year under review;
9. Development activities aimed at creating a machine for cleaning baked products (cosmetic products based on compact powder), not only round but also square-shaped ones, through a different handling system for the baked products themselves and with the aid of three anthropomorphic robots;
10. Development activities aimed at creating a machine for the production of hot-cast leads in metal moulds and their subsequent assembly with the pencil body;
11. Development activities aimed at creating a machine for wrapping chocolate products using a double material, with reduced energy consumption and the use of eco-sustainable materials. The inner material is hermetically sealed in order to protect the product from the atmosphere, while the outer material is used as an overwrap;
12. Development activities aimed at the creation of a heat-sealing machine with a mechanical sealing station that allows a considerable increase in speed;
13. Development activities aimed at creating a heat-sealing machine intended for the fruit and vegetable market;
14. Development activities aimed at creating a machine for the automatic packaging of paper sticks in cardboard boxes.

For further information on the issues in question, we suggest you refer to the financial statements of the parent company ILPRA S.p.A. and the subsidiaries IDM Automation S.r.l., MACS S.r.l., Strema S.r.l. and Migliorini S.r.l.

RISK MANAGEMENT

In carrying out its activities, the Group is exposed to risks and uncertainties, deriving from external factors related to the general or specific macroeconomic context of the operating sectors in which it operates, as well as to risks deriving from strategic choices and internal management risks.

The identification and mitigation of these risks has been systematically carried out, allowing for timely monitoring and control of risks that have arisen.

With reference to risk management, the Group has a centralised management structure, while leaving risk identification, monitoring and mitigation to the functional units responsible, also in order to be able to better measure the impact of each risk on business continuity, reducing its occurrence and/or containing its impact depending on the determining factor (whether or not the Group can control).

Risk of raw materials and electronic components

To date, all supply channels for raw materials and electronic components have been normalised, with a reduction in costs compared to 2022, a period which recorded a sharp rise in the price of raw materials, including steel and aluminium, key raw materials for your Group's business. Even market shortages, both of these goods and of electronic components, are no longer a concern, ensuring that the group can produce constantly without the hassle of holding large quantities in stock.

Credit Risk

Credit risk represents exposure of the company to potential losses arising from non-fulfilment of obligations assumed by a counterparty. The monitoring of trade credit risk positions related to the normal course of business is ensured by the internal structure that defines methodologies for quantification and control.

In light of the concrete solidity of its customers, mainly represented by leading companies in the food sector and by retailers of proven reliability, the Group does not present a high degree of credit risk.

There were no significant insolvencies for the past year.

Liquidity Risk

Liquidity risk is the risk that, due to inability to raise new funds or liquidate assets on the market, the Company is unable to meet its payment commitments, resulting in an impact on the economic result in the event that the company is forced to incur additional costs to meet its commitments or, as a last resort, a situation of insolvency that puts the Company's business at risk.

The Group's objective is to put in place a financial structure that guarantees an adequate level of liquidity, minimising the related cost and maintaining a balance in terms of duration and composition of debt.

Risks associated with the Group's international presence

The Group's presence on various international markets through product sales in various countries around the world, as well as its development strategy in new areas, exposes it to risks connected, among other things, to the geo-political and macroeconomic conditions of the countries in which it operates and to the related possible variations, to changes in regulatory and tax regimes, including the possible provision of customs duties and protectionist rules and/or rules limiting the possibility of investment by non-residents, competition with local operators, consumer preferences, exchange rate fluctuations and currency controls, as well as terrorist attacks, insurrections, military conflicts, political tensions and eco-terrorism.

The Russian-Ukrainian war that has been going on since 24 February 2022 has not only been limited to hitting military facilities in Ukrainian territory, but has also involved civilian population, generating mass migration of the more vulnerable sections of the population, women, children and the elderly towards the borders of the European Union and dismay in global institutions.

This serious event has prompted world diplomacy to impose increasingly heavy economic sanctions on Russia, which has blocked the import of some goods from states it considers "enemies", including Italy.

These sanctions do not affect goods produced by Group companies, which, despite some logistical difficulties, continue to trade regularly with countries of the Russian Union.

The Parent Company holds a 70% stake in OOO ILPRA RUS, a commercial company based in Moscow, which is consolidated income on a limited basis, with a turnover of approximately Euro 6.4 million (6.7% of total revenue) and a profit of roughly Euro 380 thousand (4.0% of total profit). Turnover, except for the service and rental part, refers to intra-group purchases; EBITDA of Euro 560 thousand accounts for 3.7% of Group EBITDA.

OOO ILPRA RUS continues to operate regularly on the domestic market, without prejudice to the limits generated by international sanctions and constraints imposed by the Russian government itself. On the other hand, for neighbouring markets, normally served by the Russian branch, the Group's policy is to transfer customer management directly to the Group's Italian companies, in order to avoid incurring sanctions or limitations on operations. In this complex scenario, however, there could be both a risk of non-supply of sales material by the subsidiary (since it could be difficult to ship the machinery for their subsequent resale), and a risk deriving from the escalation of the

sanctions against Russia. In view of this, the management of the Parent Company will continue to constantly monitor the evolution of both the economic and political situation in order to take all measures necessary to safeguard and protect the value for its shareholders. So far, there have been no problems with money transfers from Russia to Italy.

With reference to the current situation in the Middle East, following the conflict that began on 28 February after a joint US-Israeli attack against Iran and which is still ongoing. During this phase of the war, the allied attacks have focused on military targets and on the destruction of Iranian command centres, to which Iran has responded by launching missiles and drones not only against Israel and US bases in the Gulf, but also against infrastructure in neighbouring countries allied with the United States and not directly involved in the war. This situation has led to the closure of the airspace of Bahrain, Qatar, Kuwait, Iraq and Israel, route restrictions over Saudi Arabia, the UAE, Oman, Syria and Azerbaijan, and the unilateral closure by Iran of the Strait of Hormuz. Your company operates in the Middle East through its Dubai branch in the United Arab Emirates, which recorded aggregate turnover of Euro 5.8 million (6.0% of aggregate turnover), profit of Euro 380 thousand (4.0% of aggregate profit) and EBITDA of Euro 860 thousand (5.7% of Group EBITDA). With the exception of service, rentals and materials, turnover relates to intra-group purchases. As of today, the branch remains open and operational, despite the mobility constraints resulting from the closure of the main airports in the area, as well as restrictions on travel outside the Emirates. To date, the stocks held by the UAE branch have enabled customer demand to be met; looking ahead, the local management, with the support of the parent company, has assessed alternative supply routes, whereas until the outbreak of the war supplies were shipped through the port of Dubai. The alternatives are the Emirati port of Fujairah and the Saudi port of Jeddah, which is approximately a two-hour drive from Dubai. We note that courier services have resumed their normal goods delivery operations; accordingly, we are confident that normal business activities will resume as soon as possible. Should the situation persist, we will keep you informed of developments in the operations of the Middle East branch.

Currency risks

The Parent Company prepares its financial data in Euros, however, five Group companies are foreign and have to operate with markets whose currency differs from the Euro; therefore, fluctuations in exchange rates against the Euro could have negative effects on Group's results of operations, balance sheet and financial position.

Interest rate risks

During the year under review in this document, Group companies and the Parent Company accessed credit in order to manage current operations.

Rates have always been traded on a floating basis and it was not considered appropriate to carry out interest rate hedging operations as the spread was already at high levels compared to previous years. During the course of 2025, the Euribor fell compared to the previous year and is expected to fall further.

Any increase in interest rates could make the Group's loans (existing and future) more expensive, with possible negative effects on the Group's income statement, balance sheet and financial position.

Environmental Risks

Group companies and the Parent Company are located in areas not subject to environmental risks such as floods, earthquakes and landslides.

Climate changes have occurred in recent years, which have generated torrential rains, sudden cloudbursts and whirlwinds, especially in the summer, do not create foreseeable problems for business continuity.

The companies are all insured against damages; facilities in which the production activities are carried out are safe and compliant with the law. To date, there has never been any significant damage resulting from sudden and intense climate events.

We therefore feel comfortable in stating that in addition to predicting business continuity, we do not believe there are any particular problems that could cause damage to machinery and a reduction in value of inventories, for which precautions are provided (such as storage in warehouses in elevated positions not in direct contact with the ground) to safeguard assets even in particularly problematic cases.

Cybersecurity risks

In recent years, cybersecurity risk has increased, also in connection with the challenging political environment. Ilpra S.p.A. is not immune to this risk; however, it has adopted risk management policies aimed at mitigating it.

To date, there has been no cybersecurity incident, although there can be no assurance that no material impact will arise in the future. Aware that cybersecurity activities and the related threat landscape are constantly evolving, the Company is continuing along a path of ongoing strengthening of its risk controls and reserves the right, where deemed necessary, to make further significant investments to protect data and infrastructure. Since 2025, Ilpra S.p.A. has been classified as an "important entity" under Directive (EU) 2022/2555 (NIS2). Following this classification and the subsequent registration with the National Cybersecurity Agency, the Company has taken steps to assess and improve its cybersecurity posture in order to comply with all the requirements of the relevant legislation.

Thanks to assessments carried out with the support of specialist companies in the sector, the risks arising from the two main factors involved were identified:

- Infrastructure risk, in relation to which policies and rules have been put in place to keep the hardware and software estate constantly updated, thereby reducing the potential for incidents arising from known vulnerabilities.
- Human risk, in relation to which policies have been adopted to increase the level of training and awareness of cyber risks across all staff.

As the company responsible for overseeing IT services, Ilpra S.p.A. is integrating all Group companies into the corporate infrastructure so that the policies and rules adopted for protection against cyber risks can be applied consistently across the Group.

Ilpra S.p.A. has also mitigated cyber risk by taking out an insurance policy adequate to cover, among other things, losses arising from any interruption to business continuity caused by cybercrime.

Transactions with subsidiaries, associates, parent companies, companies under the control of the parent company and transactions with related parties

Related Part	Correlation	Activity
HOLDS S.R.L.	70.58% shareholder of the Issuer	It carries out financial holding activities, is 50% owned by Maurizio Bertocco, Chairman of the Board of Directors and 50% by Cristina Maldifassi, Board Member.
Maurizio BERTOCCO	Shareholder at 0.23% of the Issuer and 50% shareholder of Holds S.r.l.	Chief Executive Officer and Chairman of the issuer, 50% shareholder of Holds S.r.l., Chairman of the Board of Directors of Holds S.r.l. and Chairman of the Board of Directors of Ilpra Group S.r.l.
Cristina MALDIFASSI	50% shareholder of Holds S.r.l.	As a lawyer, he provides professional services to the companies of the Group. The issuer makes an annual flat rate charge for the use of facilities and stationery. 50% shareholder of Holds S.r.l. and member of the Board of Directors of the same.
Stefano BERTOCCO	25.50% shareholder of Ilpra Group S.r.l. and 25.50% shareholder of Ilpra Real Estate S.a.s.	Member of the Board of Directors of Ilpra Group S.r.l. and assignee of the 110% tax credit.
Martina BERTOCCO	25.50% shareholder of Ilpra Group S.r.l. and 25.50% shareholder of Ilpra Real Estate S.a.s.	Transferee of the 110% tax credit.
ILPRA GROUP S.R.L.	A 49% stake held by M. Bertocco (24.5%) and C. Maldifassi (24.5%). The remaining 51% is held by Mr. Bertocco's children, Stefano and Martina Bertocco, both directors. M. Bertocco is also a director.	It carries out real estate and equity investments. Ilpra Group Srl rents two warehouses to Ilpra Spa, namely: at Via Mattei 25 in Mortara and Via Mattei 27/29 in Mortara. It carries out maintenance works on civil and industrial buildings, in which the activity of Ilpra Spa is carried out
ILPRA REAL ESTATE S.A.S.	A 49% stake held by M. Bertocco (24.5%) and C. Maldifassi (24.5%). The remaining 51% is held by Mr. Bertocco's children, Stefano and Martina Bertocco. M. Bertocco is also a general partner and representative of the company.	He carries out real estate activities. Ilpra Real Estate Sas rents two warehouses to Ilpra Spa, namely: at Via R. Sanzio 136 and Via Parona Cassolo 728 in Mortara.
QUANTIX Digital S.R.L.	Associate of IDM Automation S.r.l. (34% stake)	He carries out design and sales of digital printing machinery. Quantix commissions IDM Automation S.r.l. to build the machinery in question and maintain it, as well as a management fee contract for the rental of equipped offices. The chairman of the board of directors of IDM Automation is also a member of the board of directors of the associate Quantix Digital S.r.l.
UNIMEC S.R.L.	100% controlled by Ilpra Group S.r.l.	It carries out trade activities of new and used packaging machinery as well as agency and representation activities. Unimec Srl buys new and used packaging machinery from ILPRA Spa that it collects from its customers and that it does not want to market directly, while Unimec reconditions them and places them on the market.
DE VITA S.R.L.	30% owned by Ilpra Group S.r.l.	He carries out design and construction of electrical and air conditioning systems. He follows all the constructions, maintenance and implementation of the electrical systems in the warehouses where ILPRA Spa carries out its activities.
MOSAIKO S.R.L.	A 50% shareholder of TI WRAP S.r.l.	It carries out financial holding activities, is 100% shareholders of T.L.M. S.r.l. and a 50% of TI WRAP S.r.l
T.L.M. S.R.L.	Wholly-owned subsidiary of Mosaiko S.r.l.	It carries out production and trading activities in flow pack machineries. It produces and sells machineries to TI WRAP S.r.l.

DETAILS OF RELATIONSHIP WITH RELATED ENTITIES

DESCRIPTION	31/12/2025	31/12/2024	Variation
RECEIVABLES OF THE COMPANIES AGAINST:			
UNIMEC SRL	287.679	460.955 -	173.276
QUNTIX DIGITAL SRL	1.363.376	1.511.215 -	147.839
ILPRA REAL ESTATE SAS	-	1.639 -	1.639
DEVITA SRL	218.845		218.845
	1.869.900	1.973.809 -	103.909
PAYABLES OF THE COMPANIES TO:			
MAURIZIO BERTOCCO	78.116	52.504	25.612
STEFANO BERTOCCO	80.941	12.803	68.138
MARTINA BERTOCCO	58.820	88.230 -	29.410
ILPRA REAL ESTATE SAS	-	292 -	292
UNIMEC	6.186	262	5.924
ILPRA GROUP SRL	1.345	3.875 -	2.530
DEVITA SRL	9.662	9.373	289
TLM SRL	64.948	-	64.948
	300.018	167.339	132.679
REVENUES ACCRUED TO:			
DEVITA SRL	155	155	-
MALDIFASSICRISTINA	1.200	1.200	-
ILPRA GROUP SRL	643	-	643
ILPRA REAL ESTATE SAS	16.383	16.211	172
QUNTIX DIGITAL SRL	2.600	1.299.029 -	1.296.429
UNIMEC SRL	437.867	491.430 -	53.563
	458.848	1.808.025 -	1.349.177
COSTS CHARGED BY:			
DEVITA SRL	84.935	56.239	28.696
MALDIFASSICRISTINA	14.498	14.352	146
MAURIZIO BERTOCCO	412.713	393.860	18.853
STEFANO BERTOCCO	161.208	105.298	55.910
ILPRA GROUP SRL	231.499	226.649	4.850
ILPRA REAL ESTATE SAS	159.635	155.926	3.709
TLM SRL	196.542	-	196.542
QUNTIX DIGITAL SRL	14.300	-	14.300
UNIMEC SRL	149.412	179.589 -	30.177
	1.424.742	1.131.913	292.829

Shares

Pursuant to art. 2428 of the Italian Civil Code, it should be noted that, at the end of the period, the Parent Company held 218,400 treasury shares, equal to 1.8142% of share capital. Other companies of the Group did not hold treasury shares at the end of the period.

Information on off-balance sheet agreements

Pursuant to art. 2427 item 22-ter, we would like to point out that there are no agreements not highlighted in the Balance Sheet that have significant risks and benefits and that are necessary to assess Group's balance sheet, financial position and income statement.

Information on assets and loans allocated to a specific business

In relation to the requirements of art. from 2447-bis to 2447-decies of the Italian Civil Code, it should be noted that during the year the Group did not allocate any assets or loans to any activity.

Shares/quotas of the parent company

Pursuant to art. 2435-bis and art. 2428, par. 3, points 3 and 4 of the Italian Civil Code, it should be noted that the Group, during the year under review, did not own shares or quotas of the parent company.

Information on remuneration due to Directors, Board of Statutory Auditors and Independent Auditors

The required information is shown below

Qualification	31.12.2025	31.12.2024	Variations
Directors	2.342.736	2.565.121	(222.385)
Statutory Auditors	32.760	30.680	2.080
Independent Auditors	28.653	30.218	(1.565)
Total	2.404.149	2.626.019	(221.870)

Business outlook

For the Group's reference market – consisting of companies operating in the packaging machinery manufacturing sector, mainly in the food, cosmetics and biomedical segments – UCIMA's economic analysis for the fourth quarter of 2025 highlights a 3.0% increase in 2025 turnover compared with the previous financial year, with growth in foreign markets of 3.6%.

UCIMA's Monthly Economic Survey for February 2026 shows a slight decline of 3.9% in cumulative terms over the first two months of the year, but also records growth in order intake of 1.1% overall, 2.7% in the domestic market and 0.8% in foreign markets, with an increase in the percentage of spare parts sales over machinery turnover, which stood at 21.8%. The total order index, equal to 130.5 (base 100 = year 2015), was higher than in February 2025 (129.1) and also above the level recorded in February 2024 (112.3).

Your company outperformed the market, posting turnover growth of 20.2%, of which 14.0% organic growth. The Group is placing strong focus on foreign markets, as confirmed by the opening of new branches over the last three years, since the Group's growth potential is greater abroad, as are margins. With this in mind, the Board of Directors of Ilpra S.p.A., at its meeting of 5 November 2025, resolved to open the Australian branch during 2026.

At global level, we are experiencing a period of instability that has been ongoing for several years: the war between Russia and Ukraine, the threat of US trade tariffs, the war in the Middle East, and rising energy costs continue to weigh on the global economy. Despite this, forecasts for 2026 for the market in which your company operates remain positive and indicate growth.

Mortara, 30 March 2026

For the Board of Directors
The Chair
Maurizio Bertocco



2. FINANCIAL STATEMENTS AS AT 31 December 2025

2.1 Balance Sheet

	31.12.2025	31.12.2024
ACTIVE:		
B) FIXED ASSETS:		
I - Intangible assets:		
1) Installation and expansion costs	31,759	39,074
2) Research, development and advertising costs	4,739,419	4,070,163
3) Industrial patent rights and intellectual property rights	41,795	60,445
5) Goodwill	543,680	632,842
6) Assets under construction and advances	484,863	212,073
7) Other	1,015,885	919,796
8) Consolidation Goodwill	7,121,513	7,010,702
Total intangible fixed assets	13,978,914	12,945,096
II - Tangible assets:		
1) Land and buildings	13,442,648	13,005,340
2) Plant and machinery	1,543,992	1,532,999
3) Industrial and commercial equipment	407,147	207,958
4) Other assets	1,395,475	1,329,802

5) Assets under construction and advances	1,052,032	24,148
Total tangible assets	17,841,295	16,100,248
III - Financial Fixed Assets with separate indication, for each item of receivables, of the amounts due within one year:		
1) Equity investments in:		
(a) Subsidiaries	964,622	10,000
(b) Associated companies	10,200	10,200
d bis) Other companies	9,593	9,578
2) Receivables:		
d bis) Other companies	75,110	67,277
2) Other securities	137,117	10,000
Total financial assets	1,196,642	107,055
Total fixed assets	33,016,850	29,152,399
(C) CURRENT ASSETS:		
I - Inventories:		
1) Raw materials, ancillary materials and consumables	6,665,805	4,124,098
2) Work-in-progress and semi-finished products	18,126,168	14,528,636
4) Finished products and goods	14,368,884	13,857,162
Total inventories	39,160,858	32,509,896
II - Receivables, with a separate indication, for each item, of the amounts due beyond the following financial year:		
1) To customers		
- within 12 months	23,359,738	19,616,066
- more than 12 months	51,590	72,305
Total receivables from customers	23,411,328	19,688,371
2) From Subsidiaries		
- within 12 months	86,284	173,393
Total receivables from subsidiaries	86,284	173,393
3) From Associated Companies		
- within 12 months	1,364,976	1,512,815
Total receivables from associated companies	1,364,976	1,512,815
5) From Others		
- within 12 months	1,786,791	1,304,010
- more than 12 months	110,857	90,766
Total receivables from others	1,897,648	1,394,776
5 bis) Tax Credits		
- within 12 months	2,488,235	2,655,330
- more than 12 months		
Total tax credits	2,488,235	2,655,330
5 ter) Deferred tax assets		
- within 12 months	619,542	612,854
- more than 12 months	2,014,093	1,663,942
Total deferred tax assets	2,633,635	2,276,796
Total receivables	31,882,105	27,701,481
III - Financial assets that do not constitute fixed assets:		
6) Other securities	708,153	687,644
Total financial assets that do not constitute fixed assets	708,153	687,644
IV - Cash and cash equivalents:		
1) Bank and postal deposits	14,342,423	14,052,324

2) Cash and valuables on hand	34,672	12,097
Total cash and cash equivalents	14,377,095	14,064,421
Total current assets	86,128,210	74,963,441
D) ACCRUED INCOME AND PREPAID EXPENSES, with separate indication		
- Accrued income and prepaid expenses	1,332,264	852,001
Total accrued income and prepaid expenses	1,332,264	852,001
TOTAL ASSETS	120,477,325	104,967,841
LIABILITIES:		
A) SHAREHOLDERS' EQUITY:		
I - Capital	2,407,720	2,407,720
II - Share premium reserve	4,753,914	4,753,914
IV - Legal reserve	481,544	481,544
VI - Other reserves indicated separately		
1) Extraordinary Reserve	10,171,267	8,760,008
5) Consolidation Reserve	2,586,248	2,586,248
7) Translation difference reserve	(117,757)	165,173
VIII - Profits (losses) carried forward	10,996,107	8,487,341
IX - Profit (loss) for the year	6,127,772	5,263,587
X - Negative reserve of treasury shares in portfolio	(922,944)	(802,980)
Total shareholders' equity for the Group	36,483,872	32,102,555
Capital and reserves attributable to minority interests	6,561,680	5,336,465
Profit (loss) for the year attributable to minority interests	1,425,460	1,358,993
Total shareholders' equity attributable to minority interests	7,987,140	6,695,458
Total consolidated shareholders' equity	44,471,012	38,798,013
B) PROVISIONS FOR RISKS AND CHARGES:		
1) For pensions and similar obligations	425,823	315,149
2) For taxes	846,156	755,667
3) Others	70,000	105,800
Total provisions for risks and charges	1,341,979	1,176,616
C) EMPLOYEE SEVERANCE PAY		
3)) Payables due to other lenders		
- within 12 months	564,902	528,152
Total payables due to other lenders	564,902	528,152
4) Payables to banks		
- within 12 months	19,800,499	18,069,011
- more than 12 months	17,188,942	15,712,252
Total payables to banks	36,989,442	33,781,263
6) Down payments		
- within 12 months	9,357,317	8,216,220
Total down payments	9,357,317	8,216,220
7) Payables to suppliers		
- within 12 months	13,067,581	10,248,288
Total payable to suppliers	13,067,581	10,248,288
9) Payables to subsidiaries		
- within 12 months	32,953	74,283
Total payables to subsidiaries	32,953	74,283
12) Tax payables		
- within 12 months	1,882,284	1,947,556

- more than 12 months	216,890	360,534
Total tax payables	2,099,173	2,308,090
13) Payables to social security institutions		
- within 12 months	907,576	737,255
- more than 12 months	10,155	20,309
Total payables due to social security institutions	917,731	757,564
14) Other payables		
- within 12 months	2,948,090	2,571,658
- more than 12 months	61,500	73,500
Total other payables	3,009,590	2,645,158
Total Payables	66,038,689	58,559,018
E) ACCRUALS AND DEFERRALS		
- Accrued expenses and deferred income	3,921,286	2,357,799
Total accrued expenses and deferred income	3,921,286	2,357,799
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	120,477,325	104,967,841

2.2 Income Statement

	31.12.2025	31.12.2024
A. VALUE OF PRODUCTION		
1) Revenue from sales and services	84,000,005	69,888,180
2) Changes in inventories of work-in-progress, semi-finished and finished products	4,121,636	3,408,157
4) Increases in fixed assets for works	2,626,875	2,406,563
5) Other revenues and income	1,223,314	1,545,813
TOTAL A – VALUE OF PRODUCTION	91,971,830	77,248,713
B. PRODUCTION COSTS		
6) For raw materials, ancillary materials, consumables and goods	36,047,961	30,077,780
7) For services	15,071,656	12,741,849
8) For the enjoyment of third-party property	1,392,069	1,170,662
9) For staff		
(a) Wages and salaries	15,651,266	12,898,863
(b) social security contributions	4,207,859	3,490,641
(c) severance pay	955,291	829,547
(d) retirement and similar benefits	804	1,424
(e) Other costs	419,649	320,515
Total personnel costs	21,234,868	17,540,990
10) Depreciation/amortisation and write-downs		
a) Amortisation of intangible fixed assets	3,217,172	2,743,076
b) Depreciation of tangible fixed assets	1,945,756	1,957,748
d) Impairment of receivables included in current assets and cash and cash equivalents	94,826	92,673
Total depreciation, amortization and impairment losses	5,257,754	4,793,497
11) Changes in inventories of raw materials, ancillary materials, consumables and merchandise	1,066,514	8,564
13) Other provisions	70,000	60,000
14) Miscellaneous operating costs	937,286	1,051,550
TOTAL B – PRODUCTION COSTS	81,078,108	67,444,892
Difference Between Value and Cost of Production (A-B)	10,893,722	9,803,821
C. FINANCIAL INCOME AND EXPENSES		

15) Income from equity investments, with separate indication of income from subsidiaries and associates	1,179	790
16) Other financial income		
d) income other than the above, with separate indication of income from subsidiaries and associates and income from parent companies	148,763	135,786
Total other financial income	148,763	136,576
17) Interest and other financial charges, with separate indication of interest payable to subsidiaries and associates and to parent companies	1,202,714	1,588,571
(17a) Foreign exchange gains and losses	112,210	(12,625)
Total (15+16-17)	(1,164,983)	(1,439,370)
D. VALUE ADJUSTMENTS TO FINANCIAL ASSETS		
18) Revaluations		
(c) of securities under current assets that do not constitute equity investments	65,206	55,748
19) Write-downs		
(c) of securities under current assets that do not constitute equity investments	0	0
Total Adjustments (18-19)	65,206	55,748
Profit before tax (A-B+C+-D+-E)	9,793,945	8,420,199
22) Income taxes for the year: current, deferred and prepaid		
(a) Current taxes	2,271,349	1,984,096
(b) taxes relating to previous years	149,330	427
c) deferred and prepaid tax assets	(179,966)	(186,904)
Total income tax for the year: current, deferred and prepaid	2,240,713	1,797,619
26) Profit (loss) for the year	7,553,232	6,622,580
Group profit for the year	6,127,772	5,263,587
Minority interests in profit for the year	1,425,460	1,358,993

2.3 Cash Flow Statement

Cash flow statement, indirect method	31.12.2025	31.12.2024	Variation
(Data in Euro/000)			
A) Cash flows from operating activities (indirect method)			
Profit (loss) for the year	7.553.232	6.622.580	930.652
Income taxes	2.240.713	1.797.619	443.094
Interest expense/(income)	1.164.983	1.439.370	- 274.387
1) Profit (loss) for the year before income taxes, interest, dividends and capital gains/losses on disposals	10.958.928	9.859.569	1.099.359
Adjustments for non-monetary items that have not been offset in net working capital			-
Provisions for funds	1.026.095	890.971	135.124
Depreciation of fixed assets	5.162.928	4.700.824	462.104
Impairment losses for impairment	- 65.205	- 55.748	- 9.457
Other adjustments for non-monetary items	94.826	92.673	2.153
Total adjustments for non-monetary items that were not offset in net working capital	6.218.644	5.628.720	589.924
2) Cash flow before changes in net working capital	17.177.572	15.488.289	1.689.283
Changes in net working capital			
Decrease/(increase) in inventories	- 6.650.962	- 6.918.435	267.473
Decrease/(increase) in fixed assets held for sale	-	8.938	- 8.938
Decrease/(increase) in receivables from customers	- 3.722.957	- 2.570.488	- 1.152.469
Increase/(decrease) in payables to suppliers	3.919.060	4.033.710	- 114.650
Decrease/(increase) in accrued income and deferred income	- 480.263	75.912	- 556.175
Increase/(decrease) in accrued income and deferred income	1.563.487	1.372.778	2.936.265
Other decreases/(Other increases) in net working capital	496.263	1.902.187	- 1.405.924
Total changes in net working capital	- 4.875.557	- 4.840.954	- 34.418
3) Cash flow after changes in net working capital	12.302.015	10.647.335	1.654.865
Other adjustments			
Interest received/(paid)	- 1.164.983	- 1.439.370	274.387
(Income taxes paid)	- 2.449.630	- 916.040	- 1.533.590
(Use of funds)	- 262.388	- 572.015	309.627
Total other corrections	- 3.877.001	- 2.927.425	- 949.576
Cash flow from operating activities (A)*	8.425.014	7.719.910	705.289
B) Cash flows from investment activities			
Tangible fixed assets - (Investments)/ Divestments	- 3.686.803	- 3.523.421	- 163.382
Intangible assets - (Investments)/ Divestments	- 4.250.990	- 5.010.277	759.287
Financial fixed assets - (Investments)/ Divestments	- 1.089.587	544.238	- 1.633.825
Non-fixed financial assets - (Investments)/ Divestments	- 412.905	- 1.135.483	722.578
Cash flow of investment activity (B)	- 9.440.285	- 9.124.943	- 315.342
C) Cash flows from financing activities			
Third-party means			
Increase/(decrease) in short-term payables to banks	1.731.488	4.774.310	- 3.042.822
Financing	23.604.890	14.086.392	9.518.498
(Repayment of loans)	- 22.960.175	- 16.452.412	- 6.507.763
Equity	-	-	-
(Repayment of capital)	-	-	-
Paid capital increase	-	-	-
Sale (purchase) of treasury shares	- 119.964	- 137.172	17.208
Dividends (and interim dividends) paid	- 1.639.929	- 1.957.947	318.018
Cash flow of financing activities (C)	616.310	313.171	303.139
Increase (decrease) in cash and cash equivalents (A ± B ± C)	- 398.961	- 1.091.862	692.901
Cash and cash equivalents at the beginning of the period	14.064.421	14.678.087	- 613.666
Consolidation Variation	711.635	478.196	233.439
Cash and cash equivalents at the end of the period	14.377.095	14.064.421	312.674



3. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 December 2025

Dear Shareholders,

We present the consolidated financial statements as at 31 December 2025, consisting of the balance sheet, the income statement, these notes to the financial statements and the cash flow statement, prepared in accordance with the Italian Civil Code, supplemented by the accounting standards developed by the Italian Accounting Body (O.I.C.) recently revised in application of Legislative Decree 139/2015 with the application of IFRS 16 relating to the "financial method" for leasing.

The purpose of the notes to the financial statements is to illustrate, analyse and supplement the data of the consolidated financial statements and contains the information required by art. 2427 of the Italian Civil Code, other provisions of Legislative Decree no. 127 of 9 April 1991, or other previous laws.

The Directors confirm that, in view of the Group's economic outlook, capital position and financial position, there are no uncertainties about the Group's going concern and that, consequently, in preparing the financial statements as at 31 December 2025, they adopt accounting principles typical of a going concern.

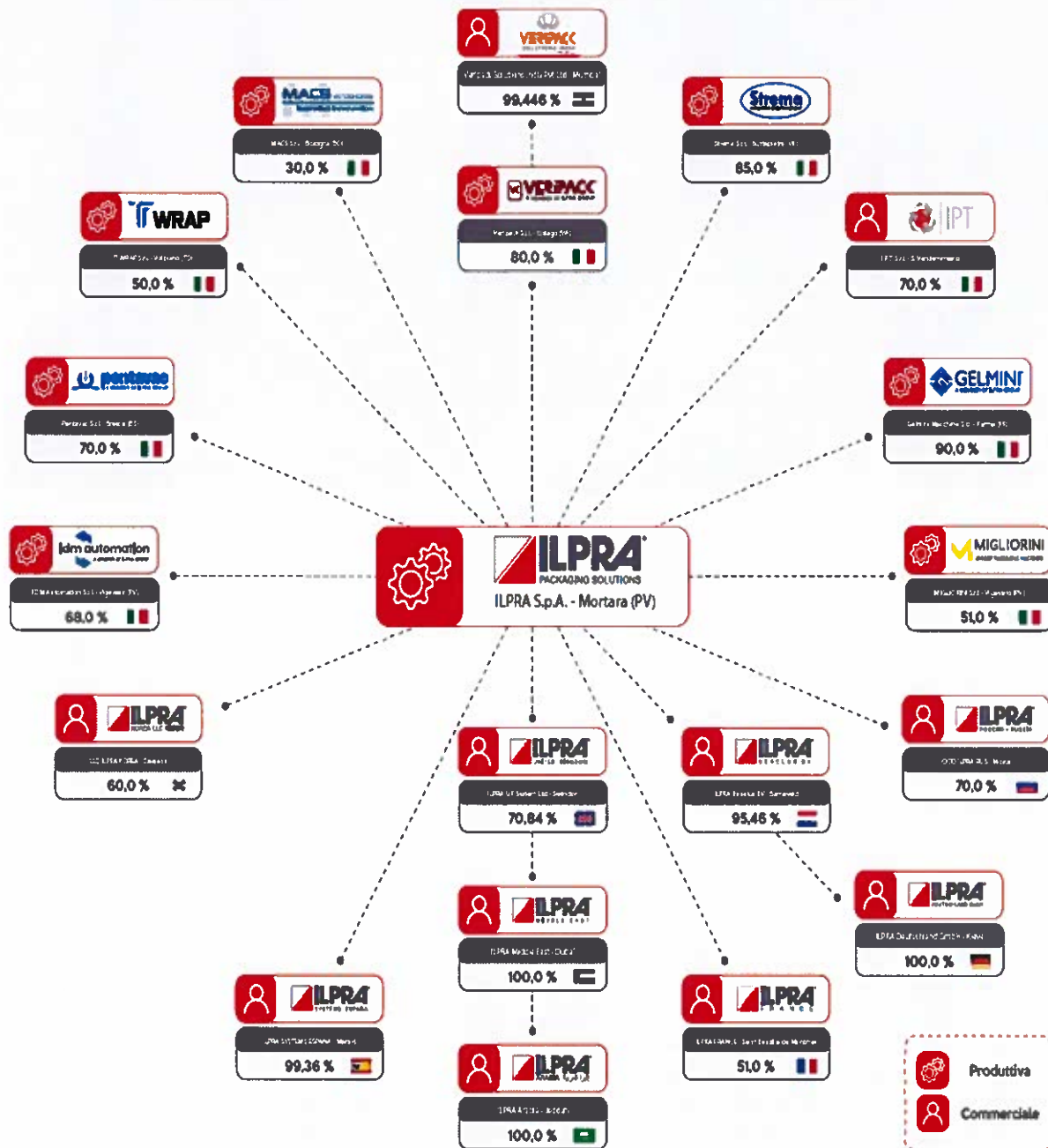
In addition, all the additional information deemed necessary to give a true and fair representation of the Group's financial position is provided, even if not required by specific legal provisions.

During the year, there were no exceptional cases that made it necessary to resort to the derogations referred to in art. 2423, fourth paragraph, of the Italian Civil Code.

The reconciliation between the amounts of shareholders' equity and net profit for the year ended 31 December 2025, which can be deduced from the parent company's financial statements for the same period, and those resulting from the consolidated financial statements as at the same date, is presented in the appropriate section of these notes.

These consolidated financial statements are prepared in accordance with Legislative Decree no. 127/1991, as the Group has exceeded the parameters imposed by the aforementioned Legislative Decree for two consecutive years and therefore, from this year, it is mandatory to prepare the consolidated financial statements; this obligation also provides for the application of the "financial" method for the accounting presentation of leases, as strongly recommended by OIC 17.

The identification of the structure of the Ilpra Group as at 31 December 2025, the reference date of these financial statements, is presented below:



The consolidation scope changed compared with 31 December 2024, following the opening by ILPRA S.p.A. of the branch ILPRA France Sas, the incorporation of TI WRAP S.r.l., and the acquisition of 90% of Gelmini S.r.l. (The 95.46% investment in ILPRA Benelux BV and its wholly owned subsidiary ILPRA Deutschland GmbH were not consolidated for the reasons set out in the following paragraph, “Scope of consolidation”.) For further information, reference should be made to the paragraph “Significant events after the end of the financial year”.

3.1 Drafting criteria

Financial statements

Financial statements are prepared on the basis of mandatory formats provided for by articles 2424 and 2425 of the Italian Civil Code, supplemented by accounting standards developed by the Italian Accounting Body (O.I.C.) recently amended in application of Legislative Decree 139/2015. The "financial method" is used for the presentation of leasing contracts.

Reference date of the consolidated financial statements

The reference date of these consolidated financial statements is 31 December 2025; it coincides with the year-end date of all the companies included in the consolidation area.

Principles of consolidation

Following main consolidation criteria have been adopted.

Assets and liabilities of subsidiaries are assumed according to the "line-by-line method", eliminating the carrying value of the investments held by the parent company against the related shareholders' equity.

When the carrying value of the investments in the parent company's financial statements is higher than the corresponding shareholders' equity at the date of acquisition, the difference is increased, where possible, to increase the assets of companies included in the consolidation and for the remaining portion is recorded under "goodwill" included in intangible assets; when this surplus does not correspond to a higher value of the investee, it is recorded as a deduction from the "Consolidation reserve". Receivables and payables, revenues and expenses between consolidated companies have been eliminated. Significant gains realised between consolidated companies and gains included in fixed assets from consolidated companies have been eliminated. Dividends distributed by consolidated companies have been reversed from the consolidated income statement.

When the carrying value of investments in the parent company's financial statements is lower than the corresponding shareholders' equity at the acquisition date, the negative difference from write-off is allocated, where possible, to reduce the assets recognised for values greater than their recoverable value and to liabilities recognised at a value lower than their settlement value, net of deferred tax assets to be recognised against allocated losses. Any negative difference, if not attributable to the expectation of unfavourable economic results but to the conclusion of a favourable transaction, is recognised in a specific reserve within consolidated equity called the "consolidation reserve".

The negative write-off difference that remains after the allocations referred to in the previous paragraph, if it relates, in whole or in part, to the forecast of unfavourable economic results, is accounted for in a special "Provision for consolidation for future risks and charges" recorded in the liability item "B) Provisions for risks and charges".

The provision is used in subsequent years in such a way as to reflect assumptions made at the time of its appraisal at the time of purchase.

Use of the provision is made regardless of actual materialisation of the expected unfavourable economic results. Use of the provision is recognised in the income statement item "A5 Other income and income".

Scope of consolidation

Investments in de jure or de facto subsidiaries are consolidated using the line-by-line method, as provided for by art. 26 of Legislative Decree 127/1991.

The decision was taken not to consolidate the subsidiary of Veripack S.r.l., Veripack Solution India Private Ltd, due to irrelevance of the data, making use of the exclusion provided for by art. 28 of Legislative Decree 127/1991.

On 20 November 2025, 95.46% of the share capital of ILPRA Benelux BV and, consequently, of its subsidiary ILPRA Deutschland GmbH, was acquired.

The management decided not to proceed with the consolidation of ILPRA Benelux BV and its subsidiary ILPRA Deutschland GmbH as at 31 December 2025, in agreement with the auditors, on the grounds of immateriality of the relevant figures, as provided for by Article 28 of Legislative Decree No. 127/1991.

Set out below is the list of subsidiaries included in the consolidation as at 31 December 2025.

Subsidiaries included in the consolidation:

(Euro/000)

Company	Head Quarter	Consolidati on start date	Share Capital	Equity	Profit/Loss Period	Direct Share	Indirect Share	Totale share of the group	Book value
Ilpra System UK Ltd	Swindon	2018	67	6.561	1.121	70,84%	0,00%	70,84%	3.657
Ilpra Middle East Dwc-Ilc*	Dubai	2018	71	1.940	667	0,00%	100,00%	70,84%	68
Strema S.r.l.	Buttapietra (VR)	2018	99	3.595	(94)	85,00%	0,00%	85,00%	2.764
Veripack S.r.l.	Gorla Maggiore (VA)	2019	10	2.661	807	80,00%	0,00%	80,00%	231
I.P.T. S.r.l.	S. Vendemiano (TV)	2019	30	1.350	261	70,00%	0,00%	70,00%	351
OOO Ilpra Rus	Mosca	2019	0,2	1.548	376	70,00%	0,00%	70,00%	0,138
MACS S.r.l.**	Bologna	2022	100	1.440	162	30,00%	0,00%	30,00%	905
IDM Automation S.r.l	Vigevano (PV)	2023	30	1.526	15	68,00%	0,00%	68,00%	1.643
Pentavac S.r.l.	Comezano-Cizzago (BS)	2023	100	4.376	1.637	70,00%	0,00%	70,00%	6.073
Ilpra Arabia***	Jeddah	2023	23	24	-	0,00%	100,00%	70,84%	37
Ilpra Korea LLC	Daejeon	2024	115	22	9	60,00%	0,00%	60,00%	72
Ilpra System Espana SL	Matarò	2024	2.158	1.285	14	99,36%	0,00%	99,36%	2.617
Migiorini S.r.l.	Vigevano (PV)	2024	104	953	7	51,00%	0,00%	51,00%	626
Ilpra France S.a.S.	Saint Bauzille de Montmel	2025	50	(51)	(101)	51,00%	0,00%	51,00%	25
TI WRAP S.r.l.	Volpiano (TO)	2025	100	97	(3)	50,00%		50,00%	50
Gelmini S.r.l.	Parma	2025	50	3.174	337	90,00%		90,00%	2.756

*Directly controlled by Ilpra System UK Ltd

**30% subsidiary, 51% voting rights

***Indirectly controlled by Ilpra Middle East Dwc-Ilc

OIC 34

The new accounting standard OIC 34 provides that, in applying Art. 2427, paragraph 1 of the Italian Civil Code, the company discloses the following information in the notes if relevant:

(a) the methodology used pursuant to paragraph 15 for determining the total contract price in the presence of variable consideration. In the case of discounting the total price, the relevant disclosures in OIC 15 "Receivables" apply;

(b) the method used pursuant to paragraph 21 for allocating the total contract price to the individual basic accounting units;

(c) the methodology used pursuant to paragraph 32 to determine the state of progress in the case of services.

It should be noted that this principle has had no impact on the way in which revenues are recognised.

Financial statements in foreign currencies

Financial statements in foreign currencies are converted at Euro exchange rates in accordance with OIC 17. Exchange rates shown in the following table were used to determine equivalent value in Euro of balances expressed in foreign currency of the UK subsidiary Ilpra System UK Ltd, the subsidiary Ilpra Middle East Llc in the United Arab Emirates, the subsidiary in Russia OOO Ilpra Rus, the subsidiary in Saudi Arabia Ilpra Arabia and the subsidiary in South Korea Ilpra Korea LLC.

Currency	Balance sheet 31/12/2025	Average Economic Balances 2025
Euro/Riyal	4,4063	4,2375
Euro/Won Sud	1.696,94	1.605,45
Euro/Dirham	4,3152	4,1499
Euro/Sterlina	0,8726	0,85679
Euro/Rublo*	92,807	94,394

Source: <https://www.bancaditalia.it/compiti/operazioni-cambi/archivio-cambi/index.html>

Since 01/03/2022, the Bank of Italy has no longer traded the Russian currency; instead, it is exchanged and valued through other operators. In order to provide a true and fair value, we have applied the exchange rate proposed by the following source: <https://www.exchange-rates.org/it/storico-tassi-cambio/eur-rub-2025>

Financial statements subject to consolidation

The financial statements of the subsidiaries used are the projects approved by the respective boards of directors. These financial statements shall, if necessary, be amended to remove tax items, as specified in more detail in point 2 below.

Share of third parties

The amount of capital and reserves of companies included in the consolidation, for the portion not attributable to the Group, is recorded in a specific item of shareholders' equity, called "minority interests".

3.2 Consolidation technique

For fully consolidated companies, both assets and liabilities as well as costs and revenues are fully recovered. Once individual balances have been aggregated, the following operations are carried out:

- elimination of significant items of intra-group receivables and payables;
- elimination of significant incomes and expenses relating to transactions carried out between Group companies;
- elimination of significant gains and losses arising from transactions carried out between Group companies and their assets included in equity at the reference date of the financial statements;
- elimination of memorandum accounts relating to guarantees and sureties between companies included in the consolidation area; elimination of positions made solely in application of tax regulations;
- elimination of carrying amounts of equity investments in companies included in the consolidation area against shareholders' equity attributable to investee companies, allocating to minority shareholders, in specific items, the share of the shareholders' equity and net profit for the year to which they are entitled; if the conditions are met, the difference between the purchase cost and the corresponding fraction of shareholders' equity of the subsidiaries existing at the date of acquisition of the investment is allocated to assets and/or liabilities of companies included in the consolidation area; any positive residual amount, where it represents an actual higher value of the investee that can be recovered through the future income generated by it, is recognised in an asset item called "Consolidation difference" and amortised in relation to the expected period of usefulness of goodwill thus recorded; any negative residual, if it is not due to forecast losses, it is recognised in an item of shareholders' equity called "Consolidation reserve". In particular, details and effects of the purchase or contribution transactions that led to the establishment of the Group and the creation of the Consolidation Difference and the Consolidation Reserve are reported below.

Company	Date of purchase	How to buy	% Purchased	Historical cost	rival DL 140/2020	Acquisition value	share of NW	Consolidation reserve	Consolidation difference
Ilpra UK Ltd	05.02.18	split	70,84%	1.714.384	1.942.727	3.657.111	1.558.466	917.805	
Strema Srl	05.02.18	split	85,00%	8.780	2.755.485	2.764.265	1.571.211	1.562.431	
Ilpra UAE Llc	05.02.18	split	70,84%	68.209		68.209	77.566	42.313	
Veripack Srl	24.04.19	purchase	80,00%	25.970	204.958	230.928	56.834	30.864	
I.P.T. Srl	26.06.19	purchase	70,00%	351.458		351.458	114.664		236.794
OOO Ilpra Rus	30.08.19	purchase	70,00%	138		138	47.103	32.834	
MACS Srl	13.04.22	purchase	30,00%	905.009		905.009	37.298		867.711
IDM Automation Srl	18.05.23	purchase	68,00%	1.642.806		1.642.806	789.558		853.248
Pentavac Srl	08.06.23	purchase	70,00%	6.073.014		6.073.014	1.170.282		4.902.733
Ilpra Arabia	13.12.23	constitution	70,84%	37.382		37.382	12.467		6.845
Ilpra Korea Llc	08.01.24	constitution	60,00%	72.276		72.276	72.276		
Ilpra Espana SL	19.09.24	purchase	99,36%	2.617.205		2.617.205	1.338.973		1.278.292
Migliorini Srl	03.10.24	purchase	51,00%	626.208		626.208	436.352		189.856
Ilpra France SaS	27.01.25	constitution	51,00%	25.500		25.500	25.500		
T1 WRAP Srl	23.04.25	constitution	50,00%	50.000		50.000	50.000		
Gelmini Srl	17.07.25	purchase	90,00%	2.755.607		2.755.607	1.761.544		994.063
Total				16.973.947			9.120.094	2.586.247	9.329.542

For changes relating to the Group during the year under review, please refer to page 9 of the chapter on significant events that occurred during 2025.

3.3 Measurement criteria

The criteria applied in the valuation of items in the consolidated financial statements and in the value adjustments comply with Article 2426 of the Italian Civil Code, as amended by the aforementioned Legislative Decree no. 127/91, and are uniform for all companies included in the consolidation area.

The valuation of items is carried out prudently and in the assumption of the business continuity of companies belonging to the Group, in compliance with the general clause of "true and fair representation" of balance sheet, financial position and profit or loss of operations of all the companies constituting the Group headed by your company.

In addition, in the preparation of these financial statements, only profits realised at the end of the year have been indicated, taking into account incomes and expenses attributable to them, as well as risks and losses relating to the year, even if they became known after the end of the year.

Intangible assets

They are recorded at the historical cost of acquisition, including any ancillary charges, and shown net of depreciation and amortisation during the years and charged directly to individual items.

Depreciation is calculated on a straight-line basis, determined according to the estimated period of future use. The rates applied are as follows:

Trademarks and patents	20%
Grants and licences	20%
Research and development costs	20%
Plant and expansion costs	20%
Consolidation difference	10%
Other	20%
- improvements to third-party assets	Remaining contract term

Tangible assets

They are valued at purchase cost, including ancillary costs, and are shown net of accumulated depreciation/amortisation and write-downs.

Fixed assets that are permanently lower than their net book value are recognised at this lower value.

Depreciation schedules take into account the remaining possibility of economic use of individual assets. The depreciation period starts from the year in which the asset is used.

The rates applied in the calculation of depreciation for individual assets, in accordance with the ordinary tax rates allowed, are as follows:

Buildings and buildings	3%
Industrial and commercial equipment	15,5%
Other assets	20%
- furniture and furnishings	12%
- Cars	25%
- trucks	20%
- electronic machines	20%
Land and buildings right of use	Remaining term of the
Plant and machinery right of use	corresponding
Vehicles right of use	leasing contract

Receivables and payables

Receivables and payables have been recognised in the financial statements on an amortised cost basis, taking into account the time factor and, with regard to receivables, the estimated realisable value, in accordance with the provisions of art. 2426, paragraph 8, of the Italian Civil Code.

The adjustment to the presumed realisable value was made through the allocation of a provision for doubtful debts, obtained by taking into account general economic and sector conditions and also country risk. For receivables and payables for which application of the amortised cost and/or discounting method has been verified to be irrelevant for the purposes of the need to give a true and fair representation of company's financial position and economic situation, the recognition was maintained, respectively, according to the presumed realisable value, or the nominal value. They are classified as fixed assets or current assets on the basis of their intended use and origin with respect to ordinary activities. The breakdown of the amounts payable within and beyond the financial year is made with reference to the contractual or legal maturity, also taking into account facts and events that may lead to a change in the original maturity, the debtor's realistic ability to fulfil the obligation within the contractual terms and the time horizon in which, reasonably, it is believed that credit can be claimed.

Financial assets that do not constitute fixed assets

These investments do not constitute a durable investment, and are valued at acquisition cost (purchase price or sums paid for their subscription, net of coupon maturing), or at presumed realisable value, whichever is lower.

Cash and cash equivalents

Cash and cash equivalents in Euro are recorded at nominal value, while cash and cash equivalents in other currencies are recorded in the financial statements at the exchange rate prevailing at the end of the year.

Accruals and deferrals

Accrued incomes and expenses are recorded on an accrual basis and refer to revenues and expenses for the year and which are paid or documented in the following year. Deferred costs and deferred incomes relate to costs and revenues incurred during the year but pertaining to future years.

Provisions for risks and charges

They consist of provisions intended to cover charges of a specific nature, of certain or probable existence, of which either the amount or the date of occurrence are undetermined at the end of the financial year. Appropriations reflect the estimate made on the basis of all available evidence.

Employee severance pay

It represents the liability provided for in Article 2120 of the Italian Civil Code, subject to revaluation by means of indices, accrued to all employees in accordance with current legislation and collective bargaining agreements.

The amount is recorded gross of advance payment on future withholding taxes, paid pursuant to Law 662/96 and related revaluation, classified under financial fixed assets.

Positive and negative components of income

Incomes and expenses are recorded in the income statement according to the principles of accrual accounting and prudence and net of returns, discounts, rebates and premiums.

Fees for the provision of temporary work are charged to revenue on a monthly basis, in compliance with the accrual principle and in correlation with costs incurred for temporary work.

Taxes

Income taxes were determined on the basis of a forecast of the tax burden for the year with reference to the regulations in force. Deferred tax assets and liabilities relating to consolidation transactions and all significant temporary differences between consolidated assets and liabilities and corresponding tax-relevant amounts resulting from financial statements of consolidated companies are accounted for. In particular, deferred tax assets are recognised only if there is reasonable certainty of their future recovery. Deferred tax liabilities, on the other hand, are not recognised if there is little chance that the relevant debt will arise.

Deferred tax assets and liabilities are offset if they relate to the same company. The balance of the offset is recorded under Other receivables from current assets, if assets, and in Provision for taxes, if liabilities.

3.4 Detailed information on the Balance Sheet

Intangible assets

The breakdown of intangible assets is as follows

	Balance 31.12.2024	Increments	Decrements	Other movements	Depreciation	Balance 31.12.2025
Installation & expansion costs	39.074	4.435			(11.750)	31.759
Development costs	4.070.163	2.584.038			(1.914.782)	4.739.419
Trademark licensing	60.445	10.230	(1.277)		(27.603)	41.795
Goodwill	632.843				(89.163)	543.680
Assets under construction	212.073	289.609		(16.819)		484.863
Other	919.796	372.204		16.819	(292.934)	1.015.885
Consolidation Goodwill	7.010.702	994.062			(883.251)	7.121.513
Total	12.945.096	4.254.578	(1.277)	-	(3.219.483)	13.978.914

The item “Start-up and expansion costs” increased by Euro 4,435, attributable to the new company TI WRAP S.r.l.; the other changes relate to the amortisation charge for the period under review.

The item “Development costs” increased by Euro 2,584,038, of which Euro 800,000 is attributable to MACS S.r.l., Euro 345,914 to IDM Automation S.r.l., Euro 43,300 to Strema S.r.l., Euro 124,395 to Migliorini S.r.l., and Euro 1,270,428 to the parent company Ilpra S.p.A.

The item “Concessions, licences and trade marks” increased by Euro 10,230 and decreased by Euro 1,277, attributable to MACS S.r.l. The increases are attributable for Euro 9,600 to MACS S.r.l. and for Euro 630 to Pentavac S.r.l.

The item “Goodwill” did not change, except for the amortisation charge for the period.

The item “Intangible assets under development” increased by Euro 289,609, of which Euro 248,007 is attributable to Veripack S.r.l., Euro 40,102 to Migliorini S.r.l., and Euro 1,500 to Pentavac S.r.l.

The decrease of Euro 16,819, attributable to Strema S.r.l. and relates to a reallocation to the account "Other intangible assets":

The item "Other intangible assets" consists of costs with long-term utility, mainly relating to software, reorganisation expenses and improvements to third-party assets; the increase is mainly attributable to Ilpra S.p.A. The incremental amount of Euro 372,203 is divided as follows: Euro 128,338 relating to the parent company Ilpra S.p.A., Euro 570 to MACS S.r.l., and Euro 65,572 to Pentavac S.r.l.; The increase arising from the new acquisitions amounts to Euro 176,123 and is attributable to Gelmini S.r.l.

The item "Consolidation difference" increased by Euro 944,062.99. The allocation of the consolidation difference to both asset and liability items was analysed, but it was deemed more appropriate to identify the differential under goodwill.

- Euro 994,062 relating to the acquisition of 90% of Gelmini S.r.l.;

The amount shown is net of depreciation charges applied in previous years.

The remaining amount is broken down as follows:

- Euro 236,794 relating to the acquisition of 70% of I.P.T. S.r.l.;
- Euro 867,711 relating to the acquisition of 30% of MACS S.r.l.;
- Euro 4,902,733 relating to the acquisition of 70% of Pentavac S.r.l.;
- Euro 853,248, relating to the acquisition of 68% of IDM Automation S.r.l.;
- Euro 6,845 related to 70.84% of the opening costs of Ilpra Arabia, by Ilpra Middle East;
- Euro 1,278,292 related to the 99.36% capital increase of Ilpra System Espana SL;
- Euro 189,856 relating to the acquisition of 51% of Pentavac S.r.l.;

Depreciation is calculated over a period of 10 years, and for new acquisitions it has been calculated pro-rata from the date of purchase.

This amount could not be allocated, as required by OIC 17, to assets and liabilities relating to subsidiaries, and was therefore recognised on a residual basis.

Tangible assets

Movements that occurred during the year are detailed below; it should be noted that the value of fixed assets as at 31.12.2024 is gross of accumulated depreciation:

	Balance 31.12.2024	Increments	Decrements	Other movements	Diff. Traslation	Deprec. Fund	Balance 31.12.2025
Land & buildings	17.342.200	1.378.623	(162.622)	21.000	(120.180)	(5.016.373)	13.442.648
Plant & machinery	5.456.933	653.763	(375.476)	36.658	(13.559)	(4.214.327)	1.543.992
Ind. An& commercial equipment	784.248	380.801	(104.281)			(653.621)	407.147
Other assets	4.730.048	812.318	(227.466)		(35.386)	(3.884.039)	1.395.475
Fixed assets in progress	24.148	1.085.542		(57.658)			1.052.032
Total	28.337.577	4.311.047	(869.845)	-	(169.125)	(13.768.360)	17.841.294

The item "Land and buildings" increased during the period under review by Euro 1,378,623; the portion attributable to the newly acquired company Gelmini S.r.l. amounts to Euro 1,276,092. The decrease of Euro 162,622 relates to the impact of the financial method, attributable to Ilpra S.p.A. for Euro 152,134 and to Pentavac S.r.l. for Euro 10,488.

The item "Plant and machinery" increased by Euro 653,763. Of this amount, Euro 313,296 is attributable to Gelmini S.r.l.

The decrease of Euro 375,476 is attributable to Ilpra S.p.A. for Euro 303,610, to MACS S.r.l. for Euro 49,451, and to Pentavac S.r.l. for Euro 22,415, and relates to the normal replacement of machinery, as well as to the impact of the financial method.

The item "Industrial and commercial equipment" increased by Euro 380,801, of which Euro 87,462 is attributable to Gelmini S.r.l.

The decrease of Euro 104,281 results from the normal replacement of older machinery and is attributable to the parent company Ilpra S.p.A. for Euro 102,082.

Other assets increased by Euro 812,318

The increases relating to Gelmini S.r.l. amount to Euro 301,982.

The reductions are attributable to normal turnover of assets disposed of due to wear and tear.

The item "Assets under construction" increased by Euro 1,085,543, of which Euro 1,020,147 is attributable to Ilpra S.p.A. and relates to work in progress for the construction of a new electrical substation and the extension of the commercial offices located in Via Mattei 21/23, Mortara.

Other movements relate to the reclassification under plant and machinery of Pentavac S.r.l. for Euro 57,658.

Financial fixed assets

The item moved as follows:

	Balance 31.12.2025	Balance 31.12.2024	Variation
Investments in subsidiaries	964.622	10.000	954.622
Investments in associated companies	10.200	10.200	0
Investments in other companies	9.593	9.578	15
Credits vs other companies	75.110	67.277	7.833
Credits vs other securities	10.000	10.000	0
Credits vs others	127.117	0	127.117
Total	1.196.642	107.055	1.089.587

The item "Investments in subsidiaries" refers to Veripack S.r.l.'s 99.446% interest in the Indian subsidiary Veripack Solutions India Pvt Ltd, as well as to the 95.46% interest acquired by Ilpra S.p.A. in Ilpra Benelux BV. For further details on the consolidation process, reference should be made to the first part of the financial report, paragraph "Scope of consolidation".

The item "Investments in other associated companies" refers exclusively to the 34% shareholding held by IDM Automation S.r.l. in Quantix Digital S.r.l., in the amount of Euro 10,200.

The item "Investments in other companies" breaks down as follows:

- shares of Banca BCC Carate e Brianza, held by Ilpra S.p.A., for Euro 9,000;
- shares of Banca di Verona and Vicenza Credito Cooperativo held by Strema S.r.l. for Euro 568;
- shares in Banca Crédit Agricole held by Ilpra France S.a.s. for Euro 15;
- Conai fee for Euro 10, divided as follows: Euro 5 for I.P.T. S.r.l. and Euro 5 for Veripack S.r.l.

The item "Receivables from other companies" relates to the receivable of I.P.T. S.r.l. due from the insurance company Allianz RAS for the payment of premiums paid in order to ensure the end-of-term indemnity to the Sole Director.

Units of mutual funds and holdings are valued on the balance sheet at their historical purchase cost.

There are no capitalised financial charges.

Item "Receivables due from associated companies" refers to the non-interest-bearing loan of IDM Automation S.r.l. in favour of the associated company Quantix Digital S.r.l.

The item "Receivables from others – securities" refers to a staff severance indemnity insurance policy (TFR) relating to the newly acquired company Gelmini S.r.l.

The value of investments has been valued in the financial statements at historical purchase cost.

There are no capitalised financial charges.

Current assets

Inventories

	Balance 31.12.2025	Balance 31.12.2024	Variation
Raw Mat., Sussid and Consumable	6.665.805	4.124.098	2.541.707
Work in progress of work & semi-finished products	18.126.168	14.528.636	3.597.532
Finished Products & Goods	14.368.885	13.857.162	511.723
Total	39.160.858	32.509.896	6.650.962

The value of inventories at year end increased by Euro 6,650,962. This increase reflects, to a significant extent, the first-time consolidation of the subsidiary Gelmini S.r.l., whose inventories amounted to Euro 4,574,592. Raw materials inventories increased by Euro 2,541,707, of which Euro 2,692,155 is attributable to the new acquisition; work in progress increased by Euro 3,597,532, of which Euro 1,425,307 is attributable to the new acquisition; while finished goods recorded an increase of Euro 511,723, of which Euro 457,130 is attributable to the new acquisition.

The item work in progress shows an increase compared with the previous year; the main reason is that the Group is successfully positioning itself in the "Large Plants" market. This strategic choice generates orders with significant amounts and substantial production times, which can extend from six months up to one year.

Receivables

	Balance 31.12.2025	Balance 31.12.2024	Variation
Receivables from customers	23.411.328	19.688.371	3.722.957
Receivables from subsidiaries	86.284	173.393	-87.109
Receivables from associated companies	1.364.976	1.512.815	-147.839
Receivables from others	7.019.518	6.326.902	692.616
Total	31.882.106	27.701.481	4.180.625

The item "Receivables from customers" is represented by receivables not yet collected as of 31 December 2025. The contribution of Ilpra France S.a.s. amounts to Euro 55,897, while that of Gelmini S.r.l. amounts to Euro 1,227,762.

Receivables from customers are expressed net of the provision for adjustments of Euro 889,480, which reflects assessments made by Directors regarding the presumed realisable value of trade receivables outstanding as of 31 December 2025.

The item "Receivables from subsidiaries" refers to the receivable claimed by Ilpra S.p.A. for Euro 38,900 and by Veripack S.r.l. for Euro 47,384 from the subsidiary Veripack Solution India Ltd., which was not included in the consolidation as already specified in the section **Scope of consolidation**.

The item "Receivables from associated companies" refers to the receivable, of a commercial nature, claimed by IDM Automation S.r.l. from the associated company Quantix Digital S.r.l. for Euro 1,364,976.

The item "Receivables from others" amounts to Euro 7,019,518, of which Euro 11,357 relates to Ilpra France S.a.s., Euro 422,705 to Gelmini S.r.l., and Euro 7,436 to TI Wrap S.r.l.

There are no receivables and payables with a maturity of more than five years and payables secured by collateral on company assets; there are no receivables and payables relating to transactions with the obligation for the purchaser of forward retrocession.

Changes in the bad debt provision are shown below:

	Balance 31.12.2024	Increments	Use	Translation Translation	Reclassification	Balance 31.12.2025
Write-downs of receivables fund	860.330	115.140	(85.990)		-	889.480
Total	860.330	115.140	(85.990)	-	-	889.480

The increase in the provision is attributable to Euro 10,620 for IDM Automation S.r.l., Euro 67,787 for Ilpra S.p.A., Euro 4,450 for I.P.T. S.r.l., Euro 7,634 for Veripack S.r.l., and Euro 3,063 for Pentavac S.r.l.

The newly acquired company Gelmini S.r.l. contributed a provision amounting to Euro 26,585.

The utilisation is composed as follows: Ilpra S.p.A. Euro 81,057, I.P.T. S.r.l. Euro 1,869, and Pentavac S.r.l. Euro 3,063.

The breakdown of receivables from others is as follows:

	Balance 31.12.2025	Balance 31.12.2024	Variation
Receivables from the Treasury	2.488.234	2.655.330	-167.096
Deferred tax credits	2.633.635	2.276.796	356.839
Receivables from employees	124.140	55.304	68.836
Receivables from social security institutions	2.051	6.455	-4.404
Receivables from suppliers for advances	1.382.002	1.001.407	380.595
Security deposit credits	110.907	96.118	14.789
Receivables from others	278.548	235.492	43.056
Total	7.019.517	6.326.902	692.615

The increase in the item “Deferred tax assets” is attributable, for Euro 782,515, to the application of the “financial method”.

The item “Receivables from the tax authorities” is composed as follows: Withholding taxes amounting to Euro 7,114, of which Euro 74 relates to TI Wrap S.r.l.; VAT receivables amounting to Euro 1,455,879, of which Euro 11,357 relates to Ilpra France S.a.S., Euro 354,451 to Gelmini S.r.l. and Euro 7,152 to TI Wrap S.r.l. Tax receivables amount to Euro 84,693, R&D tax credits to Euro 430,101, energy-saving tax credits to Euro 215,436, and other tax receivables to Euro 295,011, of which Euro 26,953 relates to Gelmini S.r.l.

The item “Advances to suppliers” refers to amounts paid as advances on supplies; no advances were paid by the companies included in the consolidation for the first time.

Financial assets that do not constitute fixed assets are as follows:

	Balance 31.12.2025	Balance 31.12.2024	Variation
Other securities	708.153	687.644	20.509
Total	708.153	687.644	20.509

The item “Other securities”, amounting to Euro 708,153, is composed as follows:

- Euro 511,153 from the investment made by the subsidiary Ilpra System UK Ltd in the St. James Place Investment Fund;
- Euro 197,000 relating to a certificate of deposit opened by I.P.T. S.r.l.

Cash and cash equivalents

	Balance 31.12.2025	Balance 31.12.2024	Variation
Bank and postal deposit	14.342.423	14.052.324	290.099
Cash and valuables on hand	34.672	12.097	22.575
Total	14.377.095	14.064.421	312.674

The cash and cash equivalents of the companies included for the first time in the consolidation amount to Euro 711,635, of which Euro 162,808 relates to Ilpra France S.a.s., Euro 400,772 to Gelmini S.r.l. and Euro 148,055 to TI Wrap S.r.l.

Accruals and deferrals

The item moved as follows:

	Balance 31.12.2025	Balance 31.12.2024	Variation
Prepaid expenses	1.226.270	730.295	495.975
Accrued income	105.994	121.706	-15.712
Total	1.332.264	852.001	480.263

“Prepaid expenses” mainly refers to insurance, licences and other costs incurred during the period but not attributable to the year. The principal amount is attributable to Ilpra S.p.a. for Euro 755,065.

The amount attributable to Gelmini S.r.l. is Euro 13,766.

Shareholders' equity

This table shows the changes in the Group's shareholders equity accounts during the current year and the previous year:

	Share Capital	Share premium Res.	Legal reserve	Extraordinary reserve	Res. translation	Cons. Res.	Res. neg. Treasury Shares	Undivided gains (losses)	Profit (loss) for the year	Total
Balance sheet as at 01.01.25	2.407.720	4.753.914	481.544	8.760.008	165.173	2.586.248	-802.980	8.487.341	5.263.587	32.102.555
Dest. Risult 2024				1.411.259				2.508.766	-3.920.025	0
Translation res					-282.929					-282.929
Dividends paid									-1.418.604	-1.418.604
Other movements									75.042	75.042
Profit (loss) for the year									6.127.772	6.127.772
Treasury Share Reserve							-119.964			-119.964
Balance Sheet as at 31.12.25	2.407.720	4.753.914	481.544	10.171.267	-117.756	2.586.248	-922.944	10.996.107	6.127.772	36.483.872

Group Shareholders' Equity as of 31 December 2025 amounted to Euro 36,483,872 and recorded the movements shown in the table above (pursuant to Article 2427, point 4 of the Italian Civil Code); the amount refers in full to Group's Shareholders' Equity.

The share capital consists of 12,038,600 shares with no par value.

As of 31 December 2025, the Parent Company held 218,400 treasury shares, equal to 1.8142% of the share capital, purchased at market value during the year. Purchases made increased the negative reserve for treasury shares, which amounted to Euro 922,944 as of 31 December 2025.

The value of the consolidation reserve as at 31 December 2025 refers to the negative difference between the carrying value of the investment in Ilpra System UK Ltd, Strema Srl, Ilpra Middle East Dwc-Illc, Veripack S.r.l. and OOO Ilpra Rus and their respective portions of shareholders' equity.

Below is a reconciliation of the parent company's result and shareholders' equity with the Group's result and shareholders' equity as at 31 December 2025 in thousands of Euro.

Values expressed in thousands of Euro	Equity	Operating result
Shareholders' equity and profit for the year of Ilpra Spa	28.461	3.250
Elimination of the carrying of consolidated investments		
Pro-rata results of consolidated companies	13.115	4.265
Elimination of the Revaluation reserve	(4.903)	
Consolidation reserve	2.586	
Consolidation Difference Amortisation	(2.208)	(883)
Elimination of intra-group dividends	(765)	(764)
Translation Differences	(118)	
Elimination of IT-gaap amm adjustment for UK building	(157)	(29)
Elimination of IT-gaap amm adjustment Apartment UAE	43	9
Elimination of IT-gaap IFRS16 adjustment for UAE rent	5	1
IFRS 16 impact		
Adjustment of IFRS 16 prior years	(365)	
Cancellation leasing costs	4.789	1.117
Depreciation on Leasing	(4.022)	(962)
Recognition of interest expenses on leases	(605)	(123)
Elimination of tax effects		
Depreciation and amortisation of consolidation net of tax effects	616	246
Depreciation of UK buildings net of tax effects	37	7
IFRS 16 Application	-25	(6)
Shareholders' equity and profit for the year of the group	36.484	6.128

Provisions for risks and charges

	Balance 31.12.2024	Translation diff	All.to	Use	Balance 31.12.2025
Retirement treatment	315.149		154.928	(44.254)	425.823
Tax provision	755.667	(2.270)	96.477	(3.718)	846.156
Other funds	105.800		70.000	(105.800)	70.000
Total	1.176.616	(2.270)	321.405	(153.772)	1.341.979

The change in the Pension Provision is as follows: increase of Euro 154,928, of which attributable to Ilpra S.p.A. for Euro 107,615, IPT S.r.l. for Euro 7,833, MACS S.r.l. for Euro 20,000, Veripack S.r.l. for Euro 8,500, Pentavac S.r.l. for Euro 980 and IDM Automation S.r.l. for Euro 10,000. The decrease, entirely attributable to Ilpra S.p.A., reflects the payment of the directors' termination indemnity (TFM) for Euro 16,338 and the utilisation of the supplementary indemnity provision for agents for Euro 27,916.

The tax provision of Euro 846,156 mainly refers to the application of the "financial" method on leases. The amount relating to the newly acquired company Gelmini S.r.l. is Euro 15,699.

The amount of Other Provisions is broken down as follows: Ilpra S.p.A. for Euro 70,000 relating to the Ilpra S.p.A. Guarantee Fund, which during the period was used for Euro 60,000 and increased by Euro 70,000. The remaining decrease of Euro 45,800 is attributable to Migliorini S.r.l. and relates to the utilisation of the building maintenance provision, established in 2024, for extraordinary maintenance works commenced in 2024 and completed in 2025, partially covered by insurance proceeds.

Employee severance pay

	Balance 31.12.2024	Translation diff	All.to 30.06.2025	Use	Other movements	Balance 31.12.2025
Severance Pay Fund	4.076.395	(6.271)	935.603	(301.369)	-	4.704.358
Total	4.076.395	(6.271)	935.603	(301.369)		4.704.358

The provision for employee severance pay represents the Group's actual payable due to employees as of 31 December 2025, net of advances paid.

The provision in question includes, under increases, Euro 268,368 attributable to the newly acquired company Gelmini S.r.l.

Payables

	Balance 31.12.2025	Balance 31.12.2024	Variation
Payables vs shareholders for financing	564.902	528.152	36.750
Payables to banks	36.989.442	33.781.263	3.208.179
Advances	9.357.317	8.216.220	1.141.097
Payables to suppliers	13.067.581	10.248.288	2.819.293
Payables vs Associates	32.953	74.283	-41.330
Tax Payables	2.099.173	2.308.090	-208.917
Social security payables	917.731	757.564	160.167
Payables to others	3.009.590	2.645.158	364.432
Total	66.038.689	58.559.018	7.479.671

Payables due to other lenders

The balance of this item amounts to Euro 564,902 and refers to financing received by MACS S.r.l. from a shareholder for Euro 464,377, by Migliorini S.r.l. for shareholder financing of Euro 63,775. These loans were already in place before the M&A transactions carried out by Ilpra S.p.A.

The financing for the new Ilpra France Sas branch for Euro 36,750 was approved upon its incorporation. For further information, please refer to the section "Significant events during the first half of 2025."

Payables to banks

The balance of payables due to banks as at 31 December 2025 expresses the actual debt for principal, interest and ancillary charges accrued and payable; those due over 12 months are medium-term loans.

The liability attributable to the newly acquired company Gelmini S.r.l. amounts to Euro 2,601,919.

Advances from customers

The balance of the payable for advances from customers as of 31 December 2025 is Euro 9,357,317, and refers to advances received from customers for orders in progress.

The most significant amounts are attributable to Ilpra S.p.A., in relation to large-scale plant contracts, for Euro 1,902,963, MACS S.r.l. for Euro 3,328,340, Ilpra Middle East Dwc-llc for Euro 1,183,340, and OOO ILPRA RUS for Euro 1,104,523.

The contribution from the newly acquired companies is modest, as set out below: Ilpra France S.a.S. Euro 30,654, Gelmini S.r.l. Euro 334,886, and TI Wrap S.r.l. Euro 34,000.

Payables to suppliers

The balance of payables to suppliers as at 31 December 2025 represents the actual payable to suppliers, net of discounts and rebates. The portion of debt attributable to Ilpra France S.a.S. amounts to Euro 82,206, while the portion attributable to Gelmini S.r.l. amounts to Euro 1,615,266.

Payables to subsidiaries

The balance of payables to subsidiaries as at 31 December 2025 refers to the trade payable existing between Veripack S.r.l. and its subsidiary Veripack Solution India.

Tax payables

Item "Tax payables" includes only liabilities for certain and determined taxes, since liabilities for probable or uncertain taxes in terms of the amount or date of occurrence, or for deferred taxes, are recorded in item B of the liabilities (Provision for risks and charges).

There are no payables beyond 12 months.

Tax payables attributable to Ilpra France S.a.S. amount to Euro 7,034, those attributable to Gelmini S.r.l. amount to Euro 143,034, while those attributable to TI Wrap S.r.l. amount to Euro 555.

Social security payables

Payables to social security institutions are all within the financial year and there are no payables relating to previous years.

Payables to social security institutions attributable to Gelmini S.r.l. amount to Euro 57,274, while those attributable to TI Wrap S.r.l. amount to Euro 19.

Payables to others

Item "Payables to others" detailed below includes items of new acquisitions: Gelmini S.r.l. for Euro 192,391.

	Balance 31.12.2025	Balance 31.12.2024	Variation
Security deposits	63.900	89.300	-25.400
Payables vs shareholders dividends not distributed	-	-	0
Payables to personnel	2.693.562	2.115.971	577.591
Payables to pension funds	96.768	78.287	18.481
Trade union withholdings	862	466	396
Other payables	154.498	361.134	-206.636
Total	3.009.590	2.645.158	364.432

Taxes payable as at 31 December 2025 are broken down as follows:

	Balance 31.12.2025	Balance 31.12.2024	Variation
Payables to the Treasury for withholding taxes	651.645	963.489	-311.844
VAT payables to the Treasury	848.215	877.461	-29.246
Payables to the Treasury for other taxes	181.261	102.134	79.127
Payables to the Treasury for taxes	418.052	365.006	53.046
Total	2.099.173	2.308.090	-208.917

The item “Payables to the tax authorities for withholding taxes” includes Euro 555 attributable to TI Wrap S.r.l. and Euro 44,133 attributable to Gelmini S.r.l.

The item “Payables to the tax authorities for taxes” includes Euro 99,686 attributable to Gelmini S.r.l.

The item “Payables to the tax authorities for VAT” includes Euro 7,034 attributable to Ilpra France S.a.S.

The item “Payables to the tax authorities for other taxes” includes Euro 166 attributable to Gelmini S.r.l.

It should be noted that, as at 31/12/2025, there were no overdue tax payables.

Accrued expenses and deferred income

Changes in the item break down as follows:

	Balance 31.12.2025	Balance 31.12.2024	Variation
Accrued liabilities	39.876	54.458	-14.582
Deferred income	3.881.410	2.303.341	1.578.069
Total	3.921.286	2.357.799	1.563.487

Accrued expenses are mainly related to bank interest.

Gelmini S.r.l.’s share is Euro 3,750, while TI Wrap S.r.l.’s is Euro 110.

Deferred income mainly relates to portions of revenues not attributable to the year in the amount of Euro 601,481 relating to the subsidiaries Ilpra System UK Ltd. and Ilpra Middle East DWC-LLC. Euro 2,613,911.

Deferred income attributable to the newly acquired companies is as follows: Ilpra France S.a.S. Euro 32,932 and Gelmini S.r.l. Euro 8,248.

3.5 Detailed information on the Income Statement

It should be noted that the income statement takes into account costs and revenues of new acquisitions on a pro-rata basis from the date of acquisition of the investments themselves.

Revenue from sales and services

Revenue from sales and services breaks down as follows:

	Balance 31.12.2025	Balance 31.12.2024	Variation
Revenue from machine sales	63.676.493	52.234.261	11.442.232
Revenue from spare parts sales	9.118.746	7.609.813	1.508.933
Revenue from services	2.453.395	2.441.252	12.143
Revenue from software	14.223	23.654	-9.431
Revenue from machine rentals	113.149	210.138	-96.989
Revenue from consumables	7.134.089	6.120.014	1.014.075
Revenue from ancillary services	1.249.133	1.013.343	235.790
Other revenue	240.776	235.705	5.071
Total	84.000.004	69.888.180	14.111.824

The revenue item includes sales generated by the subsidiaries Ilpra France S.a.S., Gelmini S.r.l. and TI Wrap S.r.l.

The geographical breakdown of sales and service revenues is as follows:

	Balance 31.12.2025	Balance 31.12.2024	Variation
Sales revenues ITALY	32.228.923	25.233.505	6.995.418
Revenues from sales ABROAD	51.771.081	44.654.675	7.116.406
Total	84.000.004	69.888.180	14.111.824

The breakdown of turnover between Italy and abroad, for new acquisitions, is as follows:

- Ilpra France S.a.s. Euro 102,040, all generated in foreign markets;
- TI Wrap S.r.l. Euro 25,900, all generated in foreign markets;
- Gelmini S.r.l. Euro 4,151,322 in domestic turnover and Euro 53,847 in foreign turnover.

Other revenues, which amount to Euro 1,223,314, break down as follows:

	Balance 31.12.2025	Balance 31.12.2024	Variation
Tax credit	364.440	489.455	-125.015
Active rentals	232.513	241.423	-8.910
Insurance claims	88.739	165.468	-76.729
Contingent assets	94.072	198.993	-104.921
Capital gain	14.255	47.016	-32.761
Chargeback	124.158	107.761	16.397
Contributions	120.344	147.483	-27.139
Active rebates	3.435	4.872	-1.437
Other revenues	181.358	143.342	38.016
Total	1.223.314	1.545.813	-322.499

The contribution of new acquisitions is as follows: Ilpra France S.a.s. Euro 1 and Gelmini S.r.l. Euro 18,982. The Tax credit relates to Research and Development for Euro 215,673, of which Euro 74,454 attributable to Ilpra S.p.A., Euro 10,616 attributable to IDM Automation Srl and Euro 130,603 attributable to MACS Srl.

Costs for raw materials

The increase in the value of raw materials is mainly attributable to the increase in production, which generated the significant growth in turnover compared to the previous year. This increase was accompanied by a procurement policy aimed at ensuring production for the budgeted orders, as well as for the newly acquired companies, as described below.

The impact of Ilpra France S.a.S. amounts to Euro 23,545, that of TI Wrap S.r.l. to Euro 16,414, and that of Gelmini S.r.l. to Euro 2,150,855.

	Balance 31.12.2025	Balance 31.12.2024	Variation
Goods c/Purchases	34.983.958	28.991.070	5.992.888
Packaging	206.645	217.539	-10.894
Consumables	813.409	687.118	126.291
Small equipment	43.949	182.053	-138.104
Total	36.047.961	30.077.780	5.970.181

Costs for services:

	Balance 31.12.2025	Balance 31.12.2024	Variation
Remuneration of directors and statutory auditors	3.154.220	3.129.041	25.179
External processing	1.092.733	546.421	546.312
Costs of legal and notary consultations	227.325	165.895	61.430
Costs of amm.ve and tax and labour consultancy	620.198	549.764	70.434
Stock Exchange Consulting	163.358	169.355	-5.997
Other consultations	1.430.973	996.245	434.728
Utilities	679.722	574.449	105.273
Advertising, fairs and exhibitions	1.036.422	1.039.732	-3.310
Travel & Transfers	1.244.045	1.059.403	184.642
Cleaning and maintenance	1.229.476	1.093.346	136.130
Postal and transport	1.245.895	1.009.078	236.817
Commissions payable	1.296.797	948.271	348.526
Other costs for services	46.578	30.326	16.252
Bank charges	343.557	235.719	107.838
Financial Statement Certification	44.953	37.218	7.735
Stationery	77.854	79.555	-1.701
Personnel selection costs	78.664	107.831	-29.167
Food, accommodation, fuel, tolls	587.788	589.488	-1.700
Insurance	387.099	326.804	60.295
Prevention and safety costs	30.352	21.195	9.157
Administration fee	8.191	1.492	6.699
Other costs	45.456	31.221	14.235
Total	15.071.656	12.741.849	2.329.807

Service costs attributable to Ilpra France S.a.S. amount to Euro 77,331, those attributable to TI Wrap S.r.l. amount to Euro 4,164, and those attributable to Gelmini S.r.l. amount to Euro 641,576.

The item "Stock Exchange Consultancy" relating to the Parent Company refers to consultancy services strictly related to obligations imposed by Borsa Italiana.

Other consultancy refers to legal, technical, production and other consultancy that increased significantly during 2025 as a result of target valuation activities and technical advice, especially for subsidiaries.

The item "Sales commissions" increased in proportion to the growth in turnover.

Costs for the use of third-party assets:

	Balance 31.12.2025	Balance 31.12.2024	Variation
Car Rentals	367.229	256.394	110.835
Capital goods rental	258.978	201.817	57.161
Rental of real estate	707.789	656.633	51.156
Machinery rental	58.073	55.818	2.255
Total	1.392.069	1.170.662	221.407

Costs for the use of third-party assets were in line with the previous year.
The amount attributable to Gelmini S.r.l. is Euro 3,831.

Employee expenses:

	Balance 31.12.2025	Balance 31.12.2024	Variation
Wages and salaries	15 651 266	12.898.863	2.752.403
Social security contributions	4 207.859	3.490.641	717.218
Severance pay	956.094	830.971	125.123
Other costs	419.649	320.515	99.134
Total	21.234.868	17.540.990	3.693.878

The cost of wages and salaries takes into account the natural increase in the number of personnel employed. During the year under review, subsidiaries and the parent company were structured to be able to support the 2025 increase in turnover and in anticipation of the growth expected by the trade association UCIMA. Costs attributable to Ilpra France S.a.S. amount to Euro 30,000, those attributable to Gelmini S.r.l. to Euro 720,053, and those attributable to TI Wrap S.r.l. to Euro 98.

Miscellaneous operating expenses are made up of the following costs:

	Balance 31.12.2025	Balance 31.12.2024	Variation
Taxes & Fees	377.242	228.738	148.504
Gifts and donations	4.270	3.542	728
Gifts to customers	43.667	45.329	-1.662
Membership fees	62.316	48.919	13.397
Losses on receivables	86.699	49.946	36.753
Other costs	121.053	102.019	19.034
Contingent liabilities	204.993	551.453	-346.460
Rounding	3.210	1.909	1.301
Losses on property, plant and equipment	33.836	19.695	14.141
Total	937.286	1.051.550	-114.264

The portion attributable to Gelmini S.r.l. amounts to Euro 37,873, while that attributable to Ilpra France S.a.S. amounts to Euro 376.

Interest and financial charges

The breakdown of interest and financial charges is as follows:

	Balance 31.12.2025	Balance 31.12.2024	Variation
Other income from equity investments	1.179	790	389
Bank interest receivable	137.370	127.648	9.722
Interest income from customers	6.619	93	6.526
Miscellaneous interest income	3.547	3.427	120
Interest income on securities	1.227	4.618	-3.391
Total	149.942	136.576	13.366

The amount of interest income attributable to TI Wrap S.r.l. is Euro 284, while that attributable to Gelmini S.r.l. is Euro 182.

	Balance 31.12.2025	Balance 31.12.2024	Variation
Bank Interest Expense	1.082.457	1.394.833	-312.376
Interest expense on leases	120.257	193.738	-73.481
Exchange rate difference	112.210	-12.625	124.835
Total	1.314.924	1.575.946	-261.022

The amount of finance costs attributable to Gelmini S.r.l. is Euro 32,411.

The item "Write-downs of financial fixed assets that do not constitute investments in securities recorded in current assets" amounting to Euro 65,206, relates to the fair value of the investment made by Ilpra System UK Ltd in the St. James Place Investment Fund.

	Balance 31.12.2025	Balance 31.12.2024	Variation
Revaluations	65.206	55.748	9.458
Devaluations	0	0	0
Total	65.206	55.748	9.458

There are no derivative financial instruments.

Taxes

Deferred taxes are equal to those of individual companies participating in consolidated financial statements, where they are accounted for.

	Balance 31.12.2025	Balance 31.12.2024	Variation
Current taxes	2.271.349	1.984.096	287.253
Deferred tax assets	278.166	333.157	-54.991
Deferred tax liabilities	-458.132	-520.061	61.929
Taxes for previous years	149.330	427	148.903
Total	2.240.713	1.797.619	443.094

Taxes attributable to Gelmini S.r.l. amount to Euro 57,564, of which current taxes of Euro 99,686, deferred taxes of Euro 15,699 and deferred tax assets of Euro 57,821.

The item "Deferred tax assets" of Euro 444,265: Euro 269,354 relate to the application of the Financial Method, the remaining amount of Euro 174,911 results from the normal administrative management of group companies.

The item "Taxes relating to previous financial years" refers to taxes arising from the special tax settlement relating to Veripack S.r.l. and Pentavac S.r.l.; it also includes taxes attributable to Ilpra S.p.A. following the merger of Ivaxia S.r.l., relating to previous financial years.

3.6 Other information and details

Average number of employees

The average number of employees in the 2025 financial year is shown below, divided between white-collar and blue-collar workers:

	Balance 31.12.2025	Balance 31.12.2024	Variation
Employees	214	184	30
Workers	208	187	21
Total	422	371	51

The average increase in the number of employees contributed by Gelmini S.r.l. was 22 employees, of whom 12 white-collar employees and 10 blue-collar workers, while Ilpra France S.a.S. and TI Wrap S.r.l. have no employees.

Off-balance sheet commitments, guarantees and contingent liabilities

The commitments shown below refer solely to a guarantee for the takeover of the real estate leasing contract - stipulated by the former subsidiary Tecnofoodpack S.p.A.

In the table below, there are no lease commitments following the application of the Financial Method.

	Balance 31.12.2025	Balance 31.12.2024	Variation
Warranty on behalf of Tecnofoodpack S.p.a.	598.814	738.267	-139.453
Total	598.814	738.267	-139.453

The Consolidated financial statements, consisting of the Balance Sheet, the Income Statement and Notes to Financial Statements, the Cash Flow Statement, give a true and fair view of the Group's financial position and results of operations for the period.

Mortara, 30 March 2026



For the Board of Directors
The Chair
Maurizio Bertocco

