



(Translation from the Italian original which remains the definitive version)

[CELLULARLINEGROUP]

www.cellularlinegroup.com

2025 ANNUAL REPORT

Registered Office

Cellularline S.p.A.

Via Grigoris Lambrakis 1/a

42122 Reggio Emilia (RE) - Italy

Legal information

Share capital EUR 21,343,189 fully paid-up

VAT reg. no. and Tax Code 09800730963

Economic and Administrative Register RE-315329

Certified e-mail address: spa.cellularline@legalmail.it

ISIN: IT0005244618

Alphanumeric code: CELL

Corporate Website: www.cellularlinegroup.com

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COMPANY OFFICERS AND CONTROL BODIES

Board of Directors

Antonio Luigi Tazartes	Chair
Christian Aleotti	Deputy Chair and Chief Executive Officer
Marco Cagnetta	Executive Director
Donatella Busso	Independent Director
Paola Vezzani	Independent Director
Alessandra Bianchi	Independent Director
Mauro Borgogno	Director
Marco Di Lorenzo	Director
Walter Alba	Independent Director
Laura Elena Cinquini	Independent Director

Risk and Control Committee

Donatella Busso	Chair and Independent Director
Alessandra Bianchi	Independent Director
Paola Vezzani	Independent Director

Appointments and Remuneration Committee

Paola Vezzani	Chair and Independent Director
Walter Alba	Independent Director
Donatella Busso	Independent Director

Committee for Transactions with Related Parties

Donatella Busso	Chair and Independent Director
Alessandra Bianchi	Independent Director
Laura Elena Cinquini	Independent Director

Board of Statutory Auditors

Lorenzo Rutigliano	Chair
Daniela Bainotti	Standing Auditor
Paolo Chiussi	Standing Auditor
Guido Prati	Alternate Auditor
Andrea Fornaciari	Alternate Auditor



cellularline

Supervisory Body

Anna Doro

Alessandro Cencioni

Ester Marino

Chair

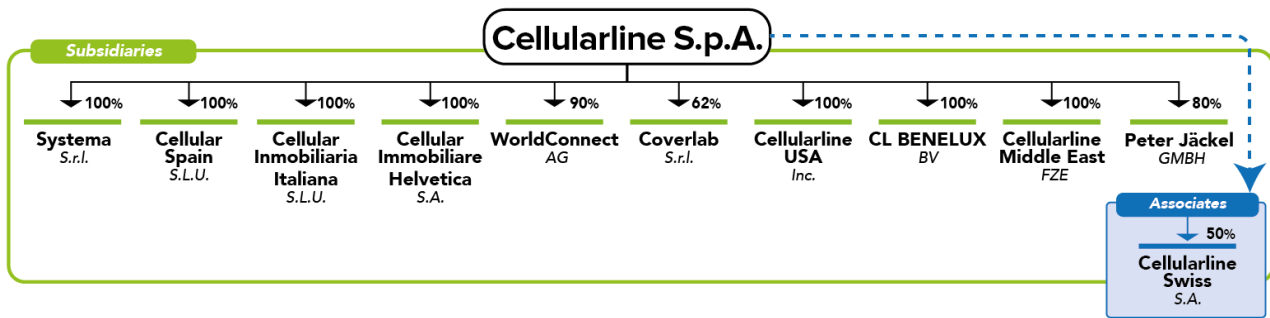
Member

Member

Independent Auditors

KPMG S.p.A.

GROUP STRUCTURE AS AT 31 December 2025



GROUP COMPOSITION

At 31 December 2025, the Group consists of the following companies:

- Cellularline S.p.A., the parent, incorporated under Italian law with registered address at Via Lambrakis 1/a, Reggio Emilia (Italy), and operating in Italy and abroad in the sector of design, distribution (including products not under its own brand) and marketing of accessories and devices for multimedia products (smartphones, tablets, wearables, audio devices, etc.) and for mobile connectivity (in the car and on motorcycles/bikes). The parent has a permanent establishment in Paris, at 91, Rue Du Faubourg Saint Honoré (France), where three employees operate on a permanent basis, carrying out strictly commercial activities for the management of relationships with customers in the French market;
- Cellular Spain S.L.U., a company incorporated under Spanish law with registered office in C/Newton, 1 edificio 2 nave 1, Leganes (Madrid) a full subsidiary, which distributes Cellularline brand products in the Spanish and Portuguese markets;
- Cellular Immobiliaria Italiana S.L.U., a company incorporated under Spanish law with registered office in Cl. Industrial no. 50 Sur Edi 2 Nave 27, Leganés (Madrid), a full subsidiary which owns a property - formerly the headquarters of Cellular Spain;
- Cellular Immobiliare Helvetica S.A., with registered office in Lugano, Via Ferruccio Pelli no. 9 (Switzerland), a full subsidiary, which owns the property leased to the commercial company Cellular Swiss S.A.;
- Systema S.r.l., a company incorporated under Italian law with registered office in Via della Previdenza Sociale 2, Reggio Emilia (Italy), a full subsidiary, which operates in the European market for mobile phone accessories for telecommunications.
- Worldconnect AG, a Swiss company based in Diepoldsau, Switzerland, a 90%-owned subsidiary, is the world market leader in premium travel adapters. Founded in 2002, Worldconnect - through its trademarks SKROSS and Q2 Power and leading OEM partnerships - operates internationally with a vast range of products comprising multiple travel adapters, specific adapters for individual countries and power peripheral devices;

- Coverlab S.r.l., an Italian company based at via Mantova 91/A, Parma, controlled for 62%, is an e-commerce company, operating - through its proprietary website - in the custom segment of smartphone accessories under the brand Coverlab.
- Cellularline USA Inc., a company incorporated under the laws of the United States based at 350 5TH AVE FL 41, New York, is a full subsidiary, which distributes Cellularline Group products in the USA and Canada;
- Peter Jäckel GmbH, a major German operator in the field of smartphone accessories, based in Alfeld, a small town in Lower Saxony (Germany), is controlled 79.6%. The company was acquired in January 2023 and has been operating on the German market for over 25 years with leading consumer electronics players;
- Cellularline Middle East FZE a company established in April 2023 for the purpose of better serving the Middle East region through the distribution of branded products of Cellularline, a full subsidiary based in Dubai;
- Cellularline Benelux BV, incorporated on 13 November 2025 in Brussels and wholly owned, was created with the aim of ensuring a direct presence in the Benelux market through the distribution of Cellularline branded products and other *brands*;
- Cellular Swiss S.A., a company incorporated under Swiss law with registered office in Route de Marais 17, Box no. 41, Aigle (Switzerland) a 50%-owned associate, which distributes the Cellularline products in the Swiss market.



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DIRECTORS' REPORT

1. Introduction

The Cellularline Group (hereinafter the "Group" or the "Cellularline Group") is one of the main operators in the smartphone and tablet accessories sector in the EMEA area, as well as a market leader in Italy; moreover, the Group ranks, by volume, among the top operators in Spain, Germany, France, Belgium and Switzerland and boasts a strong competitive position in the other European countries.

The consolidating company (Cellularline S.p.A.) is the result of the merger (the "Business Combination"), on 28 May 2018, of Ginetta S.p.A. and Cellular Italia S.p.A. into Crescita S.p.A., a company listed on AIM Italia, the Alternative Capital Market organised and managed by Borsa Italiana S.p.A. until 21 July 2019.

On 22 July 2019, Cellularline was transferred to the Mercato Telematico Azionario - STAR segment - of Borsa Italiana S.p.A..

2. Methodological note

This Directors' Report provides information on the financial position, performance and cash flows of the Cellularline Group relative to the year ended 31 December 2025, compared with the prior year figures as at 31 December 2024.

Amounts are expressed in thousands of Euro, unless otherwise indicated.

The amounts and percentages were calculated in thousands of Euro and, therefore, any differences in certain tables are due to rounding.

3. Accounting policies

This Director's Report relative to the year ended 31 December 2025 was prepared in accordance with the provisions of art. 154-*ter*, paragraph 4 of Legislative Decree no. 58/98 of the T.U.F. [Consolidated Finance Law] - and subsequent amendments and additions - in compliance with art. 2.2.3 of the Stock Exchange Rules. In order to facilitate an understanding of the Group's economic and financial performance, a number of Alternative Performance Indicators ("APIs") were identified, as defined by the ESMA 2015/1415 guidelines. For a correct interpretation of these APIs, the following should be noted: (i) these indicators are based exclusively on the Group's historical data and are not indicative of its future performance, (ii) the APIs are not required by IFRS and, though derived from the Annual and Consolidated Financial Statements, are not subject to audit, (iii) the APIs should not be considered as substitutes for the indicators provided for in the IFRS, (iv) these APIs must be read together with the Group's financial information in the Annual and Consolidated Financial Statements; (v) the definitions and criteria adopted to determine the indicators used by the Group, as they are not provided for by the IFRS, may not be consistent with those adopted by other companies or groups and, therefore, may not be comparable with any indicators presented by such parties, and (vi) the APIs used by the Group are drawn up according to a continuous and consistent definition and presentation for all the periods for which financial information is included in the Annual and Consolidated Financial Statements.

The APIs shown (Adjusted EBITDA, Adjusted EBIT, Adjusted consolidated profit for the year attributable to the parent, Adjusted Cash Flow from Operations, Adjusted Net Financial indebtedness, Adjusted Net Financial indebtedness/Adjusted EBITDA LTM, Cash generation and Cash Conversion Ratio) are not identified as

accounting measures under IFRS and, therefore, as explained above, should not be considered as alternative measures to those provided by the Group's financial statements for the assessment of the economic performance and the related financial position. Certain indicators defined as "adjusted" are reported in order to represent the Group's performance and financial position, net of non-recurring events, non-core operations and events linked to non-recurring transactions, as identified by the Group. These indicators reflect the main financial statements items, net of non-recurring income and expense that are not strictly correlated with the Group's core business and operations, and therefore allow a more consistent analysis of the Group's performance in the years considered in the Directors' Report.

4. Main Group financial and performance indicators¹

<i>(In thousands of Euro)</i>	Year ended	
	31 December 2025	31 December 2024
Consolidated performance indicators		
Revenue	156,643	164,263
Adjusted EBITDA ²	21,086	22,642
Adjusted EBIT ³	14,186	15,628
Profit/(loss)	(36,348)	5,647
Adjusted Profit ⁴	7,314	8,618

<i>(In thousands of Euro)</i>	Balance as at	
	31 December 2025	31 December 2024
Consolidated financial indicators		
Cash flows generated by operating activities	19,559	23,418
Net financial indebtedness	12,621	22,007
Net financial indebtedness/Adjusted EBITDA	0.60x	0.97x

For more details on changes in cash flows generated by operating activities, please refer to paragraph “7. Statement of Financial Position” included in this Directors’ Report.

5. Market performance

The market the Group operates in is characterised by seasonal phenomena that are typical of the market of electronic products and accessories. Sales are higher in the second half of each year, with a peak in demand near and during the Christmas period.

¹ Adjusted indicators are not identified as IFRS indicators and, therefore, should not be considered as an alternative measure for the assessment of the Group's results. Since the composition of these indicators is not regulated by IFRS, the Group's calculation criterion applied may not be consistent with that adopted by other companies or that may be adopted in the future by the Group, or created by it, and thus not comparable.

² Adjusted EBITDA is the Consolidated EBITDA adjusted by (i) non-recurring expense/(income), (ii) the effects deriving from non-core events, (iii) the effects of events associated with non-recurring transactions and (iv) foreign exchange gains/(losses).

³ Adjusted EBIT is the operating profit adjusted by (i) non-recurring expense/(income) and (ii) the effects of non-core events, (iii) the effect of events associated with non-recurring transactions; (iv) adjustments of depreciation relating to the purchase price allocation procedure and (v) foreign exchange gains (losses).

⁴ Adjusted profit for the year attributable to the parent is calculated as the consolidated profit/(loss) for the year adjusted by (i) adjustments in adjusted EBITDA, (ii) the adjustments of depreciation relating to the Purchase Price Allocation, (iii) impairment of goodwill and non-current assets, (iv) adjustments of non-recurring financial and fiscal expense/(income) and (v) the theoretical tax impact of these adjustments.

In FY 2025, the EMEA market for smartphone accessories below EUR 100 - the segment in which the Group mainly operates - contracted (-0.7% in volume) compared to the same period last year. In this scenario, Cellularline maintained a market share of 7.6% at the end of the year, up slightly on 2024, reflecting the ability to consolidate its presence in a weak market phase.

Moreover, it should be noted that GFK's figures do not include certain product categories (point-of-sale film application services and charging cables) and channels (travel retail, e-commerce marketplaces), which are accounting for an expected increased share of Group revenue.

In light of the changing competitive and macroeconomic environment, in particular, the tightening of US trade policy, with the introduction of new tariffs, has reshaped international trade flows. China has diverted part of its exports from the USA to other markets, strengthening its commercial presence on the European market with a consequent increase in competitive pressure.

As regards the customer base structure, the concentration phenomenon previously observed continues, including through transactions of significant relevance.

6. Group performance

The income statement schedules presented in this Directors' Report were reclassified in accordance with the presentation methods deemed useful by Management to represent the trend in the Group's operating profitability during the year.

Reclassified Consolidated Income Statement

<i>(thousands of Euro)</i>	31/12/2025	Of which related parties	% of revenues	31/12/2024	Of which related parties	% of revenues
Revenues from sales	156,643	5,520	100%	164,263	5,262	100%
Cost of sales	(93,202)		-59.5%	(98,444)		-59.9%
Gross operating profit	63,442		40.5%	65,819		40.1%
Sales and distribution costs	(31,473)	(1)	-20.1%	(31,421)		-19.1%
General and administrative costs	(71,699)	(17)	-45.8%	(27,828)	(13)	-16.9%
Other non-operating revenue	1,814		1.2%	1,462		0.9%
Operating profit/(loss)	(37,916)		-24.2%	8,033		4.9%
* of which PPA amortisation	6,686		4.3%	6,678		4.1%
* of which Impairment of goodwill and other non-current assets	42,308		27.0%	33		0.0%
* of which non-recurring expense	2,458		1.6%	823		0.5%
* of which foreign exchange gains	650		0.4%	62		0.0%
Adjusted operating profit(Adjusted EBIT)	14,186		9.1%	15,628		9.5%
* of which depreciation and amortisation (excluding PPA amortisation/depreciation)	6,899		4.4%	7,013		4.3%
Adjusted EBITDA	21,086		13.5%	22,642		13.8%
Financial income	2,463		1.6%	3,803		2.3%
Financial expense	(3,312)		-2.1%	(5,718)		-3.5%
Foreign exchange gains	668		0.4%	25		0.0%
Gains on equity investments	76		0.0%	97		0.1%
Profit/(loss) before taxes	(38,021)		-24.3%	6,239		3.8%
* of which PPA amortisation/depreciation	6,686		4.3%	6,678		4.1%
* of which Impairment of goodwill and other non-current assets	42,308		27.0%	-		0.0%
* of which non-recurring expense	2,458		1.6%	823		0.5%
* of which <i>fair value impact on Put & Call options</i>	(2,274)		-1.5%	(1,057)		-0.6%
Adjusted profit before taxes	11,158		7.1%	12,683		7.7%
Current and deferred taxes	1,673		1.1%	(593)		-0.4%
Group profit/(loss) for the year	(36,348)		-23.2%	5,647		3.4%
* of which PPA amortisation/depreciation	6,686		4.3%	6,678		4.1%
* of which impact deferred tax liabilities <i>Warrants</i>	-		0.0%	(1,412)		-0.9%
* of which Impairment of goodwill and other non-current assets	42,308		27.0%	-		0.0%
* of which non-recurring expense	2,458		1.6%	823		0.5%
* of which <i>fair value impact on Put & Call options</i>	(2,274)		-1.5%	(1,057)		-0.6%
* of which tax effect on the above items	(5,516)		-3.5%	(2,060)		-1.3%
Adjusted Group profit for the year	7,314		4.7%	8,618		5.2%

6.1 Consolidated revenue

In 2025, revenue from sales amounted to EUR 156,643 thousand (EUR 164,263 thousand in 2024), a decrease of EUR 7,620 thousand (-4.6%), due to the economic situation and certain location-specific commercial situations, which are currently being addressed by the Group.

The share of revenues generated by the Group on the domestic market reached 49.9% in 2025 (47.0% in 2024).

6.1.1 Consolidated revenue from sales by product line

The Group designs, distributes and markets a wide range of products divided into the following product lines:

- (i) Red line, including accessories for multimedia devices (such as cases, covers, phone holders for cars, protective glass, power supply units, portable chargers, data and charging cables, headphones, earphones, speakers, wearable technology products and travel adapters);
- (ii) Black line, including all products and accessories related to the world of motorcycles and bicycles (such as, for example, intercoms and supports for smartphones);
- (iii) Blue line, which includes all the products marketed in Italy and abroad, not under the Group's proprietary trademarks.

The following table shows revenue, broken down by product, for the years considered:

Revenues from Sales by product line						
<i>(In thousands of Euro)</i>	Year ended				Change	
	31/12/2025	% of revenue	31/12/2024	% of revenue	Δ	%
Red – Italy	56,233	35.9%	55,309	33.7%	924	1.7%
Red – International	70,465	45.0%	79,928	48.7%	(9,463)	-11.8%
Revenue from sales - Red	126,698	80.9%	135,237	82.3%	(8,539)	-6.3%
Black – Italy	3,851	2.5%	4,023	2.4%	(172)	-4.3%
Black – International	5,105	3.3%	4,399	2.7%	706	16.1%
Revenue from sales - Black	8,956	5.7%	8,421	5.1%	535	6.4%
Blue – Italy	18,148	11.6%	17,930	10.9%	219	1.2%
Blue – International	2,841	1.8%	2,675	1.6%	165	6.2%
Revenue from sales - Blue	20,989	13.4%	20,605	12.5%	384	1.9%
Total Revenue from Sales	156,643	100.0%	164,263	100.0%	(7,620)	-4.6%

- the **Red Line**, which represents the Group's core business, recorded a decline over the previous year of 6.3% (EUR 126,698 thousand in 2025 compared to EUR 135,237 thousand in 2024). In 2025, sales of the Red line accounted for approximately 80.9% of total revenue, showing progress in the domestic market compared to 2024 (+1.7%, or EUR 924 thousand), thereby consolidating its absolute market *leadership*. However, this positive domestic performance was not sufficient to compensate for the slowdown in international markets, which were particularly affected by the changing competitive environment, as well as by a situation of uncertainty reflected in consumption in various geographical areas;

- the **Black Line** recorded sales of EUR 8,956 thousand, marking an increase of EUR 535 thousand compared to the previous year, equal to 6.4%; the proportion of sales of the Black Line in 2025 (5.7%) improved compared to the previous year (5.1%). Our growth is mainly fuelled by our distribution efforts in international markets;
- the **Blue Line** recorded sales of EUR 20,989 thousand, corresponding to 13.4% of the total, substantially in line in absolute terms with the previous year (EUR 20,605 thousand in 2024, corresponding to 12.5% of the total).

6.1.2 Consolidated revenue by geographical area

The following table shows revenue, broken down by geographical area, for the years considered:

Revenue from sales by geographical area						
<i>(In thousands of Euro)</i>	Year ended				Change	
	31/12/2025	% of revenues	31/12/2024	% of revenues	Δ	%
Italy	78,233	49.9%	77,262	47.0%	971	1.3%
Spain/Portugal	13,072	8.3%	15,366	9.4%	(2,294)	-14.9%
Eastern Europe	10,525	6.7%	11,910	7.3%	(1,386)	-11.6%
Germany	9,998	6.4%	11,994	7.3%	(1,996)	-16.6%
Northern Europe	9,710	6.2%	8,471	5.2%	1,240	14.6%
France	8,505	5.4%	8,359	5.1%	146	1.7%
Benelux	8,378	5.3%	9,245	5.6%	(867)	-9.4%
Switzerland	7,298	4.7%	7,607	4.6%	(309)	-4.1%
Middle East	6,010	3.8%	5,840	3.6%	170	2.9%
Others	4,913	3.1%	8,209	5.0%	(3,296)	-40.2%
Total Revenues from Sales	156,643	100%	164,263	100.0%	(7,620)	-4.6%

With regard to the analysis of sales by geographic area, it should be noted that - thanks to the growth in sales recorded domestically - the share of sales on the domestic market accounted for roughly 50% of the Group's total sales (compared with 47% last year). Note should be taken, in particular, of the excellent results from Northern Europe, with an increase in revenues of EUR 1,240 thousand (+14.6%) compared to 2024. In other international markets, however, contractions of varying magnitude occurred, mainly due to unfavourable developments in local markets.

6.2 Cost of sales

In FY 2025, the cost of sales came to EUR 93,202 thousand, compared with EUR 98,444 thousand in 2024, equating to 59.5% of revenues, as compared with 59.9% of last year.

6.3 Sales and distribution costs

<i>(In thousands of Euro)</i>	Year ended		Changes	
	31/12/2025	31/12/2024	Δ	%
Sales and distribution personnel expense	14,746	13,992	754	5.4%
Commissions to agents	6,976	7,126	(150)	-2.1%
Transport	4,865	4,698	167	3.6%
Advertising and advertising consultancy expenses	1,280	2,229	(950)	-42.6%
Other sales and distribution costs	3,607	3,376	231	6.8%
Total sales and distribution costs	31,473	31,421	52	0.2%

The item increased both in absolute value compared to the previous year by EUR 52 thousand and as a percentage of revenues, rising to 20.1% from 19.1% in 2024.

6.4 General and administrative costs

In the year 2025, general and administrative costs amounted to EUR 71,699 thousand (45.8% of revenues 2025), compared to EUR 27,828 thousand in the previous year (16.9% of revenues 2024), mainly due to a write-down of the carrying value of goodwill and other non-current assets as a result of impairment test totalling EUR 42,308 thousand.

<i>(In thousands of Euro)</i>	Year ended		Changes	
	31/12/2025	31/12/2024	Δ	%
Amortisation	10,372	10,286	86	0.9%
Depreciation	1,560	1,729	(169)	-9.8%
Depreciation of right-of-use assets	1,652	1,676	(24)	-1.4%
Impairment of goodwill and other non-current assets	42,308	33	42,275	100%
Provisions for risks and impairment losses	2,269	295	1,974	>100%
Administrative personnel expense	7,008	6,650	358	5.4%
Strategic, administrative, legal HR consultancy, etc.	2,387	2,816	(429)	-15.2%
Commissions and fees	118	156	(38)	-24.5%
Directors' and Statutory Auditors' fees	734	947	(213)	-22.5%
Other general and administrative costs	3,290	3,239	51	1.6%
Total General and administrative costs	71,699	27,828	43,871	>100%

6.5 Other non-operating revenue

This item includes non-operating costs and revenue for a net positive balance of EUR 1,814 thousand. This item, which refers to expenses and income related to non-core activities for the Group, can be broken down as follows:

(In thousands of Euro)	Year ended		Changes	
	31/12/2025	31/12/2024	Δ	%
(SIAE and CONAI contributions)	(341)	(197)	(144)	72.9%
Recoveries of SIAE fees	31	3	27	>100%
Prior year income and	279	191	88	45.9%
Other non-operating revenue	1,846	1,465	381	26.0%
Total Non-operating revenues	1,814	1,462	352	24.1%

6.6 Adjusted EBITDA

The main data used to calculate adjusted EBITDA is shown below:

(In thousands of Euro)	Year ended		Changes	
	31/12/2025	31/12/2024	Δ	%
Operating profit/(loss)	(37,916)	8,033	(45,949)	<(100%)
Amortisation and depreciation	13,585	13,691	(106)	-0.8%
Impairment of goodwill and other non-current assets	42,308	33	42,275	100.0%
Non-recurring expense	2,458	823	1,636	>100%
Exchange gains)	650	62	588	>100%
Adjusted EBITDA	21,086	22,642	(1,556)	-6.9%

Adjusted EBITDA amounted to EUR 21,086 thousand in the year under review, a drop of 6.9% compared to the previous year, primarily due to the reduction in sales revenues. The incidence on sales (*Adjusted EBITDA margin*), however, shows essentially stable margins, going from 13.8% in 2024 to the current 13.5%.

Adjustments made to EBITDA amounted to EUR 59,002 thousand during 2025 (EUR 14,609 thousand for 2024) and mainly consisted of:

- (i) write-down of the carrying value of goodwill and other fixed assets as a result of impairment test totalling EUR 42,308 thousand;
- (ii) depreciation of tangible and intangible assets in the amount of EUR 13,585 thousand;
- (iii) non-recurring expense (EUR 2,458 thousand); this is income and expenses related to non-recurring, non-recurring events or related to extraordinary transactions;
- (iv) exchange gains of EUR 650 thousand attributable to commercial purchase transactions settled in USD; although these are not non-recurring revenue and expense, with this adjustment the Group intends to present the operating performance, net of currency effects;

6.7 Financial income and expense

Net financial expense amounted to EUR 849 thousand (expense of EUR 1,915 thousand for 2024):

(In thousands of Euro)	Year ended		Change	
	31/12/2025	31/12/2024	Δ	%
	Fair value gains	2,354	3,775	(1,421)
Interest income	109	28	81	>100%
Total Financial income	2,463	3,803	(1,341)	-35.3%
Financial expense from fair value changes	(1,355)	(2,950)	1,595	-56.1%
Interest expense on bank loans	(1,327)	(1,964)	637	-32.4%
Bank commissions/fees	(447)	(608)	161	-26.5%
Other interest expense	(183)	(197)	14	-7.3%
Total Financial expense	(3,312)	(5,718)	2,407	-42.1%
Total Financial expense	(849)	(1,915)	1,066	-55.7%

Financial income, amounting to EUR 2,463 thousand, was mainly attributable to the effect of the *fair value* measurement of *put & call options* and the value of bank interest income.

Financial expense, amounting to EUR 3,312 thousand, decreased compared to the previous year (EUR 5,718 thousand) and mainly related to:

- EUR 1,355 thousand mainly for the fair value recording of outstanding foreign exchange hedging derivatives not recorded in hedge accounting and charges arising from the fair value valuation of put & call options;
- EUR 1,327 thousand for interest from banks for short and medium/long-term loans;
- EUR 447 thousand for bank commission expenses and factoring transactions;
- EUR 183 thousand for other interest expense.

The positive change in Financial Expense for FY 2025 of EUR 1,066 thousand was mainly attributable to lower interest expense and bank fees, higher income from the fair value measurement of put & call options, offset by higher charges for financial derivatives.

6.8 Exchange gains

Exchange gains showed a positive balance of EUR 668 thousand (EUR 25 thousand for 2024):

(In thousands of Euro)	Year ended		Change	
	31/12/2025	31/12/2024	Δ	%
	Exchange gains	650	62	588
Net foreign exchange gains/(losses) on financial transactions	17	(37)	54	<(100%)
Total Exchange gains	668	25	643	>100%

The positive change of EUR 643 thousand is mainly due to the trend of the EUR/USD exchange rate during the year.

6.9 Adjusted EBIT

The main data used to calculate adjusted EBIT is shown below:

<i>(In thousands of Euro)</i>	Year ended		Changes	
	31/12/2025	31/12/2024	Δ	%
Operating loss	(37,916)	8,033	(45,949)	>-100%
PPA amortisation/depreciation	6,686	6,678	8	0.1%
Impairment of goodwill and other non-current assets	42,308	33	42,275	100%
Non-recurring expense	2,458	823	1,636	>100%
Exchange gains	650	62	588	>100%
Adjusted EBIT	14,186	15,628	(1,442)	-9.2%

Adjusted EBIT was positive for EUR 14,186 thousand (in 2024, it was EUR 15,628 thousand). The adjustments made to the Group EBIT refer to the factors mentioned in the section on adjusted EBITDA, and to the amortisation and depreciation related to the purchase price allocation of EUR 6,686 thousand.

6.10 Adjusted Group profit/(loss)

The main data used to calculate the adjusted Group profit/(loss) for the year is shown below:

<i>(In thousands of Euro)</i>	Year ended		Changes	
	31/12/2025	31/12/2024	Δ	%
Group profit/(loss)	(36,348)	5,647	(41,995)	>-100%
Non-recurring expense	2,458	823	1,636	>100%
PPA amortisation/depreciation	6,686	6,678	8	0.1%
Impairment of goodwill and other non-current assets	42,308	33	42,308	100%
<i>Fair value put & call options</i>	<i>(2,274)</i>	<i>(1,057)</i>	<i>(1,216)</i>	<i>>100%</i>
Deferred tax effect of the above items	(5,516)	(2,060)	(3,456)	>100%
of which impact of deferred tax liabilities - Warrants	-	(1,412)	1,412	-100.0%
Adjusted Group profit)	7,314	8,618	(1,304)	-15.1%

The adjusted profit for FY 2025 attributable to owners of the parent amounted to EUR 7,314 thousand, a decline on FY 2024 by EUR 1,304 thousand. In addition to the factors mentioned in the paragraph on adjusted EBIT, the adjustments made to this item mainly relate to the deferred tax effects of the items adjusted.

7. Financial position

Statement of financial position

<i>(In thousands of Euro)</i>	Balance as at 31/12/2025	Of which related parties	%	Balance as at 31/12/2024	Of which related parties	%
ASSETS						
Intangible assets	25,128		14.5%	43,264		19.2%
Goodwill	8,559		4.9%	38,192		16.9%
Property, plant and equipment	6,763		3.9%	7,454		3.3%
Equity investments in associates and other companies	504		0.3%	428		0.2%
Right-of-use assets	1,538		0.9%	3,099		1.4%
Deferred tax assets	9,959		5.7%	6,412		2.8%
Financial assets	220		0.1%	141		0.1%
Total non-current assets	52,672		30.3%	98,989		43.8%
Inventories	36,648		21.1%	39,682		17.6%
Trade receivables	51,500	2,781	29.47%	56,251	3,316	24.9%
Current tax assets	609		0.4%	294		0.1%
Financial assets	366		0.2%	341		0.2%
Other assets	8,184		4.7%	9,583		4.2%
Cash and cash equivalents	23,576		13.46%	20,753		9.2%
Total current assets	120,884		69.7%	126,903		56.2%
TOTAL ASSETS	173,555		100.0%	225,893		100.0%
Share capital	21,343		12.3%	21,343		9.4%
Other reserves	104,353		60.1%	104,738		46.4%
Retained earnings	7,332		4.2%	5,338		2.4%
Group profit/(loss) for the year	(36,348)		-20.9%	5,647		2.5%
Equity attributable to owners of the parent	96,679		55.7%	137,066		60.7%
Equity attributable to non-controlling interests	-		0.0%	-		0.0%
Total Equity	96,679		55.7%	137,066		60.7%
LIABILITIES						
Bank loans and borrowings and loans and borrowings from other financial backers	14,156		8.2%	21,149		9.4%
Deferred tax liabilities	770		0.4%	1,406		0.6%
Employee benefits	555		0.3%	604		0.3%
Provisions for risks and charges	3,047		1.8%	1,850		0.8%
Other financial liabilities	3,466		2.0%	6,766		3.0%
Total non-current liabilities	21,993		12.7%	31,775		14.1%
Bank loans and borrowings and loans and borrowings from other financial backers	17,260		9.9%	13,740		6.1%
Trade payables	29,318		16.9%	31,533		14.0%
Current tax liabilities	115		0.1%	1,854		0.8%
Provisions for risks and charges	-		0.0%	-		0.0%
Other liabilities	6,509		3.8%	8,478		3.8%
Other financial liabilities	1,681		1.0%	1,446		0.6%
Total current liabilities	54,882		31.6%	57,051		25.3%
TOTAL LIABILITIES	76,876		44.3%	88,826		39.3%
TOTAL EQUITY AND LIABILITIES	173,555		100.0%	225,893		100.0%

Statement of financial position

The Group's reclassified statement of financial position as at 31 December 2025 and 31 December 2024 is shown below:

<i>(In thousands of Euro)</i>	Balance as at	
	31 December 2025	31 December 2024
Inventories	36,648	39,682
Trade receivables	51,500	56,251
Trade payables	(29,318)	(31,533)
Net trade working capital	58,831	64,400
Other working capital items	2,169	(455)
Net working capital	61,000	63,944
Non-current assets	52,672	98,989
Non-current provisions and other liabilities	(4,371)	(3,860)
Net invested capital	109,300	159,074
Net financial indebtedness	12,621	22,007
Equity	96,679	137,066
Total equity and financial liabilities	109,300	159,074

The Group's Net Trade Working Capital as at 31 December 2025 was EUR 58,831 thousand, marking a decrease in absolute value of EUR 5,568 thousand compared to the previous year, mainly due to a decline in inventories for EUR 3,033 thousand and in trade receivables for EUR 4,750 thousand, partially offset by an increase in trade payables for EUR 2,215 thousand. The change in inventories is mainly attributable to a volume effect and specific efficiency measures implemented by Management.

This aggregate accounted for 37.6% of sales for the year, compared to 39.2% in the previous year.

Total receivables assigned without recourse to factoring companies amounted to EUR 6,297 thousand as at 31 December 2025 (EUR 7,982 thousand at 31 December 2024).

Financial Position

<i>(In thousands of Euro)</i>	Balance as at	
	31 December 2025	31 December 2024
Liquid funds/(Financial liabilities):		
Cash	7	10
Bank deposits	23,569	20,742
Cash and cash equivalents	23,576	20,753
Current financial assets	366	341
Current bank loans and borrowings	(17,260)	(13,740)
Other financial liabilities	(1,681)	(1,446)
Current financial indebtedness	(18,575)	(14,845)
Net current financial indebtedness	5,001	5,908
Non-current bank loans and borrowings	(14,156)	(21,149)
Other financial liabilities	(3,466)	(6,766)
Non-current financial indebtedness	(17,622)	(27,915)
Net financial indebtedness	(12,621)	(22,007)

Cash and cash equivalents (EUR 23,576 thousand) and available unused trade and factor credit lines (EUR 8,258 thousand) ensure the Group has significant financial strength.

Below is a reconciliation of the net financial indebtedness as at 31 December 2025, of EUR 12,621 thousand, and as at 31 December 2024, of EUR 22,007 thousand, according to the scheme envisaged by ESMA Guidance 32-382-1138 dated 4 March 2021 and indicated in the Consob Note 5/21 dated 29 April 2021:

<i>(In thousands of Euro)</i>	Balance as at		Changes	
	31 December 2025	31 December 2024	Δ	%
(A) Cash	23,576	20,753	2,823	13.6%
(B) Other cash and cash equivalents	-	-	-	0.0%
(C) Other current financial assets	366	341	25	7.2%
(D) Liquidity (A)+(B)+(C)	23,942	21,094	2,848	13.5%
(E) Current financial debt	10,270	10,168	102	1.0%
(F) Current portion of non-current debt	8,675	5,018	3,656	72.9%
(G) Current financial indebtedness (E) + (F)	18,945	15,186	3,759	24.8%
- of which guaranteed	-	-	-	0.0%
- of which not guaranteed	18,945	15,186	3,759	24.8%
(H) Net current financial indebtedness (G) - (D)	(4,997)	(5,907)	910	-15.4%
(I) Non-current financial debt	17,618	27,915	(10,297)	-36.9%
(J) Debt instruments	-	-	-	0.0%
(K) Non-current trade and other payables	-	-	-	0.0%
(L) Non-current financial indebtedness (I)+(J)+(K)	17,618	27,915	(10,297)	-36.9%
- of which guaranteed	-	-	-	0.0%
- of which not guaranteed	17,618	27,915	(10,297)	-36.9%
(M) TOTAL FINANCIAL INDEBTEDNESS (H) + (L)	12,621	22,007	(9,387)	-42.7%

Net financial indebtedness of EUR 12,621 thousand includes:

- EUR 23,942 thousand in liquid funds;
- EUR 17,618 thousand for non-current financial debt, including long-term portions of financial liabilities to credit institutions, non-current liabilities related to the valuation of put & call options and lease payables in application of IFRS 16.
- EUR 10,270 thousand for current financial liabilities mainly related to current accounts payable, advance invoices, hot money and the short-term portion of liabilities related to the valuation of put-and-call options for the purchase of minorities;
- EUR 7,144 thousand for financial liabilities of a current nature to repay existing medium- and long-term loans;
- EUR 1,531 thousand mainly related to short-term loan instalments and current portion of IFRS16 lease obligations.



The reduction in Net financial indebtedness as at 31 December 2025, compared to 31 December 2024, was EUR 9,387 thousand.

Eliminating the accounting effects arising from the recognition of rights of use (IFRS 16), the Group's Net financial indebtedness (M) decreased compared to the previous year by EUR 8,691 thousand (EUR 10,056 thousand at 31/12/2025 and Euro 18,747 at 31/12/2024).

The main factors that influenced cash flow trends in the years considered are summarised below.

Net cash flows generated by operating activities

<i>(In thousands of Euro)</i>	Year ended	
	31 December 2025	31 December 2024
Cash flows from operating activities		
Profit/(loss) for the year	(36,348)	5,647
<i>Adjustments for:</i>		
- Current and deferred taxes	(1,673)	593
- Net accruals and impairment losses included in working capital	1,112	2,292
- Income)/expenses from investments and (Gains)/losses on foreign exchange	181	1,890
- Gains on equity investments	(76)	(97)
- Amortisation, depreciation and impairment losses of non-current assets	55,893	13,724
- Other non-monetary movements	-	-
<i>Changes in:</i>		
- Inventories	2,622	5,069
- Trade receivables	5,246	(4,932)
- Trade payables	(2,215)	(797)
- Changes in other operating assets and liabilities	(570)	3,022
- Payment of employee benefits and change in provisions	(50)	-
- Income taxes paid and offset	(4,564)	(2,993)
Cash flows generated by operating activities	19,559	23,418
Interest paid and other net charges paid	(181)	(1,890)
Net cash flow generated by operating activities	19,377	21,527

Net cash flow generated by operating activities of EUR 19,377 thousand (EUR 21,527 thousand in 2024) records a decrease of EUR 2,150 thousand, mainly due to the performance of working capital, explained previously.

Cash flows used in investing activities

<i>(In thousands of Euro)</i>	Year ended	
	31 December 2025	31 December 2024
Cash flows from investing activities		
Acquisition of subsidiary, net of cash acquired and other costs	-	-
Purchase of property, plant and equipment and intangible assets	(5,647)	(5,307)
Cash flows used in investing activities	(5,647)	(5,307)

In 2025, the investing activity mainly concerned:

- investments in intangible assets of about EUR 3,173 thousand (without including the effect of converting financial statements carried in foreign currencies), mainly related to the evolution of the main company software and R&D on new products/brands;
- investments in property, plant and equipment in the amount of about EUR 1,599 thousand (without including the effect of converting Financial Statements carried in foreign currencies).

Cash flows used in financing activities

<i>(In thousands of Euro)</i>	Year ended	
	31 December 2025	31 December 2024
Cash flows from financing activities		
(Dividend distribution)	(1,941)	(1,824)
Disbursed bank loans and borrowings from other financial backers	-	25,000
Repaid bank loans and borrowings from other financial backers	(3,473)	(27,881)
Increase in other financial liabilities	(3,169)	(3,871)
Other changes in equity	(2,344)	1,046
Other non-monetary changes in equity	20	(2,124)
Net cash flows used in financing activities	(10,907)	(9,656)

The cash flows used in financing activities as at 31 December 2025 mainly reflect the decrease of EUR 3,473 thousand in bank payables as a result of the payment of instalments on medium-/long-term bank loans for EUR 3,572 thousand.

8. Parent's profit/(loss) for the year

<i>(thousands of Euro)</i>	2025	Of which related parties	% of Revenues	2024	Of which related parties	% of revenues
Revenue from sales	122,594	19,270	100%	130,899	23,005	100%
Cost of sales	(74,382)	(1,415)	-60.7%	(83,067)	(1,993)	-63.5%
Gross operating profit	48,212		39.3%	47,832		36.5%
Sales and distribution costs	(21,525)		-17.6%	(21,206)		-16.2%
General and administrative costs	(52,091)	(17)	-42.5%	(21,310)	(13)	-16.3%
Other non-operating revenue	2,045	(400)	1.7%	2,010	415	1.5%
Operating profit/(loss)	(23,358)		-19.1%	7,326		5.6%
* of which PPA amortisation/depreciation	5,755		4.7%	5,755		4.4%
* of which impairment of goodwill and other non-current assets	28,813		23.5%	33		0.0%
* of which non-recurring expense	1,554		1.3%	823		0.6%
* of which exchange gains	480		0.4%	195		0.1%
Adjusted operating profit (Adjusted EBIT)	13,243		10.8%	14,130		10.8%
* of which depreciation and amortisation (excluding PPA amortisation/depreciation)	5,156		4.2%	5,290		4.0%
Adjusted EBITDA	18,399		15.0%	19,420		14.8%
Financial income	215	108	0.2%	718	278	0.5%
Financial expense	(3,143)		-2.6%	(3,342)		-2.6%
Exchange gains	483		0.4%	66		0.1%
Losses on equity investments	(4,034)		-3.3%	(410)		-0.3%
Profit/(loss) before taxes	(29,838)		-24.3%	4,360		3.3%
* of which PPA amortisation/depreciation	5,755		4.7%	5,755		4.4%
* of which impairment of goodwill and other non-current assets	28,813		23.5%	-		0.0%
* of which non-recurring expense	1,554		1.3%	823		0.6%
* of which write-down of equity investments	4,034		3.3%	-		0.0%
Adjusted profit before taxes	10,317		8.4%	10,936		8.4%
Current and deferred taxes	1,082		0.9%	(339)		-0.3%
Profit/(loss) for the period	(28,756)		-23.5%	4,021		3.1%
* of which PPA amortisation/depreciation	5,755		4.7%	5,755		4.4%
* of which write-down of equity investments	4,034		3.3%	-		0.0%
* of which impairment of goodwill and other non-current assets	28,813		23.5%	-		0.0%
* of which non-recurring expense	1,554		1.3%	823		0.6%
* of which tax effect on the above items	(4,704)		-3.8%	(1,835)		-1.4%
* of which impact deferred tax liabilities <i>Warrants</i>	-		0.0%	(1,412)		-1.1%
Adjusted profit for the year	6,695		5.5%	7,350		5.6%

9. Investments and research and development activities

As in previous years, in 2025 the Group carried out constant research and development activities, focusing its efforts on selected projects deemed to be of particular importance:

- technological innovation aimed at the definition and experimental development of new products to expand the market offering;
- technical and technological innovation to improve the performance of processes in the main business areas.

10. Information on related party transactions

Transactions with related parties are neither atypical nor unusual and are part of the ordinary course of business of the Group's companies. These transactions mainly concern (i) the supply of products and accessories for mobile telephony, (ii) the provision of services that are functional to the performance of the business and (iii) the provision of loans to the above-mentioned related parties. Transactions with related parties, as defined by IAS 24 and governed by Article 4 of Consob Regulation 17221 of 12 March 2010 (and subsequent amendments), implemented by the Group up to 31 December 2025 concern mainly commercial transactions relating to the supply of goods and the provision of services. The following is a list of the related parties with which transactions took place in 2025, indicating the type of relationship:

Related parties	Type and main relationship
Cellular Swiss S.A.	Associate of Cellularline S.p.A. having a 50% investment (consolidated using the equity method); the remaining shareholders are: Maria Luisa Urso (25%) and Antonio Miscioscia (25%)
Christian Aleotti	Shareholder and CEO of Cellularline S.p.A.

The table below shows the equity balances of Cellularline's transactions with related parties for 2025:

<i>(In thousands of Euro)</i>	Current trade receivables	Other non-current assets	(Trade payables)
Cellular Swiss S.A.	2,781	-	-
Total	2,781	-	-
<i>Impact on the financial statements item</i>	<i>5.4%</i>	-	-

The table below shows the balances from the transactions with related parties carried out by Cellularline in the income statement for 2025:

<i>(In thousands of Euro)</i>	Revenues from sales	(Sales and distribution costs)	(General and administrative costs)	Other non-operating expense/(revenue)
Cellular Swiss S.A.	5,520	(1)	(2)	-
Christian Aleotti	-	-	(15)	-
Total	5,520	(1)	(17)	-
<i>Impact on the financial statements item</i>	<i>3.52%</i>	<i>0%</i>	<i>0.06%</i>	-

It should be noted that the main related party transactions for 2025 are as follows:

- Cellular Swiss S.A.: commercial relationship involving the transfer of goods held for sale by Cellularline S.p.A. to Cellular Swiss S.A., with the latter recharging a portion of the commercial contributions incurred for the acquisition of new customers and/or the development of existing customers, in line with the Group's commercial policies;
- Christian Aleotti: two leases to which Cellularline S.p.A. is a party, as tenant, entered into on 1 September 2017 and 16 October 2017.

It should be noted that there are no existing relations with other related parties.

11. Atypical and/or unusual transactions

During the year, there were no atypical and/or unusual transactions, as defined in CONSOB Communication no. DEM/6064293 of 28 July 2006.

12. Share-based payments

Information on share-based payment plans is presented in Note 4.12 to the Consolidated Financial Statements.

13. Treasury shares and shares of the parent

During 2025, 342,155 treasury shares were assigned in connection with the distribution of the extraordinary dividend resolved by the Shareholders' Meeting of 17 April 2025.

The number of treasury shares held in the portfolio as of 31 December 2025 was 1,084,642 (568,781 as at 31 December 2024), or 4.96% of the share capital. See paragraph "Significant events during the year" for information on the ongoing buy-back programme.

14. Main risks and uncertainties to which the Group is exposed

This section provides information on the Group's exposure to each of the risks and uncertainties, the objectives, policies and processes for managing these risks and the methods used to assess them, as well as the Group's management of capital.

The overall responsibility for creating and supervising a Group risk management system lies with the parent's Directors, who are responsible for developing and monitoring the Group's risk management policies.

The Group's risk management policies are designed to identify and analyse the risks to which the Group is exposed, to establish appropriate limits and controls and to monitor risks and compliance with these limits. These policies and related systems are reviewed regularly to reflect any changes in market conditions and the Group's activities. Through training, standards and management procedures, the Group aims to create a disciplined and constructive control environment in which its employees are aware of their roles and responsibilities.

In this context, the Parent Cellularline S.p.A. has adopted the Code of Ethics and the Organisation and Management Model pursuant to Legislative Decree no. 231 of 8 June 2001, giving appropriate notice to all the parties concerned, and keeps it updated according to regulatory developments and corporate activity.

14.1 Risks related to the geopolitical context

The global geopolitical framework continues to present elements of instability that could affect, directly or indirectly, the Group's activities. During the early months of 2026, there was an escalation of the conflict in the Middle East and the critical evolution of the geopolitical situation generated increased uncertainty in international markets, potentially affecting costs and supply chains.

Although there is currently no material impact on the economic and financial performance, any worsening of tensions could lead to negative effects on the Group's business in the short to medium term, which the Group's management is promptly monitoring.

14.2 Risks related to competition and competitiveness

The mobile device (smartphones and tablets) accessories market is characterised by a high level of competitiveness, which could also increase further with the possible entry of potential new Italian or foreign competitors. The Group's current or future competitors may be able to implement marketing and commercial development policies that will enable them to gain market share to the detriment of those operators that use multiple sales channels. In this case, the Group could be forced to reduce its sales prices without any corresponding reduction in the purchase costs of its products, thus achieving a lower margin on the sale of its products. One of the main threats to the Group is the sale of competing products by producers located in the Far East, often through the on-line channel and with low quality and/or non-certified product offerings.

If the Group, in the event of an increase in the number of direct and/or indirect competitors, is not able to maintain its competitive strength on the market, there could be negative effects on its business and growth prospects as well as on its financial position and performance. Further risks are linked to possible changes in consumer purchasing behaviour in the light of demographic changes, increasing digitalisation, changing economic conditions and purchasing power. Any misinterpretation of developments in consumer behaviour, trends in terms of prices and product ranges may result in the risk of failed or delayed adoption of appropriate sales models and in the failed or delayed exploration of new sales channels, with possible negative effects on the Group's financial position and performance.

14.3 Risks related to seasonality and the obsolescence of inventories

The market the Group operates in is characterised by seasonal phenomena that are typical of the market of electronic products and accessories. In particular, sales in the second half of each year account for more than 60% of total annual sales on average, with demand peaking in the last quarter of the year (Black Friday and Christmas). Absolute EBITDA, in consideration of a far more linear and uniform distribution of overhead costs (personnel, rents and general expenses) throughout the year, is also affected by this seasonality, showing a significantly higher average EBITDA incidence in the second half of the year. Therefore, the Group is exposed to risks related to the availability of certain products in the warehouse as well as the risk that some of them may become obsolete before they are put on the market.

Considering the importance of warehouse management in its business organisation, the Group may be exposed

both to an availability risk related to the correct forecast of the quantity and assortment of products for the subsequent marketing in a given period of the year and to a risk related to the obsolescence of inventories due to delays in marketing or because the quantities procured exceed sales on the market in the last quarter with possible sales difficulties in subsequent quarters.

The Group is exposed to the risk associated with possible changes in consumer purchasing behaviour, in light of demographic changes and increased competitive pressure, further amplified by the current macroeconomic conditions that increase price volatility with possible effects on consumers' purchasing choices also in relation to their spending capacity.

The incorrect definition of the product range in terms of variety and availability during the periods of the year that are characterised by high sales or the untimeliness of the change in strategy in terms of updated sales data and information could have a negative impact on the match between product offer and customer demand and the valuation of products held as inventories, with negative effects on the Group's financial position and performance.

14.4 Risks related to changes in the regulatory framework

The Group is subject to the regulations applicable to products manufactured and/or marketed. The evolution of the regulations or any changes to the regulations in force, also at international level, could require the Group to sustain additional costs to adapt its production facilities or the characteristics of its products to the new provisions, with a consequent negative effect on the Group's growth prospects as well as on its financial position and performance.

14.5 Risk associated with price trends and possible procurement difficulties and relations with suppliers

The Group operates in international markets, with customers operating mainly in the EMEA area and with suppliers of products located mainly in the Far East (principally China); as of today, sales are therefore made almost exclusively in Euro, while the majority of purchases of products are settled in USD, as is the practice of the reference industry. The Group is therefore exposed to exchange rate risk - for the main types of product supplies - almost exclusively in USD. However, there are numerous factors that limit its risk profile, including the possibility to carry out, in a relatively short time (3-6 months), revisions to customer price lists and the high contractual flexibility with suppliers in the Far East (with no commitments to purchase minimum quantities at predefined prices for periods exceeding 6 months, with some rare exceptions).

The performance of foreign exchange rates applied during the year was as follows:

Currency	Average 2025	Year ended 31 December 2025	Average 2024	Year ended 31 December 2024
Euro/US Dollar	1.130	1.175	1.082	1.039

In 2025, the Group used derivative financial instruments to hedge fluctuations in the EUR/USD exchange rate.

In addition, any legislative, political and economic changes, as well as potential social instability and conflict or the introduction of restrictions or customs duties on the export of products, or the introduction into the European Union of any restrictions on the import of products from these countries, could have a negative impact on the production capacity of suppliers and on the procurement activities of the Group, with consequent possible negative effects on the business and prospects, as well as on the financial position and performance of the Group.

In the event of a resurgence in inflation, the increase in interest rates due to the tightening of monetary policies implemented to tackle the situation, in addition to impacting the cost of debt, could lead to a contraction in consumption also in the sector in which the Group operates, with unfavourable effects on results.

14.6 Liquidity risk

From an operational point of view, the Group controls the liquidity risk through the annual planning of expected cash flows and payments. Based on the results of such planning, it identifies financial requirements and thus the financial resources to cover them. The average debt exposure of the Group is shown below:

<i>(In thousands of Euro)</i>	within 12 months	1 - 5 years	over 5 years	Total
Employee benefits	-	555	-	555
Trade payables	29,318	-	-	29,318
Deferred tax liabilities	-	575	195	770
Bank loans and borrowings and loans and borrowings from other financial backers	17,260	14,156	-	31,416
Current provisions for risks and charges	-	3,047	-	3,047
Other liabilities	6,509	-	-	6,509
Other financial liabilities	1,681	3,401	66	5,147
Current tax liabilities	115	-	-	115
Total	54,882	21,733	261	76,876

In order to prevent unforeseen cash outflows from becoming critical, the Group aims to keep a balance between maintaining the funding and flexibility, through the use of available liquidity and credit lines. With regard to potential liquidity risks, the Group continues to show a healthy equity and financial structure, considering the limited leverage ratio equal to 0.60x (calculated as Net financial debt/Adjusted EBITDA), the current cash and cash equivalents (EUR 23,576 thousand) and the unsecured commercial credit and factor lines made available by various credit institutions and not used (about EUR 23,578 million).

14.7 Credit risks

Credit risk is the risk that a customer or one of the counterparties to a financial instrument may cause a financial loss by defaulting on an obligation and arises mainly from the Group's trade receivables and financial investments.

The Group is exposed to the risk that its customers may delay or fail to meet their payment obligations within the agreed terms and conditions and that the internal procedures adopted in relation to the assessment of creditworthiness and solvency of customers are not sufficient to ensure the successful completion of collections.

Such failed payments, late payments or other default situations may be due to the insolvency or bankruptcy of the customer, economic events or specific situations of the customer.

Specifically, attention must be paid to the credit policy with regard to both long-standing and newly acquired customers, strengthening the policies of preventive action, by acquiring more complete credit information (from different sources) for all major and/or new customers and by progressively increasing the systematic way in which credit report analyses are conducted, including the assessment of the customer portfolio and the assignment of credit limits.

The ageing list of consolidated trade receivables as at 31 December 2025 is shown below:

<i>(In thousands of Euro)</i>	Not yet due	Due within 6 months	Due in 6 to 12 months	Due after 12 months	Total
Trade receivables (gross of loss allowance)	30,058	10,456	6,690	5,106	52,310
Amounts due from associates	1,702	1,079	-	-	2,781
Total gross trade receivables	31,760	11,535	6,690	5,106	55,090
(Loss allowance)	-	-	-	(3,590)	(3,590)
Total net trade receivables	31,760	11,535	6,690	1,516	51,500

The Group recognises an expected loss allowance considering estimated losses on trade receivables, other assets and non-current financial assets, which takes into account the risk level of the counterparties and the related positions by homogeneous classes. In particular, the policy implemented by the Group provides for the stratification of trade receivables on the basis of days past due and an assessment of the counterparty's solvency, and applies different impairment percentages that reflect the relative recovery expectations. The Group then applies an analytical assessment based on the debtor's reliability and ability to pay the amounts due, for impaired loans.

14.8 Interest rate risks

In relation to the risk of changes in interest rates, in 2025 the Parent considered it appropriate to enter into interest rate swaps to hedge the risk of changes in interest rates on existing medium/long-term loans (residual debt at 31 December 2025 of approximately EUR 21.4 million); in this way, should interest rates rise, such increases would not result in higher financial expense on this component of the debt.

14.9 Risks related to the administrative liability of legal persons

In 2017 the parent adopted the organisational model and the code of ethics and appointed the supervisory body as provided for by Legislative Decree no. 231 of 8 June 2001, in order to ensure compliance with the set conditions of fairness and transparency in the execution of business activities, to protect its position and image, the expectations of shareholders and the work of employees. The model is a valid tool for raising the awareness of all those who work on behalf of the parent, so that they behave correctly and properly while performing their activities, as well as a means of prevention against the risk of committing crimes.

14.10 Risks associated with climate change

Risk that a catastrophic event resulting from acute weather phenomena (storms, floods, earthquakes, fires or heat waves) and/or chronic weather phenomena, i.e. long-term climatic changes (temperature changes, rising sea levels, reduced water availability, loss of biodiversity, etc.), may damage assets or cause a production stoppage for the Group and/or suppliers, and prevent the Group from carrying out its operations by interrupting the value chain or lead to a slowdown in the supply chain.

The Group regularly and thoroughly examines the risk of climate change. The “2024 ESG Report”, prepared on a voluntary basis, was presented to the Board of Directors on 30 July 2025 and was made public and distributed to all stakeholders. At present, no significant elements have been highlighted such as to identify triggers that could generate accounting impacts. In particular, the recoverability of the value of inventories, the potential impact on the residual useful life of assets, following the potential need to replace them in order to comply with new policies or non-compliance with current regulations, and the potential impact on the demand for products were examined without finding any critical issues. Given the ongoing evolution of the subject, the Group will continue and expand its monitoring of such possible risks in the future.

14.11 Risk of cybercrimes and computer system disruptions

The Group is very sensitive to the risks associated with possible interference with the IT system, on which the continuity and operability of the business very much depend. Also with reference to the Cyber Risk (the risk connected to the handling of information in the computer system that may be hacked, stolen or deleted due to accidental events or malicious actions - such as hacker attacks), it should be noted that the Parent has adopted various measures to guarantee the continuity of IT services, including the use of distinct server locations and various levels of security for access to systems, and has also drawn up a plan to guarantee data recovery in the event of a disaster event through a Disaster Recovery system and plan. With reference to the remaining Group companies, the Parent's management is continuing the process of reconnaissance and evaluation of the measures activated locally with the aim of implementing adequate safeguards at Group level through a programme of continuous improvement of the posture in the area of Cyber Security through the set of measures, policies and technologies put in place to protect its digital assets. In addition, an insurance policy has been stipulated to cover the cyber risk.

15. Management and coordination

Cellularline S.p.A. is not managed and coordinated by companies or entities and defines its general and operational strategic guidelines independently.

16. Corporate governance

The Parent's Corporate Governance system complies with the principles contained in the Corporate Governance Code for Listed Companies and with international best practice. On 16 March 2026, the Board of Directors approved the Report on corporate governance and ownership structure, pursuant to article 123-bis of the T.U.F. [Consolidated Finance Law], relating to 2025. This Report is published on the Company's website

www.cellularlinegroup.com in the “Governance” section - subsection “Shareholders’ Meeting” - and explicit reference is made to it as required by law. Cellularline S.p.A.’s management and control model is the traditional one provided for by Italian law, which provides for the presence of a Shareholders’ Meeting, a Board of Directors, a Board of Statutory Auditors and the Independent Auditors. The corporate officers are appointed by the Shareholders’ Meeting and remain in office for three years. The Independent Directors, as defined in the Code, and the role played by them both within the Board and within the Company’s Committees (Risk and Control Committee, Committee for Transactions with Related Parties, Appointments and Remuneration Committee), are appropriate means of ensuring an adequate balance of interests of all the shareholders and a significant degree of debate in the discussions of the Board of Directors.

17. Classes of financial instruments

Below is a breakdown of the financial assets and liabilities required by IFRS 7 according to the categories envisaged by IFRS 9 at 31 December 2025 and 31 December 2024.

<i>(In thousands of Euro)</i>	Carrying amount as at 31/12/2025	Carrying amount			Fair value level		
		Amortised cost	FV to OCI	FV to PL	Level 1	Level 2	Level 3
Cash and cash equivalents	23,576	23,576	-	-	-	-	-
Trade receivables and other assets	59,685	59,685	-	-	-	-	-
Other financial assets	366	-	-	366	-	366	-
Total financial assets	83,626	83,261	-	366	-	366	-
Financing	31,416	31,416	-	-	-	-	-
Trade payables and other liabilities	35,827	35,827	-	-	-	-	-
Other financial liabilities	5,147	-	-	5,147	-	5,147	-
Total financial liabilities	72,389	67,242	-	5,147	-	5,147	-

<i>(In thousands of Euro)</i>	Carrying amount as at 31/12/2024	Carrying amount			Fair value level		
		Amortised cost	FV to OCI	FV to PL	Level 1	Level 2	Level 3
Cash and cash equivalents	20,753	20,753	-	-	-	-	-
Trade receivables and other assets	65,834	65,834	-	-	-	-	-
Other financial assets	341	-	-	341	-	341	-
Total financial assets	86,928	86,928	-	-	-	341	-
Financing	34,889	34,889	-	-	-	-	-
Trade payables and other liabilities	40,011	40,011	-	-	-	-	-
Other financial liabilities	8,212	-	-	8,212	-	8,212	-
Total financial liabilities	83,112	74,900	-	8,212	-	8,212	-

IFRS 13 establishes a fair value hierarchy that classifies the inputs of the valuation techniques adopted to measure fair value into three levels. The fair value hierarchy gives the highest priority to prices (unadjusted) quoted in active markets for identical assets or liabilities (Level 1 data) and the lowest priority to unobservable inputs (Level 3 data). In some cases, the data used to measure the fair value of an asset or liability could be classified into different levels of the fair value hierarchy. In such cases, the fair value measurement is classified entirely at the same level of the hierarchy in which the lowest level input is classified, taking into account its importance for the measurement.

The levels used in the hierarchy are:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level 2 inputs are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3 inputs are unobservable inputs for the asset or liability.

It should be noted that put & call options and derivative financial instruments are measured at fair value. For financial instruments measured at amortised cost, the carrying amount is also considered to be a reasonable approximation of their fair value.

18. Branches

The Parent has its registered office in Reggio Emilia, at Via Grigoris Lambrakis no. 1/A and has a branch office in France, based in Paris at 91, Rue Du Faubourg Saint Honoré.

19. Workforce

In 2025, in the belief that people are one of the Group's strategic assets, we continued to invest in improving people management practices and policies through the implementation and continuous maintenance of HR processes and systems. Moreover, the Group continues to carry out training and development activities for its employees on a regular basis, in the certainty that the professional and working growth of each individual is a prerequisite for continuous improvement in performance.

The work is carried out in full compliance with the rules and regulations in force regarding safety in the workplace. There have been no specific incidents to be mentioned in this report, such as deaths, serious accidents at work or occupational diseases for which the Group has been held liable.

The number of employees as at 31 December 2025 was 294, in line with the previous year (299).

20. Information on environmental impact

The Group firmly believes in respecting the environment and the ecosystem in which it operates; this is why it carries out its business taking into account the protection of the environment and the need for sustainable use of natural resources, in accordance with the provisions of current environmental legislation, committing itself to act responsibly towards the territory and the community. In particular, the assessment and management of environmental and social impacts along the supply chain, as well as the traceability of its suppliers are extensively

analysed in the Environment, Social and Governance (ESG) report published annually. The Group condemns any type of action or behaviour that is potentially harmful to the environment. Although it does not have any significant environmental impacts, the Group has adopted specific procedures for the disposal of Waste Electrical and Electronic Equipment (WEEE).

21. Significant events during the year

- From the beginning of FY 2025, Cellularline S.p.A., within the scope of the authorisation to purchase treasury shares resolved by the Issuer's Shareholders' Meeting on 22 November 2023 and renewed by resolution of the Shareholders' Meeting on 17 April 2025, purchased 858,016 ordinary treasury shares for a total value of EUR 2,373 thousand. As of today, Cellularline directly holds 1,084,642 treasury shares, equal to 4.96% of the share capital with voting rights.
- On 26 February 2025, the Board of Directors approved the 2025-2028 Business Plan.
- Starting in April 2025, the tightening of US trade policy, with the introduction of new tariffs, helped to reshape international trade flows. China, in particular, has diverted part of its exports from the USA to other markets, strengthening its commercial presence on the European market with a consequent increase in competitive pressure.
- On 17 April 2025, the Shareholders' Meeting approved all the items on the agenda and, in particular:
 - the Financial Statements at 31 December 2024;
 - the allocation of the profit for the year and the distribution of an ordinary dividend partly in cash and partly through the assignment of treasury shares;
 - the Explanatory report on the remuneration policy and fees paid approved;
 - authorisation to purchase and dispose of treasury shares, following revocation, for the portion that was not executed of the authorisation resolution passed by the ordinary shareholders' meeting on 22 November 2023.
- On 8 May 2025, the Parent started a new buyback programme of up to 7% of the share capital (maximum EUR 3.8 million), following authorisation by the shareholders' meeting of 17 April 2025. The execution of the programme was entrusted to Intesa Sanpaolo S.p.A..
- On 13 May 2025, the company Subliros S.L. resolved the liquidation as part of the Group's *e-commerce* streamlining efforts, concentrating *business* operations on its subsidiary, Coverlab S.r.l..
- On 21 May 2025, cash dividends were paid in the amount of EUR 0.093 per eligible ordinary share, and dividends were paid through the free allocation to shareholders of 342,155 ordinary treasury shares, in the amount of 1 ordinary share for every 61 ordinary shares held.
- On 10 June 2025, Cellularline Group took an important step in its path towards sustainable corporate development by obtaining Benefit Corporation status. Cellularline thus formally commits to generating a positive impact on society and the environment, embedding these objectives into its business model and making them an integral part of its corporate purpose. The common benefit objectives identified in the

enhancement of people, responsible innovation and environmental sustainability reflect and strengthen the Group's strategic pillars.

- On 20 June 2025, a minority shareholder of Peter Jäckel GmbH exercised the Put option reserved to him for the sale to Cellularline of a tranche equating to a total of 19.6% in the company's share capital. The exercise of the put option by the minority shareholders brings Cellularline to hold a 79.6% controlling interest in Peter Jäckel.
- On 22 July 2025, a partnership was signed with Telepass for the distribution of the new "Grab&Go" device. Cellularline will support Telepass in distributing the new pay-per-use product for electronic tolling in Europe, and particularly in Italy, where the Group expects to reach over 1,000 physical points of sale, including large-scale retail, consumer electronics, travel retail and motorcycle accessories, ensuring widespread nationwide coverage across the country as well as highly structured logistics management. The agreement is part of Cellularline's strategy aimed at simplifying customer access to advanced technological mobility solutions.
- On 6 August 2025, the 2024 ESG report was published. The Report is developed around three strategic principles - Ecological Transition, People Care & DE&I and Change System - which guide the Group's action in six thematic areas: Governance, People, Community, Suppliers, Environment and Customers.
- On 16 October 2025, the Group Chief Financial Officer and Manager in charge of drafting the Company's accounting documents, Mr. Mauro Borgogno, announced his decision to step down from his roles effective 1 December 2025, for personal reasons and to reduce his personal commitment. He will, however, remain a member of the Company's Board of Directors after that date.
- On 5 November 2025, the Company announced that the Board of Directors resolved to appoint, with effect from 1 December 2025, Giacomo Rizzi as Manager in charge of preparing the company's accounting documents, pursuant to Article 154-bis of the Consolidated Law on Finance and subject to the favourable opinion of the Board of Statutory Auditors, since he meets the requirements of the Articles of Association for the position, assuming responsibility for the Group's administration, finance and control area from the same date.
- On 29 October 2025, the company Subliros S.L. completed the liquidation as part of the Group's e-commerce streamlining efforts, concentrating business operations on its subsidiary, Coverlab S.r.l.
- On 13 November 2025, Cellularline Benelux BV was established with its registered office in Brussels with the aim of directly serving customers in the area and with a view to expanding the business.

22. Key events after the reporting date

- On 04 March 2026, the Board of Directors approved the 2026-2029 Business Plan;
- The early months of 2026 saw an escalation of the conflict in the Middle East. The critical evolution of the geopolitical situation has generated increased uncertainty in international markets, with potential repercussions on costs and supply chains. The impact for the Group is currently being monitored.



23. Outlook

With reference to FY 2026, taking into account the presence of elements of uncertainty in the international macroeconomic scenario, also in relation to geopolitical tensions arising from the conflict in the Middle East, the Group foresees the continuation of a competitive market environment. In this context, Cellularline confirms its commitment to implementing its strategic development lines, with a particular focus on operational stability and sustainability of results.

Reggio Emilia, 16 March 2026

Chair of the Board of Directors

Antonio Luigi Tazartes



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**CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR
THE YEAR ENDED 31 December 2025**

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CONSOLIDATED FINANCIAL STATEMENTS
AT 31 December 2025

CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 December 2025
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>(thousands of Euro)</i>	Notes	31/12/2025	Of which related parties	31/12/2024	Of which related parties
ASSETS					
Non-current assets					
Intangible assets	4.1	25,128		43,264	
Goodwill	4.2	8,559		38,192	
Property, plant and equipment	4.3	6,763		7,454	
Equity investments		504		428	
Right-of-use assets	4.4	1,538		3,099	
Deferred tax assets	4.5	9,959		6,412	
Financial assets		220		141	
Total non-current assets		52,672		98,989	
Current assets					
Inventories	4.6	36,648		39,682	
Trade receivables	4.7	51,500	2,781	56,251	3,316
Current tax assets	4.8	609		294	
Financial assets	4.9	366		341	
Other assets	4.10	8,184		9,583	
Cash and cash equivalents	4.11	23,576		20,753	
Total current assets		120,884		126,903	
TOTAL ASSETS		173,555		225,893	
EQUITY AND LIABILITIES					
Equity					
Share capital	4.12	21,343		21,343	
Other reserves	4.12	104,353		104,738	
Retained earnings (accumulated losses)	4.12	7,332		5,338	
Group profit/(loss) for the year		(36,348)		5,647	
Equity attributable to owners of the parent		96,679		137,066	
Equity attributable to non-controlling interests		-		-	
TOTAL EQUITY		96,679		137,066	
LIABILITIES					
Non-current liabilities					
Bank loans and borrowings and loans and borrowings from other financial backers	4.13	14,156		21,149	
Deferred tax liabilities	4.5	770		1,406	
Employee benefits	4.14	555		604	
Provisions for risks and charges	4.15	3,047		1,850	
Other financial liabilities	4.19	3,466		6,766	
Total non-current liabilities		21,993		31,775	
Current liabilities					
Bank loans and borrowings and loans and borrowings from other financial backers	4.13	17,260		13,740	
Trade payables	4.16	29,318		31,533	
Current tax liabilities	4.17	115		1,854	
Provisions for risks and charges	4.15	-		-	
Other liabilities	4.18	6,509		8,478	
Other financial liabilities	4.19	1,681		1,446	
Total current liabilities		54,882		57,051	
TOTAL LIABILITIES		76,876		88,826	
TOTAL EQUITY AND LIABILITIES		173,555		225,893	

CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 December 2025
CONSOLIDATED INCOME STATEMENT

<i>(thousands of Euro)</i>	Notes	2025	Of which related parties	2024	Of which related parties
Revenue from sales	5.1	156,643	5,520	164,263	5,262
Cost of sales	5.2	(93,202)		(98,444)	
Gross operating profit		63,442		65,819	
Sales and distribution costs	5.3	(31,473)	(1)	(31,421)	
General and administrative costs	5.4	(71,699)	(17)	(27,828)	(13)
Other non-operating expense	5.5	1,814		1,462	
Operating profit/(loss)		(37,916)		8,033	
Financial income	5.6	2,463		3,803	
Financial expense	5.6	(3,312)		(5,718)	
Exchange gains	5.7	668		25	
Gains on equity investments	5.8	76		97	
Profit/(loss) before taxes		(38,021)		6,239	
Current and deferred taxes	5.9	1,673		(593)	
Profit/(loss) for the year before non-controlling interests		(36,348)		5,647	
Profit/(loss) for the year attributable to non-controlling interests		-		-	
Group profit/(loss) for the year		(36,348)		5,647	
Basic earnings per share (Euro per share)	5.10	(1.74)		0.26	
Diluted earnings per share (Euro per share)	5.10	(1.74)		0.26	

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>(thousands of Euro)</i>	Notes	31/12/2025	31/12/2024
Group profit/(loss) for the year		(36,348)	5,647
<i>Other components of comprehensive income that will not be reclassified to profit or loss</i>			
Actuarial gains on defined benefit plans		3	4
Actuarial gains on provisions for risks		21	1
Gains/(losses) on translation of foreign operations		226	(336)
Related taxes		(7)	(2)
Total other components of comprehensive income for the year		243	(332)
Total comprehensive income for the year		(36,105)	5,314

CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 December 2025
CONSOLIDATED STATEMENT OF CASH FLOWS

<i>(thousands of Euro)</i>	Notes	31 December 2025	31 December 2024
Profit/ (loss) for the year		(36,348)	5,647
Amortisation, depreciation and impairment of goodwill		55,893	13,724
Net write-downs and provisions included in working capital		1,112	2,292
Gains on equity investments		(76)	(97)
Accrued financial expense from investments and (Gains)/losses on foreign exchange		181	1,890
Current and deferred taxes		(1,673)	593
Other non-monetary changes (*)		-	-
Flow generated by operating activities net of NWC		19,089	24,049
(Increase)/decrease in inventories		2,622	5,069
(Increase)/decrease in trade receivables		5,246	(4,932)
Increase/(decrease) in trade payables		(2,215)	(797)
Increase/(decrease) in other assets and liabilities (*)		(570)	3,022
Payment of employee benefits and change in provisions		(50)	-
Income taxes paid and offset		(4,564)	(2,993)
Cash flow generated by operating activities		19,559	23,418
Interest paid and other net charges paid		(181)	(1,890)
Net cash flows generated by operating activities		19,377	21,527
Acquisition of subsidiaries, net of cash acquired		-	-
Purchase of property, plant and equipment and intangible assets		(5,647)	(5,307)
Cash flows generated by (used in) investing activities		(5,647)	(5,307)
(Dividends distributed)		(1,941)	(1,824)
Other financial assets and liabilities		(3,169)	(3,871)
Disbursed bank loans and loans and borrowings and bank loans and borrowings from other financial backers (*)		-	25,000
Repaid bank loans and borrowings and bank loans and borrowings from other financial backers		(3,473)	(27,881)
Other changes in equity		(2,344)	1,046
Other non-monetary changes in equity		20	(2,124)
Net cash flows used in financing activities		(10,907)	(9,656)
Increase in cash and cash equivalents		2,823	6,565
Effect of exchange rate fluctuations		1	146
Total cash flow		2,824	6,711
Opening cash and cash equivalents	4.11	20,753	14,041
Closing cash and cash equivalents	4.11	23,576	20,753

(*) Stipulation of new loans/new drawdowns

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital	Other reserves	Retained earnings	Profit (loss) for the year	Non- control ling interes ts	Total Equity
Balance as at 31 December 2023	21,343	107,056	2,665	3,595	-	134,659
Profit for the year		-	-	5,647		5,647
Other components of the statement of comprehensive income		(332)	-	-		(332)
Comprehensive income for the year		(332)	-	5,647	-	5,314
Allocation of profit for previous year		1,044	2,551	(3,595)		-
Dividend distribution		(1,824)	-	-		(1,824)
Purchase of treasury shares		(1,875)	-	-		(1,875)
Other changes		670	122	-		792
Balance as at 31 December 2024	21,343	104,738	5,338	5,647	-	137,066
Profit/(loss) for the period		-		(36,348)		(36,348)
Other components of the statement of comprehensive income		243		-		243
Comprehensive income for the year		243		(36,348)	-	(36,105)
Allocation of profit (loss) for previous year		627	5,019	(5,647)		-
Dividend distribution		1,097	(3,039)	-		(1,941)
Repurchase of treasury shares		(2,377)		-		(2,377)
Other changes		23	12	-		36
Balance as at 31 December 2025	21,343	104,352	7,331	(36,348)	-	96,679

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**NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS AS AT AND FOR THE YEAR ENDED 31
December 2025**

1. Introduction

The Cellularline Group (hereinafter the "Group" or the "Cellularline Group") is one of the main operators in the smartphone and tablet accessories sector in the EMEA area, as well as a market leader in Italy; moreover, the Group ranks, by volume, among the top operators in Spain, Switzerland, Belgium, the Netherlands, Germany and Austria and boasts a strong competitive position in the other European countries.

The Consolidated Financial Statements are submitted for approval by the Shareholders' Meeting convened for 30 April 2026, in line with the financial calendar approved by the Board of Directors on 21 January 2026.

Since 22 July 2019, the Parent's shares have been listed on the STAR segment of the Milan Stock Exchange.

At the reporting date of the Consolidated Financial Statements as at and for the year ended 31 December 2025, the shareholders of Cellularline holding more than 5% of the share capital with voting rights are as follows:

- Christian Aleotti 12.57%
- First Sicaf S.p.A. 8.02%
- Antonio Luigi Tazartes 7.31%

2. Basis of preparation of the Consolidated Financial Statements and summary of accounting policies

The basis of preparation and main accounting policies adopted in the preparation of the Consolidated Financial Statements as at and for the year ended 31 December 2025 are described below. These standards and criteria have been applied consistently for all the years presented in this document, taking into account what is stated in Note 2.4.1 "New accounting standards, amendments and interpretations endorsed by the European Union that became effective as of the financial year beginning 1 January 2025".

2.1 Basis of preparation of the Consolidated Financial Statements

The financial statements at 31 December 2025 have been prepared in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and adopted by the European Union.

IFRS also includes all the International Financial Reporting Standards ("IFRS"), all the International Accounting Standards ("IAS") and all the interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), previously known as the Standing Interpretation Committee ("SIC"), endorsed by the European Union at the date of approval of these financial statements by the Board of Directors of the Parent and contained in the relative EU regulations published at that date.

Some of the information contained in the Notes to the Consolidated Financial Statements, prepared in ESEF format, extracted from the XHTML format in an XBRL instance, may not be reproduced identically, due to mere technical problems, to that contained in the Consolidated Financial Statements in XHTML format.

2.2 Basis of presentation

The Consolidated Financial Statements have been prepared on the basis of the Financial Statements as at 31 December 2025, drafted by the individual companies included in the consolidation area of Cellularline S.p.A. ("the Company", and together with its Subsidiaries and Associates "the Group"). The Financial Statements and

reporting package of the companies included in the scope of consolidation have been adjusted, where necessary, in order to bring them into line with the accounting policies classification criteria of the parent in compliance with IFRS. The Group has applied IFRS for the preparation of Consolidated Financial Statements since the Financial Statements as at 31 December 2018 with transition date 1 February 2017.

The Consolidated Financial Statements as at and for the year ended 31 December 2025 include the Financial Statements of the Parent Company, Cellularline S.p.A., and of the companies over which it has the right to exercise, directly or indirectly, control. The purpose of the Notes is to illustrate the accounting policies adopted, to provide the information required by IAS/IFRS and not contained in other parts of the Consolidated Financial Statements, as well as to provide additional information not shown in the Consolidated Financial Statements but necessary in order to give a true and fair view of the Group's operations.

With reference to the use of the going concern assumption in the preparation of the Financial Statements, the joint co-ordination table between the Bank of Italy, Consob and Isvap on the application of IAS/IFRS, with document no. 2 of 06.02.2009 "Information to be provided in financial reports on the going concern assumption, financial risks, impairment testing of assets and uncertainties in the use of estimates", as well as with the subsequent document no. 4 of 04.03.2010, requires Directors to make particularly accurate assessments on the existence of the going concern assumption.

In addition, paragraphs 25-26 of IAS 1 state that: "When preparing financial statements, management shall make an assessment of an entity's ability to continue as a going concern. An entity shall prepare financial statements on a going concern basis unless management either intends to liquidate the entity or to cease trading, or has no realistic alternative but to do so".

Therefore, when preparing the consolidated Financial Statements at 31 December 2025, the Directors carried out a prospective evaluation of the Group's ability to continue to constitute a functioning economic complex intended for the production of income for a foreseeable future period of time, relating to a period of at least twelve months from the reference date of the Financial Statements. This assessment was also made taking into account:

- the evolution of the reference market for the Parent Company and the Group;
- the economic and financial development forecasts contained in the 2026-29 Business Plan of the Parent and the Group, approved by the Parent's Board of Directors on 04 March 2026;
- the (past and expected) ability of the Parent and the Group to continue to generate positive cash flows that, together with available credit lines, enable them to meet expected payment commitments;
- the high level of capitalisation of the Parent and the Group.

Consequently, the financial statements as at and for the year ended 31 December 2025 have been prepared on a going concern basis, as the Directors have verified that there are no income, financial, managerial or other indicators that could indicate critical issues or uncertainties regarding the Parent's and Group's ability to continue to operate as a going concern for the foreseeable future and in particular over the next 12 months.

The Consolidated Financial Statements are expressed in Euro, the functional currency of the Group and the parent, and all amounts are rounded to the nearest thousand Euro. For the sake of clarity, the mandatory items under IAS 1 that show nil balances in both comparative periods have been omitted from the schedules and

tables.

The Consolidated Financial Statements consist of the following statements and these Notes:

- **Consolidated statement of financial position:** it presents current and non-current assets separately from current and non-current liabilities, with a description in the notes, for each asset and liability item, of the amounts that are expected to be settled or recovered within or after 12 months from the reporting date.
- **Consolidated income statement:** the classification of costs in the consolidated income statement is based on their function, showing the intermediate results relating to gross operating profit/(loss), net operating profit/(loss) and profit/(loss) before taxes.
- **Consolidated statement of comprehensive income:** this statement includes the profit/(loss) for the year and the expense and income recognised directly in equity for transactions other than those carried out with the owners.
- **Consolidated statement of cash flows:** the consolidated statement of cash flows shows cash flows from operating, investing and financing activities. Cash flows from operating activities are represented using the indirect method, through which the profit for the year is adjusted by the effects of non-monetary transactions, any deferral or accrual of previous or future collections or payments and revenue connected with the cash flows deriving from investing or financing activities.
- **Consolidated statement of changes in equity:** this statement includes, in addition to the result of the consolidated statement of comprehensive income, also the transactions that took place directly with the owners who acted in this capacity and the details of each individual component. Where applicable, it also includes the effects of changes in accounting policies for each item of equity.
- **Notes to the Consolidated Financial Statements.**

The Consolidated Financial Statements are presented in comparative form.

These Consolidated Financial Statements were authorised for publication by the Board of Directors on 16 March 2026.

2.3 Basis of consolidation and scope of consolidation

Basis of consolidation

The Consolidated Financial Statements include the Financial Statements or reporting package at 31 December each year of the subsidiaries included in the scope of consolidation. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. An investor has power over an investee entity when the investor has existing rights that give it the current ability to direct the relevant activities, i.e. the activities that significantly affect that investee's returns.

The results of subsidiaries acquired, including through mergers, or sold during the year are included in the income statement from the effective date of acquisition until the effective date of disposal. When necessary,

adjustments were made to the Financial Statements of subsidiaries to align the accounting policies used with those adopted by the Group and in compliance with IFRS.

All transactions between Group companies and the related balances are derecognised on consolidation.

Any non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity. The interest is determined on the basis of the percentage held in the fair values of the assets and liabilities recognised as at the date of the original acquisition and in the changes in equity after that date.

Subsequently, the losses attributable to non-controlling interests in excess of their equity are allocated to equity attributable to owners of the parent, with the exception of cases in which the non-controlling owners have a binding obligation and are able to provide additional investments to cover the losses.

Business combinations

The acquisition of subsidiaries is accounted for using the acquisition method. The cost of the acquisition is determined by the aggregate acquisition-date fair values of the assets given, liabilities incurred or assumed and equity instruments issued by the Group in exchange for control of the acquiree. Any goodwill deriving from the acquisition is only determined at acquisition, and is recognised as an assets and measured as the excess of the acquisition cost over the Group's interest in the fair values of the acquiree's identifiable assets, liabilities and contingent liabilities recognised. Non-controlling interests in the acquiree are initially measured in proportion to their interest in the fair values of the assets, liabilities and contingent liabilities recognised. The identifiable assets, liabilities and contingent liabilities of the acquiree that meet the conditions for recognition in accordance with IFRS 3 are recognised at their acquisition-date fair values, with the exception of non-current assets (or disposal groups), which are classified as held for sale in accordance with IFRS 5. These are recognised and measured at their fair values less selling costs. Goodwill arising from the acquisition of control of an investee or a business unit reflects the excess of the acquisition cost (defined as the aggregate considerations transferred in the business combination), plus the fair value of any previously held interests in the acquiree, over the acquisition-date fair values of the acquiree's identifiable assets, liabilities and contingent liabilities. In an acquisition that does not entail control, goodwill can be determined at the acquisition date either in proportion to the percentage of control acquired or by measuring the fair value of non- controlling interests (i.e. "full goodwill"). The choice of the valuation method can be made on a case-by-case basis for each transaction. To determine goodwill, the consideration transferred in a business combination is calculated as the sum of the fair values of the assets transferred and liabilities assumed by the Group at the acquisition date and the equity instruments issued in exchange for control of the acquiree, including the fair value of any consideration subject to the conditions set out in the acquisition contract. Any adjustments to goodwill may be recognised in the measurement period (which may not exceed one year from the acquisition date) as a result of subsequent changes in the fair value of the contingent consideration or in the determination of the fair values of the acquired assets and assumed liabilities, if goodwill could only be determined provisionally recognised at the acquisition date and if such changes are determined to reflect new information about facts and circumstances existing at the combination date. In the event of the sale of interests in subsidiaries, the residual amount of goodwill attributable to them is included in the determination of the gain or loss on the sale.

Scope of consolidation

The Consolidated Financial Statements as at and for the year ended 31 December 2025 include the financial and performance figures of Cellularline S.p.A. (Parent) and operating companies in which the Parent holds, directly or indirectly, an interest of more than 50%, or controls according to the definition in IFRS 10.

The method used for consolidation is that of full consolidation for the following companies:

Company	Office	Currency	Share/quota capital	Equity	Type of ownership	Profit/(loss) for the previous year	Percentage of ownership
			(in currency/000)	(in currency/000)		(in currency/000)	
Cellular Spain S.L.U.	Spain (Madrid)	EUR	3	1,763	Direct	265	100%
Cellular Immobiliaria Italiana S.L.U.	Spain (Madrid)	EUR	3	36	Direct	(19)	100%
Cellular Immobiliare Helvetica S.A.	Switzerland (Lugano)	CHF	100	261	Direct	11	100%
Systema S.r.l.	Italy (Reggio Emilia)	EUR	100	1,946	Direct	(822)	100%
WorldConnect AG	Switzerland (Diepoldsau)	CHF	100	6,951	Direct	499	90%
Cellularline USA Inc.	USA (New York)	USD	50	295	Direct	(84)	100%
Coverlab S.r.l.	Italy (Parma)	EUR	10	(264)	Direct	(314)	62.3%
Peter Jäckel GmbH	Germany (Alfeld)	EUR	100	(776)	Direct	(1,292)	79.6%
Cellularline Middle East FZE	Dubai (United Arab Emirates)	USD	41	101	Direct	55	100%
Cellularline Benelux BV	Belgium (Brussels)	EUR	20	41	Direct	21	100%

It should be noted that Worldconnect AG, Coverlab S.r.l. and Peter Jäckel GmbH are fully consolidated by virtue of the put & call contracts signed by the Parent, which regulate the acquisition of the remaining shares in the subsidiaries.

On 1 April 2025, the subsidiary Coverlab S.r.l. underwent a recapitalisation transaction, following which the Parent's shareholding increased to 62.3% (from 55% at 31 December 2024).

As part of a rationalisation of the Group's e-commerce activities, after completing the transfer of the business unit to Coverlab S.r.l., the extraordinary shareholders' meeting of Subliros S.L., on 13 May 2025, resolved the voluntary winding-up of the company, and 29 October 2025 saw the completion of the liquidation process, with the registration in the Register of Companies.

On 20 June 2025, a minority shareholder of Peter Jäckel GmbH exercised the Put option reserved to him for the sale to Cellularline of a tranche equating to a total of 19.6% in the company's share capital. The exercise of the put option by the minority shareholders brings Cellularline to hold a 79.6% controlling interest in Peter Jäckel.

The associate Cellular Swiss S.A. is measured using the equity method, as shown in the table below:

Company	Office	Currency	Share Capital	Equity	ownership %		Profit/(loss) for the previous year
			(in currency/000)	(in currency/000)	Direct	Indirect	(in currency/000)
Cellular Swiss S.A.	Switzerland (Aigle)	CHF	100	878	50%	-	33

Use of estimates and judgements in the preparation of the Consolidated Financial Statements

In preparing the Consolidated Financial Statements, Management has had to make judgements, estimates and assumptions that influence the application of the accounting policies and the amounts of assets, liabilities, costs and revenue recognised.

Estimates and assumptions are based on elements known at the date of preparation of the Consolidated Financial Statements, Management's experience and other elements considered relevant. The values resulting from the final data may differ from these estimates; these assumptions and hypotheses are reviewed regularly. Significant subjective judgements by Management in applying the Group's accounting policies and the main sources of uncertainty in estimates are listed below.

Fair value measurement

When measuring the fair value of an asset or liability, the Group makes use of observable market data where possible.

The fair values are divided into various hierarchical levels based on the input data used in the valuation techniques, as illustrated below:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level 2 inputs are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3 inputs are unobservable inputs for the asset or liability.

If the inputs used to measure the fair value of an asset or a liability might be categorised within different levels of the fair value hierarchy, the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level of input that is significant to the entire measurement.

Impairment test

At each reporting date, the Group assesses whether there is objective evidence of diminution in value ("impairment indicators") with respect to the carrying amounts of its non-financial assets (specifically, Intangible Assets, Goodwill, Right-of-Use Assets, and Property, Plant, and Equipment), in line with IAS 36.

If an impairment indicator exists, the carrying amount recoverability of non-financial assets is assessed through an impairment test. In any case, goodwill recoverability is assessed annually through an impairment test.

For the purpose of preparing the consolidated financial statements as at 31 December 2025, the Directors identified three indicators of impairment: (a) the Group's equity was higher than the value of its stock market capitalisation as of the same date; (b) the US Government's tariff policies, although still being adjusted, have caused a tightening of competitive conditions in Europe, which has been taken into account in the preparation of the 2026-2029 Business Plan (hereinafter also referred to as the "Plan"); (c) internal reporting shows that the economic and financial performance of certain CGUs and of the Group was worse than expected and shows a reduction in growth even in expected cash flows.

According to the provisions of paragraph 22 of IAS 36, the impairment test is performed “for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. If this is the case, recoverable amount is determined for the cash-generating unit (“CGU”) to which the asset belongs, unless either:

- the asset’s fair value less costs of disposal is higher than its carrying amount; or
- the asset’s value in use can be estimated to be close to its fair value less costs of disposal and fair value less costs of disposal can be measured”.

Generally, most assets do not have the characteristics to be tested individually and therefore the impairment test is performed at CGU level, corresponding to the Parent and the individual subsidiaries included in the consolidation scope. Goodwill recognised in the financial statements has been allocated to a grouping of CGUs that coincides with the entire Cellularline Group and the only identified operating segment, within which all services and products offered to customers converge.

This grouping of CGUs:

- represents the minimum level within the Cellularline Group in which goodwill is available and monitored for internal management purposes, and
- this level is no larger than an Operating Segment as defined by IFRS 8 before applying the aggregation criteria.

For the purposes of the impairment tests, the recoverable amount was determined on the basis of the value in use using the Discounted Cash Flow model. This model is based on the general concept that the Enterprise Value is equal to the discounted value of the following two elements:

- the cash flows it will be able to generate within the forecast period;
- the terminal value, i.e. the value of the business as a whole, after the forecast period.

In applying this method, the Group uses various assumptions, including the estimate of future increases in sales, operating expense, the growth rate of terminal values, capex investments, changes in working capital and the weighted average cost of capital (discount rate). The Group, therefore, with the support of an External Advisor (Deloitte & Touche), performed an impairment test, whose criteria were approved by the Board of Directors of the Parent on 04 March 2026 and the results of which were approved on 11 March 2026. Following the test, the Group recognised impairment losses on the non-current assets of the tested CGUs amounting to EUR 12,597 thousand, before the related deferred tax effect, and an impairment loss on goodwill amounting to EUR 29,771 thousand.

The impairment test involves a significant degree of judgment, as well as the uncertainties inherent in any forecasting activity, particularly with regard to the estimation of:

- expected operating cash flows, which must take into account general economic trends (including expected inflation rates and exchange rates) and the industry in which the entity operates, as well as the cash flows generated by the CGUs in prior periods;
- financial parameters to be used for discounting the above-listed cash flows.

Refer to Note “4.2 Goodwill” for more detailed information.

Valuation of receivables

The loss allowance reflects the Directors’ estimate of credit losses on trade receivables. It is estimated based on the Group’s expected credit losses, taking into account expected future changes in the counterparties’ credit ratings, current and previous past due amounts, losses and collections, monitoring of credit quality and projections of economic and market conditions. The Group has adopted a specific credit assessment and allowance determination procedure.

Valuation of inventories

The allowance for inventory write-down reflects the Group companies’ estimate of losses in the value of inventories that have already occurred or that are expected to occur, determined on the basis of past experience, and historical and expected sales trends. The allowance for inventory write-down takes into account the commercial obsolescence for each category of products on the basis of inventory turnover rates, market values and specific technical assessments related to technological developments.

Valuation of the Stock Grant plan

The valuation of the stock grant plans, granted during the three-year period 2021-2023 and the subsequent three-year period 2024-2026, was carried out based on the guidance contained in International Financial Reporting Standard 2 (IFRS 2) - “Share-based payments”.

Recoverability of deferred tax assets

The Group’s Consolidated Financial Statements include deferred tax assets. These deferred taxes have been recorded taking into consideration their recoverability, on the basis of the future income expectations of the Group companies.

Provisions for risks

As it operates globally, the Group is subject to legal and tax risks deriving from the normal operations. The Group recognises and measures contingent liabilities on the basis of assumptions mainly relating to the probability and extent of the financial outlay.

2.4 Most significant accounting policies used in the preparation of the Consolidated Financial Statements

The Consolidated Financial Statements are presented in Euro, the Parent’s functional and presentation currency. Transactions in foreign currencies are translated into the functional currency of each Group company at the exchange rate in force at the date of the transaction. Monetary items in foreign currency at the reporting date are translated into the functional currency using the exchange rate at that date. Non-monetary items that are measured at fair value in a foreign currency are translated into the functional currency using the exchange rates in

force on the date on which the fair value was determined. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate in force at the transaction date. Foreign exchange gains and losses arising from the translation are generally recognised in profit or loss for the year under financial income and expense.

The exchange rates used to translate into Euro the Financial Statements of Worldconnect AG and Immobiliare Helvetica SA as at and for the year ended 31 December 2025 were as follows:

Currency	2025 average	31 December 2025	2024 average	31 December 2024
Euro/CHF	0.94	0.93	0.95	0.94

The exchange rates used to translate the financial statements of Cellularline USA Inc. and Cellularline Middle East FZE⁵ as at 31 December 2025 into EUR were as follows:

Currency	2025 average	31 December 2025	2024 average	31 December 2024
Euro/USD	1.13	1.18	1.08	1.04

Intangible assets

Intangible assets acquired or generated internally are recognised as assets, in accordance with IAS 38, when it is probable that the use of the asset will generate future economic benefits and when the cost of the asset can be reliably determined. Intangible assets with finite useful lives are measured at the costs incurred to acquire or internally generate the asset, net of accumulated amortisation and impairment losses. Intangible assets are amortised on a straight-line basis over their estimated useful life, which is the estimated period over which the assets will be used by the Group. The amortisation rates used are summarised below, by category of intangible assets:

Category	Amortisation rate
Development costs	50%
Cellularline customer relationships	7.7%
Software	33%
Licenses	33-50%
Cellularline trademark	5.5%
Interphone trademark	10%
Systema trade agreement	14%
Skross trademark	10%
Q2Power trademark	10%
Worldconnect customer relationships	7%
Peter Jäckel customer relationship	7.7%
Worldconnect patents	10%
Other	33%

⁵ The company keeps its accounts in US Dollars

If the licences refer to specific service contracts, they are amortised over the term of the relevant contract. Some of the above items are detailed below.

Development costs

Costs for research and development projects are those incurred with the aim of studying and acquiring knowledge for new or improved products, processes and services. If these costs reflect a multi-year utility, i.e., if they have benefits that manifest themselves over several years, they may be capitalised; otherwise they are charged to the income statement in the year in which they are incurred.

Advertising expenses, which do not meet the requirements of IAS 38, are taken to profit or loss for the year.

Customer relationships

The purchase price allocation procedure entailed the appraisal of the Group's customer relationships as the sum of its customer relationships relating to the Red, Blue and Black lines, in addition to the customer relationship deriving from the FY 2020 acquisition of Worldconnect and the customer relationship of Peter Jäckel, deriving from the January 2023 acquisition. Customer relationships refer to the existing contracts entered into with key customers, enabling the Group to limit access by third parties through the consolidated relationship it has established with the customers. The fair value of customer relationships can be reliably measured as it is possible to identify the economic benefits attributable to this asset by monitoring the revenue generated by individual customers for each product line. The residual useful life, also considering the customer attrition rate, i.e. the percentage of customers who historically interrupt their trade relationships with the Group companies after a given period of time, can be estimated as approximately 13 years.

Software, license and trademarks

This item mainly includes the effect of the purchase price allocation procedure for the fair value of the Cellularline and Interphone trademarks, in addition to the trademarks deriving from the acquisition of Worldconnect (in 2020).

For the purpose of estimating the fair value, a royalty rate was considered, based on the analysis of comparable market transactions, and applied to the cash flows attributable to each asset. These flows were expressed net of marketing costs aimed at maintaining the intangible asset at the conditions in which it was at the measurement date and net of the related tax burden. The value of the asset is the sum of the present values of the cash flows. The trademarks in question may be separated from the Parent and transferred, sold or licensed for use to a third party and the Parent has the option of limiting access by third parties as they are registered trademarks. In addition, the Parent receives the economic benefits attributable to them, reflected in the revenue of the Red product line for the Cellularline trademark, recognised in Europe for smartphone and tablet accessories for over 25 years, and in the revenue of the Black division for the Interphone trademark. The estimated useful lives of these trademarks are 18 and 10 years, respectively. The Skross trademark - acquired in 2020 following the acquisition of the Worldconnect subsidiary - has an estimated useful life of 10 years. Software costs, including ancillary expense, relate to software acquired for the Group's use. Licenses refer to software licenses dedicated to specific service contracts.

Patents

This item mainly includes the effect of the purchase price allocation procedure for the fair value of the patents acquired with the acquisition of Worldconnect (in 2020). The Dual Excess Earnings Model (DEEM) had been used for the valuation at the time of initial registration of the Patents. The useful life is ten years based on an estimate of the competitive positioning to which the patented products refer. The obsolescence factor considered is the “linear” type, in line with practice and consistent with the useful life identified by the Directors. The original estimated useful lives of these patents was 10 years.

Trade agreement

The Purchase Price Allocation process, carried out following the acquisition of the company Systema S.r.l., entailed the appraisal of a trade agreement with a leading international telephone operator. In 2006, Systema S.r.l. started the production and marketing of accessories for a leading international telephone operator, establishing a long-term strategic partnership. The asset qualifies as a trade agreement of a contractual nature for the supply of goods and/or services to third parties and meets the following conditions:

- it guarantees future sales, with no fixed expiry and despite both parties having the right to withdraw; the relationship remained continuously in place from 2006 to the date of the Business Combination on 3 April 2019;
- sales are regulated at conditions which guarantee a normal return on investment and an extra income.

The trade agreement meets the requirements identified by IFRS 3 (Business Combination) and IAS 38 (Intangible Assets) for the identification and measurement of intangible assets.

Goodwill

Goodwill acquired in business combinations is initially recognised at cost and represents the excess of the acquisition cost over the Parent's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of the acquirees. Any negative difference, “negative goodwill”, is recognised in profit or loss at the time of acquisition. When a subsidiary is acquired in a business combination achieved in stages, the individual assets and liabilities of the subsidiary are not measured at fair value in each subsequent stage and goodwill is only determined in the first acquisition stage. After initial recognition, goodwill is shown net of impairment losses, determined as described below. At the acquisition date, any emerging goodwill is allocated to the unit or group of cash generating units expected to benefit from the synergies achieved as a result of the acquisition. Any impairment losses are identified through assessments of the ability of each cash-generating unit to generate cash flows capable of recovering the portion of goodwill allocated to it, in the manner indicated in the section on property, plant and equipment. If the recoverable amount of the cash-generating unit or group of cash-generating units is lower than the carrying amount, an impairment loss is recognised. This impairment loss is not reversed if the reasons for it no longer exist. When part or all of an acquiree whose acquisition generated goodwill is sold, the residual carrying amount of goodwill is considered when calculating the gain or loss on the sale.

Goodwill is not subject to amortisation.

Impairment test

Please refer to paragraph “2.3 Use of estimates and judgements in the preparation of the Consolidated Financial Statements - Impairment Test” and the results of the impairment test as at 31 December 2025 reported in section 4.2.1.

Property, plant and equipment

Property, plant, machinery and industrial equipment used for the production or supply of goods and services are recognised at historical cost, net of accumulated depreciation and any impairment losses; the cost also includes any costs directly incurred to prepare the assets for use. Interest expense incurred on loans obtained to purchase or construct property, plant and equipment is recognised as an increase in the assets only in the case of assets that meet the requirements for recognition as such, i.e. they require a significant period of time to be ready for use or marketable. Ordinary maintenance and repair costs are taken directly to profit or loss for the year in which they are incurred, while maintenance costs that increase the value of assets are allocated to such assets and depreciated with the asset on the basis of its residual possibility of use. Assets under construction and payments on account are recognised as assets based on the cost incurred and/or the advance paid, including directly attributable expenses.

Depreciation is calculated on a straight-line basis to the cost of the assets, net of their residual values (when reasonably estimable), over their estimated useful lives, applying the following rates (main categories):

Category	Depreciation rate
Buildings	3%
Plant and machinery	12-30%
Industrial and commercial equipment	15%
Other assets	12-15-20-25%

Assets intended for specific service contracts are an exception and are depreciated according to the duration of the contract. Depreciation begins when the assets are available for use and is calculated at half the normal rate in the year when the assets are placed in service, with the exception of property, plant and equipment allocated for instrumental use on specific service contracts, which are depreciated in proportion to the remaining days of the service contract. Gains and losses on the sale or disposal of assets are determined as the difference between the revenue from sale and the asset’s carrying amount, and are recognised in profit or loss for the year.

Right-of-use assets

IFRS 16 introduced a single model of accounting for leases in the financial statements of lessees whereby the Group, as lessee, recognised an asset that represents the right to use the underlying asset and a liability that reflects the obligation to pay the lease payments. The accounting methods for the lessor, on the other hand, remain similar to those provided for by the previously applicable standard. The Group has used the option to adopt IFRS 16 with the modified retrospective method, which provided for the possibility of recognising the

right-of-use asset at 1 January 2019 for an amount equal to the lease liability remaining at that date, without recalculating the figures for the previous year.

Definition of leasing

In accordance with IFRS 16, the Group assesses whether the contract is a lease or contains a lease on the basis of the new definition of a lease. Under IFRS 16, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At the date of initial application of IFRS 16, the Group decided to adopt an operating procedure that allows it not to re-examine which transactions constitute a lease. IFRS 16 was applied only to contracts that had previously been identified as leases. Contracts that were not identified as leases by applying IAS 17 and IFRIC 4 were not reassessed to determine whether they were leases. Therefore, the definition of a lease in IFRS 16 has been applied only to contracts entered into or amended on or after 1 January 2019.

Lessee accounting model

The Group leases assets such as buildings and motor vehicles. As a lessee, the Group previously classified leases as operating or financial, assessing whether the lease transferred substantially all the risks and rewards of ownership. In accordance with IFRS 16, the Group recognises the right-of-use assets and the lease liabilities in the statement of financial position. However, the Group has decided not to recognise right-of-use assets and lease liabilities of low value assets (less than USD 5,000). Therefore, the Group recognises the lease payments as a cost on a straight-line basis over the lease term. The Group recognises the right-of-use assets that do not meet the definition of investment property under Right-of-use assets, which is the same item it uses to present the same kind of assets that it holds. Right-of-use assets that meet the definition of investment property are presented under Investment property. The Group classifies lease liabilities under 'Other financial liabilities' in the statement of financial position. At the commencement date of the lease, the Group recognises a right-of-use asset and a lease liability. The right-of-use asset is initially measured at cost, then at cost less any accumulated depreciation and any accumulated impairment losses, and adjusted for any measurement of the lease liability. The right-of-use asset that meets the definition of investment property is recognised under the item of the same name and is initially measured at cost and subsequently at fair value, in accordance with the Group's accounting policies. The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date, discounting them using the interest rate implicit in the lease. If that rate cannot be readily determined, the Group uses the incremental borrowing rate. Generally, the Group uses the incremental borrowing rate as the discount rate. The lease liability is subsequently increased to reflect interest accrued on the lease liability and reduced to reflect the lease payments made and is remeasured if there is a change in future lease payments resulting from a change in the index or rate, if there is a change in the amounts that the Group expects to pay under a residual value guarantee or when there is a change in the assessment of an option to purchase the underlying asset, extend or terminate a lease. The Group has estimated the lease term of certain contracts in which it acts as a lessee and which provide for renewal options. The Group's assessment of whether or not there is a reasonable certainty of exercising the option influences the estimated lease term, significantly impacting the

carrying amount of the lease liabilities and right-of-use assets recognised. The Group used the following practical expedients when applying IFRS 16 to leases previously classified as operating leases under IAS 17:

- it applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease;
- it excluded initial direct costs from measuring the right-of-use assets at the date of initial application;
- it used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

Equity investments in associates

The Group's equity investments in associates are measured using the equity method. An associate is a company over which the Group exercises significant influence and which cannot be classified as a subsidiary or joint venture. Therefore, the equity investment in an associate is recognised in the statement of financial position at cost, subsequently adjusted for the post-acquisition change in the Group's interest in the associate's equity. Goodwill relating to the associate is included in the carrying amount of the investment and is not subject to amortisation. After application of the equity method, the Group determines whether there is any objective evidence that its net investment in the associate is impaired. The income statement reflects the Group's share of the associate's profit/(loss) for the year. If an associate recognises adjustments directly in equity, the Group recognises its share and presents it, where applicable, in the statement of changes in equity.

Equity investments in other companies

Investments in other unconsolidated and unrelated companies are measured at cost, including incidental expenses.

Financial assets and liabilities

Financial assets and liabilities are accounted for and valued in accordance with IFRS 9.

Recognition and measurement

Trade receivables and debt instruments issued are recognised when they originate. All other financial assets and liabilities are initially recognised at the trade date, i.e. when the Group becomes a contractual party to the financial instrument. With the exception of trade receivables that do not contain a significant financing component, financial assets are initially measured at fair value plus or minus - in the case of financial assets or liabilities not at Fair Value Through Profit or Loss (FVTPL) - transaction costs directly attributable to the acquisition or issue of the financial asset. At initial recognition, trade receivables that do not have a significant financing component are measured at their transaction price.

Classification and subsequent measurement

Upon initial recognition, a financial asset is classified as either at amortised cost or fair value through profit or loss (FVTPL). Financial assets are not reclassified after initial recognition, unless the Group changes its business

model for managing financial assets. In this case, all the financial assets concerned are reclassified on the first day of the first reporting period following the change in the business model. A financial asset shall be measured at amortised cost if it is not designated as at FVTPL and both of the following conditions are met:

- the financial asset is held as part of a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset provide for cash flows at certain dates that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost or Fair Value Through Other Comprehensive Income (FVOCI), as indicated above, are measured at FVTPL. Upon initial recognition, the Group may irrevocably designate the financial asset as measured at FVTPL if, by doing so, it eliminates or significantly reduces an accounting mismatch that would otherwise result from measuring the financial asset at amortised cost or at FVOCI.

Financial assets: subsequent measurement and gains and losses

Financial assets are classified according to the FVTPL or amortised cost measurement method:

- Financial assets measured at FVTPL are subsequently measured at fair value. Net gains and losses, including dividends or interest received, are recognised in profit or loss for the year.
- Financial assets measured at amortised cost are subsequently measured at amortised cost in accordance with the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment losses are recognised in profit or loss for the year as are any gains or losses from derecognition.

Financial liabilities: classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss, along with any gains or losses on derecognition.

Derecognition

The following are the main requirements for the derecognition of items recorded in the Financial Statements:

- Financial assets are derecognised when the contractual rights to cash flows from the financial asset expire, when the contractual rights to receive cash flows are transferred in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or when the Group does not transfer nor substantially retain all the risks and rewards of ownership of the financial asset and has not retained control of the financial asset.
- Financial liabilities are derecognised when the obligation specified in the contract is discharged or cancelled or expires. The Group also derecognises a financial liability in the event of a change in the related contractual terms when the cash flows of the modified liability are substantially different. In this

case, a new financial liability is recognised at fair value on the basis of the modified contractual terms. The difference between the carrying amount of the financial liability settled and the consideration paid (including assets not represented by transferred cash and cash equivalents or assumed liabilities) is recognised in profit or loss for the year.

Offsetting

Financial assets and financial liabilities can be offset and the amount resulting from the offset presented in the statement of financial position if, and only if, the Group has both the legal right to offset the amounts and intends either to settle on a net basis or to realise the financial asset and settle the financial liability simultaneously.

Impairment losses

Financial instruments and contract assets

The Group recognises loss allowances considering lifetime credit losses. Loss allowances for trade receivables and contract assets are always recognised considering lifetime credit losses. To determine whether the credit risk of a financial asset has increased significantly after initial recognition, in order to estimate the expected credit losses, the Group considers information that reflect reasonable and supportable assumptions that are relevant and available. This includes quantitative and qualitative information and analyses, based on the Group's historical credit losses, on credit assessments and information on expected developments. Lifetime expected credit losses are expected credit losses that result from all possible default events over the expected life of a financial instrument. 12-month expected credit losses are the expected credit losses that result from default events on a financial instrument that are possible within twelve months after the reporting date (or a shorter period of time if the expected life of a financial instrument is less than 12 months). The maximum period to consider when assessing expected credit losses is the maximum contractual period during which the Group is exposed to credit risk.

Impaired financial assets

At each reporting date, the Group assesses whether financial assets measured at amortised cost are credit-impaired. A financial asset is "credit-impaired" when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.

Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the Group or of the debtor;
- a breach of contract, such as a default or past-due event (more than 90 days);
- the restructuring of a debt or an advance by the Group under conditions that the Group would not otherwise consider;
- it is becoming probable that the debtor will enter bankruptcy or other financial reorganisation;
- the disappearance of an active market for that financial asset because of financial difficulties.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. The Group's policy is to write off the gross carrying amount when the financial asset is more than 90 days past due, based on its historical credit losses of similar assets. Financial assets that have been written off could still be claimed in accordance with the Group's credit recovery procedures.

Non-financial assets

At each reporting date, the Group verifies whether there is objective evidence of impairment based on the carrying amounts of its non-financial assets, investment property, inventories and deferred tax assets; if, on the basis of this verification, there is indication that the assets are impaired, the Group estimates their recoverable amount. Conversely, the recoverable value of goodwill is estimated at least annually.

Inventories

Inventories are measured at the lower of purchase or production cost, determined using a method similar to weighted average cost, including incidental expenses, direct and indirect costs reasonably attributable to them and the estimated realisable value based on market trends. If the net realisable value is lower than cost, the inventories are written down by the difference calculated separately for each item. The write-down is determined following a specific recoverability analysis and is reversed in subsequent years if the reasons for the write-down no longer exist, by reinstating the original value. Goods in transit are measured by specifically identifying the purchase cost.

Cash and cash equivalents

Cash and cash equivalents include cash balances and demand deposits with a maturity of three months or less from the original acquisition date, which are subject to an insignificant risk of changes in fair value and are used by the Group to manage short-term commitments.

Employee benefits

Post-employment benefits were accounted for in accordance with IAS 19.

The post-employment benefits of Italian companies until 31 December 2006 were considered a defined-benefit plan; the regulations governing these benefits were amended by Law no. 296 of 27/12/2006. They are now to be considered a defined-benefit plan exclusively for the amounts accrued before 1 January 2007 (and not yet paid as at the reporting date), while after that date they are treated as a defined-contribution plan, since the amounts of post-employment benefits accrued after 1 January 2007 are transferred to the specific "Treasury Fund" established by INPS (the Italian social security institution) or to another equivalent pension fund, in compliance with the provisions of the aforementioned legislation. Due to the legislative context, the composition of the company's workforce and its seniority, the effects deriving from the use of actuarial techniques and the

discounting of future liabilities at the reporting date are considered to be immaterial, considering the nominal amount of the assets as a reliable approximation of the fair value of their expected settlement amount.

Provisions for risks and charges

Provisions for risks and charges are recognised when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects that some or all of the expenditure covered by a provision for risks and charges will be reimbursed by another party (for example, through insurance contracts), it recognises a provision for the full amount of the liability and a separate asset for the expected reimbursement when it is virtually certain that reimbursement will be received. In this case, the cost of any related provision is taken to profit or loss, net of the amount recognised for the reimbursement. If the effect of the time value of money is material, the amount of a provision is discounted using a pre-tax discount rate that reflects, where appropriate, the risks specific to the liability. When provisions are discounted, the increase in the provision due to the passing of time is recognised as a financial expense. The agents' severance indemnity provision (FISC) includes the annual accruals for the payment of indemnities to agents following termination. In fact, in accordance with Italian legislation (art. 1751 of the Italian Civil Code), upon termination of the agency contract for no fault of the agent, the principal must pay an agent severance indemnity calculated in proportion to the total amount of commissions the agent earned during the contract, even if they were not entirely paid when the contract was terminated.

Under IFRS, and considering the guidance provided by the International Accounting Standard Board (IASB) and the International Financial Reporting Interpretation Committee (IFRIC), the FISC has been considered a post-employment benefit, specifically a defined-benefit plan, which must therefore be accounted for using actuarial techniques. The actuarial valuation of the FISC was carried out using the "Projected Unit Credit Method" (PUM) as provided for by paragraphs 64-66 of IAS 19. This method consists of valuations that express the average present value of the defined benefit obligations and past service cost up to the date of the actuarial valuation, projecting, however, the agent's commissions until the anticipated end date of continuing the agency contract.

Trade payables

The Cellularline Group holds contracts for the supply of goods that include the provision of bonuses, discounts and, in certain circumstances, contributions classified as a reduction of trade payables. These bonuses, discounts and contributions are recognised either as a percentage of the quantities purchased, as a fixed amount on the quantities bought or sold, or as a defined contribution. Mainly with reference to agreements with a maturity date later than the end of the financial year, which represent a minority share of the bonuses and contributions for the financial year, the determination of their amount represents a complex accounting estimate that requires a high degree of judgement as it is influenced by multiple factors. The parameters and information that are used for the estimate are based on the amount purchased or sold and on assessments that take into account historical data regarding the actual recognition of bonuses and contributions by suppliers.

Foreign currency translation

The functional and presentation currency adopted by the Group is the Euro. Assets and liabilities, with the exception of property, plant and equipment, intangible and non-current financial assets, originally expressed in the currencies of non-EU countries, are translated into Euro at the closing spot rate and the exchange gains and/or losses are taken to profit or loss. Revenue and income, costs and expense relating to foreign currency transactions are recognised at the transaction date exchange rate.

Recognition of revenue

Revenue is recognised when control of goods or services is transferred to the customer and to the extent that the Group will receive the economic benefits and the amount can be measured reliably. In addition, it is recognised net of returns, discounts, rebates and premiums.

Recognition of costs

Costs and other operating expenses are recognised in the income statement when they are incurred on an accrual basis and related to revenues, when they do not produce future economic benefits or when they do not qualify for recognition as assets.

Financial income and expense

Financial income and expense are recognised on an accruals basis using the effective interest rate and include exchange gains and losses and hedging gains and losses recognised in profit or loss. Financial expense is recognised in profit or loss when incurred. Financial expense is capitalised when it refers to an item of property, plant and equipment or an intangible asset that requires a significant period of time to be available for its intended use or for sale.

Government grants

Government grants are recognised when there is a reasonable assurance that they will be received and the Group will comply with the conditions relating to them. When grants are related to cost components, they are recognised as revenue, but are systematically allocated over the years so as to match the costs they are intended to offset.

Income taxes

Current taxes

Current tax assets and liabilities for the current and previous years are measured on the basis of the amount expected to be recovered or paid to the tax authorities. The tax rates and rules used to calculate the amount are those issued and in force at the reporting date.

Deferred taxes

Deferred taxes are calculated using the liability method on the temporary differences at the reporting date between the tax values of assets and liabilities and their corresponding carrying amounts.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- to the extent that the deferred tax liability arises from the initial recognition of goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss);
- for the taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, if the reversal of the temporary differences can be controlled and it is likely that it will not occur in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences and for the carry-forward of unused tax losses and unused tax credits, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the unused tax losses and unused tax credits can be utilised, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss). With reference to taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, a deferred tax asset is recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised. The carrying amount of deferred tax assets is reassessed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed annually at the end of each reporting period and a previously unrecognised deferred tax asset is recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted by the end of the reporting period. Income taxes relating to items recognised directly in equity are recognised directly in equity and not in profit or loss. Deferred tax assets and liabilities are offset if, and only if, the Company has a legally enforceable right to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority.

Earnings per share

Basic and diluted earnings per share are shown at the bottom of the income statement. Basic earnings per share are calculated by dividing the profit for the year attributed to owners of the parent by the weighted average of ordinary shares outstanding during the year, excluding treasury shares. To calculate diluted earnings per share, the weighted average of outstanding shares is adjusted by assuming the conversion of all potential dilutive shares.

Risks, commitments, guarantees

Commitments and guarantees are indicated at their contractual value, as along with the risks for which a liability is only possible, without allocating provisions for risks. Risks for which a liability is probable are described in the Notes and the amount is accrued, in accordance with the principle of fairness, in the provisions for risks. Risks of a remote nature are not taken into account.

2.4.1 New accounting standards, amendments and interpretations endorsed by the European Union that became effective as of the financial year beginning 1 January 2025

As required by IAS 8 - Accounting policies, changes in accounting estimates and errors -, new accounting standards and interpretations, as well as amendments to existing standards and interpretations already applicable, not yet in force at the date, which may apply in the future in the Cellularline Group's Consolidated Financial Statements, are set out below:

a) New documents issued by the IASB and endorsed by the EU to be mandatorily adopted as of Financial Statements for financial years beginning on 1 January 2025

The following new standards and certain amendments to existing accounting standards are mandatorily applicable for the first time as of 1 January 2025 as a result of the endorsement by the European Commission of the following documents:

Document title	Date of issue	Date of entry into force	Endorsement date	EU Regulation and date of publication
The effects of changes in foreign exchange rates: lack of exchangeability (Amendments to IAS 21)	15 August 2023	1 January 2025	12 November 2024	(EU) 2024/2862 13 November 2024

The effects of changes in foreign exchange rates: lack of exchangeability (Amendments to IAS 21)

Document issued by the IASB on 15 August 2023, applicable from 1 January 2025 with early application permitted. The amendments require an entity to apply a methodology consistently over time to ascertain whether one currency can be converted into another and, when this is not possible, to define the method of exchange rate determination to be used and the disclosure to be made in the notes to the financial statements. The application of these changes had no impact on these Consolidated Financial Statements as at 31 December 2025.

b) IFRS accounting standards, amendments and interpretations endorsed by the European Union, not yet applicable and not adopted in advance as at 31 December 2025

The following table shows the standards or amendments endorsed by the European Union, not yet mandatorily applicable and not early adopted in these Consolidated Financial Statements as at 31 December 2025:

Document title	Date of issue by the IASB	Date of entry into force of the IASB document
Amendments to the classification and measurement of financial instruments (Amendments IFRS 9 and IFRS 7)	30 May 2024	1 January 2026

Annual IFRS Improvements Cycle - Volume 11	18 July 2024	1 January 2026
Power-dependent contracts (Amendments IFRS 9 and IFRS 7)	18 December 2024	1 January 2026
Presentation and disclosure (IFRS 18)	09 April 2024	1 January 2027

With Regulation No. 2025/1047, issued by the European Commission on 27 May 2025, amendments to IFRS 9 and IFRS 7 'Amendments to the Classification and Measurement of Financial Instruments' were endorsed, essentially aiming to clarify the timing of the derecognition of financial liabilities settled through electronic payment systems and to provide clarification on the classification of financial assets with environmental, social and governance characteristics. The amendments are effective for financial years beginning on 1 January 2026.

Regulation No. 2025/1266, issued by the European Commission on 30 June 2025, endorsed the amendments to IFRS 9 and IFRS 7 Nature-dependent electricity contracts aimed, in essence, to: (i) clarify the use of the 'own-use exemption' for power purchase agreements for electricity from renewable sources; and (ii) allow, upon fulfilment of certain conditions, the designation of a cash flow hedge in the presence of contracts for the purchase or sale of electricity from renewable sources (adjustable on a net basis). The amendments are effective for financial years beginning on 1 January 2026.

Regulation No. 2025/1331, issued by the European Commission on 9 July 2025, endorsed the document 'Annual Improvements to IFRS Accounting Standards - Volume 11' containing changes, essentially of a technical and editorial nature, to international accounting standards. These amendments are effective for financial years beginning on 1 January 2026.

Regulation No. 2026/338, issued by the European Commission on 13 February 2026, endorsed IFRS 18, 'Presentation and Disclosure in Financial Statements', which introduces significant innovations in the structure of the income statement, in the rules of aggregation and disaggregation of information, and in the disclosure of performance measures defined by the management (MPMs). The new standard, which will replace IAS 1 'Presentation of Financial Statements', will improve the disclosure of corporate performance in terms of comparability, transparency and usefulness of the published information and introduce significant changes in the structure of the financial statements with particular reference to the income statement and, to a lesser extent, the statement of cash flows. The standard is effective for financial years beginning on 1 January 2027.

c) IFRS accounting standards, amendments and interpretations not yet endorsed by the European Union

On the date of reference of these financial statements the competent bodies of the European Union have not completed the endorsement process necessary for the adoption of the following amendments and new standards:

Document title	Date of issue by the IASB	Date of entry into force of the IASB document
IFRS 19 - Subsidiaries without Public Accountability: Disclosures	09 May 2024	1 January 2027
Amendments to IFRS 19 - Subsidiaries without Public Accountability: Disclosures	21 August 2025	1 January 2027
Amendments to IAS 21 - The effects of changes in foreign exchange rates: translation to a hyperinflationary presentation currency	13 November 2025	1 January 2027

IFRS 19 - Subsidiaries without Public Accountability: Disclosures Standard issued by the IASB on 09 May 2024, applicable from 1 January 2027 with possibility of early application. The standard will introduce reduced disclosure requirements for the financial statements of subsidiaries that do not have 'public liability', and therefore do not have listed debt or equity instruments listed on regulated markets and do not hold assets in trust. IFRS 19 will simplify reporting systems and processes for non-publicly accountable companies, reducing the costs of preparing subsidiary financial statements, while at the same time ensuring a certain degree of quality and usefulness of the information for stakeholders.

Amendments to IFRS 19 - Subsidiaries without Public Accountability: Disclosures, issued by the IASB on 21 August 2025 and applicable from 1 January 2027 with early application possible. These amendments extend the simplified disclosure requirements to IFRS standards and amendments issued between February 2021 and May 2024, with the aim of reducing the disclosure burden for subsidiaries applying IFRS 19, while maintaining an adequate level of information for users of financial statements.

Amendments to IAS 21 - The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Reporting Currency, issued by the IASB on 13 November 2025 and applicable from 1 January 2027 with early application possible. The changes are intended to more clearly regulate the translation of balances from a non-hyperinflationary functional currency to a presentation currency belonging to a hyperinflationary economy.

For all newly-issued standards, as well as for revisions and amendments to existing standards, the Cellularline Group is assessing any impacts that cannot currently be reasonably estimated arising from their future application.

2.5 Segment reporting

The Group has identified one operating segment, which includes all the services and products provided to customers, and it coincides with the entire Group. The Group's vision of a single business means that it has identified one single Strategic Business Unit ("SBU"). The Group's activities are carried out in operating segment, which can be divided into three main product lines:

- Red line (accessories for multimedia devices);
- Black line (accessories for motorcycles and cycling);
- Blue line (third party products marketed under distribution agreements).

3 Information on financial risks

Within the framework of business risks, the main risks identified, monitored and, to the extent specified below, actively managed by the Group are the following:

- credit risk (both in relation to normal business relations with customers and financing activities);
- liquidity risk (with reference to the availability of financial resources and access to the credit market and financial instruments in general);
- market risk (defined as exchange rate and interest rate risk).

The aim is to maintain balanced management of its financial exposure over time, ensuring a liability structure that is in balance with the composition of the assets on the statement of financial position and capable of ensuring the necessary operational flexibility using the liquidity generated by current operating activities and recourse to bank loans.

The following section provides qualitative and quantitative benchmarks on the incidence of these risks.

3.1 Credit risks

Credit risk is the risk that a customer or one of the counterparties to a financial instrument may cause a financial loss by defaulting on an obligation and arises mainly from the Group's trade receivables and financial investments. The Group is exposed to the risk that its customers may delay or fail to meet their payment obligations within the agreed terms and conditions and that the internal procedures adopted in relation to the assessment of creditworthiness and solvency of customers are not sufficient to ensure the successful completion of collections. Such failed payments, late payments or other default situations may be due to the insolvency or bankruptcy of the customer, economic events or specific situations of the customer. Specifically, attention must be paid to the credit policy with regard to both long-standing and newly acquired customers, strengthening the policies of preventive action, by acquiring more complete commercial information (from different sources) for all major and/or new customers and by progressively increasing the systematic way in which credit report analyses are conducted, including the assessment of the customer portfolio and the assignment of credit limits. The Group recognises a loss allowance considering estimated losses on trade receivables, other assets and non-current financial assets. The main components of this allowance are the individual losses on significant exposures and the collective impairment of homogeneous groups of assets for losses already incurred that have not yet been identified; the collective impairment is determined on the basis of the historical data on similar credit losses.

3.2 Liquidity risk

From an operational point of view, the Group controls the liquidity risk through the annual planning of expected cash flows and payments. Based on the results of such planning, it identifies financial requirements and thus the financial resources to cover them. In order to prevent unforeseen cash outflows from becoming critical, the Group aims to keep a balance between maintaining the funding and flexibility, through the use of available liquidity and credit lines.

3.3 Interest and foreign exchange rate risks

In relation to the risk of changes in interest rates, in 2025 the Parent considered it appropriate to enter into interest rate swaps to hedge the risk of changes in interest rates on existing medium/long-term loans (residual debt at 31 December 2025 of approximately EUR 21.3 million); in this way, should interest rates rise, such increases would not result in higher financial charges on this component of the debt.

The Group operates in international markets, with customers operating mainly in the EMEA area and with suppliers of products located mainly in the Far East (principally China); as of today, sales are therefore made

almost exclusively in Euro, while the majority of purchases of products are settled in USD, as is the practice of the reference industry. The Group is therefore exposed to exchange rate risk - for the main types of product supplies - almost exclusively in USD. However, there are numerous factors that limit its risk profile, including the possibility to carry out, in a relatively short time (3-6 months), revisions to customer price lists and the high contractual flexibility with suppliers in the Far East (with no commitments to purchase minimum quantities at predefined prices for periods exceeding 6 months, with some rare exceptions).

The performance of foreign exchange rates applied during the year was as follows:

Currency	Average		Average	
	2025	31 December 2025	2024	31 December 2024
Euro/US Dollar	1.130	1.175	1.082	1.039

In 2025, the Group used derivative financial instruments to hedge fluctuations in the EUR/USD exchange rate. In addition, any legislative, political and economic changes, as well as potential social instability and conflict or the introduction of restrictions or customs duties on the export of products, or the introduction into the European Union of any restrictions on the import of products from these countries, could have a negative impact on the production capacity of suppliers and on the procurement activities of the Group, with consequent possible negative effects on the business and prospects, as well as on the financial position and performance of the Group.

4 Notes to the Statement of Financial Position

The following are Notes to the main assets and liabilities in the Consolidated Financial Statements at 31 December 2025 and 31 December 2024.

ASSETS

NON-CURRENT ASSETS

4.1 Intangible assets

The specific table below shows changes in this item, indicating the historical cost, accumulated amortisation, changes in the year and the closing balance of each asset. Amortisation was calculated using the rates that reflect the assets' residual useful lives.

The balance of intangible assets, broken down by category as at 31 December 2025 and 31 December 2024, is shown below:

<i>(In thousands of Euro)</i>	Carrying amount at 31 December 2024	Increases	(Decreases)	Acquisitions	(Amortisation)	(Impairment losses)	Reclassifications	Exchange difference	Carrying amount at 31 December 2025
Start-up and expansion costs	16	1	(6)	-	(6)	-	-	(1)	9
Development costs	1,173	1,376	-	-	(1,379)	(274)	-	2	898
Industrial patents and intellectual property rights	4,065	1,642	(15)	-	(2,120)	(612)	75	25	3,061
Concessions, licenses, trademarks and similar rights	14,861	130	(41)	-	(1,554)	(3,996)	-	16	9,416
Customer relationships	23,090	-	-	-	(5,314)	(6,053)	-	27	11,747
Assets under development and payments on account	59	16	-	-	-	-	(75)	-	-
Total intangible assets	43,264	3,165	(62)	-	(10,372)	(10,935)	-	70	25,128

With reference to the consolidated financial statements at 31 December 2025, it should be noted that the Group made investments of EUR 3,165 thousand, mainly for the implementation of IT systems and for R&D of product and brand.

In particular, investments are mainly attributable to:

- development costs of approximately EUR 1,376 thousand; this item includes the costs incurred for investments in specific product and process innovation projects. These are considered to generate long-term benefits, as they relate to projects under development, whose products are clearly identified, are intended for a market with sufficient profit margins to cover the amortisation of capitalised costs, which is normally two years;
- industrial patents and intellectual property rights, equal to EUR 1,642 thousand: this item mainly includes software, i.e. the costs incurred for the implementation and development of the main management programme and other specific applications, which are normally amortised over three years. The investments are mainly related to innovations in SAP management and further innovations/IT projects, aimed at increasingly effective and efficient information tools to support the organisational structure of the Group.

As mentioned in paragraph 4.2.1, as a result of the impairment tests, impairment losses attributable to the item Intangible Assets amounting to EUR 10,935 thousand were recognised and allocated to the item ““General and Administrative Costs””.

4.1.1 Customer Relationship and Trademarks

As at 31 December 2025, Cellularline’s Customer Relationship with a finite useful life, recognised in the Consolidated Financial Statements, amounted to EUR 11,747 thousand, net of accumulated amortisation and impairment losses, while the value of the Trademarks, net of amortisation, depreciation and impairment, amounted to EUR 9,414 thousand.

4.2 Goodwill

The details of Goodwill as at 31 December 2025 and 31 December 2024 are shown below:

<i>(In thousands of Euro)</i>	Carrying amount at 31 December 2024	Increases	(Decreases)	Acquisitions	(Amortisation)	(Impairment losses)	Reclassifications	Exchange difference	Carrying amount at 31 December 2025
Goodwill	38,192					(29,771)		139	8,559
Total Goodwill	38,192					(29,771)		139	8,559

The value of goodwill as at 31 December 2025, amounting to EUR 8,559 thousand, was down compared to the previous year due to an impairment loss of EUR 29,771 thousand arising from the impairment test referred to in *par. 4.2.1 "Impairment test on goodwill"* and allocated to the item "General and Administrative Costs".

4.2.1 Impairment test on goodwill

At 31 December 2025, goodwill recognised in the Group's consolidated financial statements amounted to EUR 8.6 million (EUR 38.2 million as at 31 December 2024), and is allocated to a grouping of CGUs that coincides with the entire Group and with the only operating segment identified, which brings together all the products and services offered to customers.

After checking for the presence of impairment indicators, as indicated in *par.2.3 "Use of Estimates and Valuations in the Preparation of Consolidated Financial Statements - Impairment test"*, the impairment test was performed, with the support of an External Consultant (Deloitte & Touche), at the level of CGUs presenting indicators of impairment and subsequently at the level of the CGU grouping to which the goodwill is allocated.

In particular, the above-mentioned tests were performed on the basis of the economic-financial forecasts based on the 2026-2029 Business Plan approved by the Board of Directors on 04 March 2026.

The impairment tests on the CGUs with impairment indicators and on the grouping of CGUs to which goodwill is allocated were performed by comparing:

- the recoverable amount, determined as the value in use, resulting from the application of the Discounted Cash Flow method to the expected cash flows of the CGUs and the group of CGUs ("Recoverable Amount");
- the accounting value of the net invested capital of the CGUs and the group of CGUs as at 31.12.2025 ("Carrying Amount").

Value of Use, determined as Enterprise Value, is obtained by adding up:

- the present value of Unlevered Free Cash Flows discounted for the explicit forecasting period of the 2026-2029 Plan;
- the present value of the Terminal Value calculated after the last explicit Plan projection year (2029).

Unlevered cash flows are cash flows generated by the company's operations, gross of the financial components relative to the financial liabilities service.

The cash flow underlying the Terminal Value was determined based on stable growth rates and considering an average capex investment level consistent with the expected results, by applying a perpetuity model.

The weighted average cost of capital ("Weighted Average Cost of Capital" or "WACC") and sustainable growth rate was used as the discount rate in perpetuity ("g") for each CGU having indicators of impairment and for the group of CGUs to which goodwill is allocated:

- Group of CGUs (Cellularline Group): WACC of 10.7% (10.66% as at 31 December 2024) and g-rate of 1.96% (1.96% as at 31 December 2024).
- CGU Cellularline S.p.A.: WACC equal to 10.3% and "g-rate" equal to 1.95%.
- CGU WorldConnect AG: WACC of 10.7% and 'g-rate' of 1.98%.
- CGU Peter Jaekel GmbH: WACC of 11.6% and 'g-rate' of 2.18%.
- CGU Systema S.r.l.: WACC of 12.0% and 'g-rate' of 2.00%.

The WACC is the average of the cost of equity and the cost of debt capital weighted according to financial structure of comparable companies. The sustainable growth rate in perpetuity ('g') is derived from the expected inflation in the long term (2030) for the countries in which the Group operates (source: IMF - October 2025), weighted on the basis of revenues. It should be noted that the estimates and data relating to the performance and financial forecasts to which the above parameters are applied are determined by Management on the basis of past experience and expectations of developments in the markets in which the CGUs operate.

In addition, it is noted that the WACC used for the purpose of the impairment test in the context of these consolidated financial statements also includes a so-called "execution risk", with an impact on the calculation of rates equal to: i) 1.30% for the Cellularline Group; ii) 0.91% for the CGU Cellularline S.p.A.; iii) 1.75% for the CGU WorldConnect AG; iv) 2.60% for the CGU Peter Jaekel GmbH and the CGU Systema S.r.l.. This component represents the estimated risk of not fully achieving the plan's objectives, as well as the current degree of volatility and uncertainty reflected in market trends and, in general, in the macro-economic environment. Therefore, this component was taken into account through an adjustment of the discount rate, rather than cash flows, on the basis of analyses incorporating scenarios of partial realisation of the objectives of the Plan, in a still uncertain market environment.

The analyses performed, based on the assumptions and limitations highlighted above, have led to an estimate of the recoverable value, in terms of Enterprise Value, of approximately: i) EUR 109.2 million for the Cellularline Group; ii) EUR 88.9 million for the CGU Cellularline S.p.A.; iii) EUR 18.2 million for the CGU WorldConnect AG; iv) EUR 0.5 million for the CGU Peter Jaekel; v) EUR 3.8 million for the CGU Systema S.r.l.. These values are:

- higher than the Carrying Amount of the CGUs WorldConnect AG and Systema S.r.l.. on the reference date, not giving rise to impairment losses;
- lower than the Carrying Amount of the Cellularline S.p.A. CGUs, CGU Peter Jaekel and the group of CGUs (Cellularline Group) to which the goodwill is allocated, resulting in impairment losses of EUR -10.4 million, EUR -1.49 million and EUR -29.8 million, respectively, before deferred tax effects.

Impairment losses relating to the CGUs of Cellularline S.p.A. and Peter Jaeckel have been allocated proportionally across all non-current assets within the CGUs, except for those assets whose fair value, net of disposal costs, exceeds their carrying amount. It should be noted that with reference to the Coverlab CGU, which has negative expected cash flows, the Management has deemed it appropriate to fully write-down the non-current assets in the amount of EUR 0.3 million. As a result of impairment tests, impairment losses were recognised for intangible assets in the amount of EUR 10.9 million, for Right-of-Use assets in the amount of EUR 0.9 million, and for Property, Plant, and Equipment in the amount of €0.7 million. The impairment losses of the group of CGUs (Cellularline Group), equal to EUR 29.8 million, has been fully allocated to the goodwill recognised in the consolidated financial statements. The above-mentioned impairment losses were charged to “General and administrative expenses”,

are mainly attributable to the update of the 2026-2029 Business Plan, which reflected a revision of growth assumptions compared to the previous plan, in light of the changing competitive and macroeconomic environment. In particular, the tightening of US trade policy, with the introduction of new tariffs, has reshaped international trade flows; China has diverted part of its exports from the US to other markets, intensifying its commercial presence on the European market with a consequent increase in competitive pressure that the Group has prudently reflected in future plan estimates.

For the CGUs that did not give rise to impairment losses, a sensitivity analysis was carried out, which simultaneously considered a change in:

- the WACC and the growth rate (g-rate), in order to verify the impact generated by changes in these parameters on the Enterprise Value and, consequently, on the difference between the latter and the Carrying Amount at the reporting date;
- the EBITDA according to the 2026-2029 Plan and the Terminal Value in order to verify the impact generated by changes in this parameter on the Enterprise Value and, consequently, on the difference between the latter and the carrying amount at the reporting date.

Sensitivity analyses showed no potential impairment in the event of a worsening of the WACC and g-rate and in the case of a reduction of more than 10% in Plan EBITDA and Terminal Value, further to what was already considered in the execution risk estimate.

- Sensitivity CGU Worldconnect AG:

Sensitivity analysis: Cover/(Impairment) - WACC and g-rate (€ million)

		WACC				
		-1.0%	-0.5%	Company	+0.5%	+1.0%
		9,7%	10,2%	10,7%	11,2%	11,7%
G-rate	-	7,1	6,2	5,3	4,6	3,9
	0,5%	7,7	6,7	5,8	5,0	4,2
	1,0%	8,3	7,2	6,3	5,4	4,6
	1,5%	9,1	7,9	6,8	5,9	5,0
	2,0%	9,9	8,6	7,4	6,4	5,5
	2,5%	10,8	9,4	8,1	7,0	6,0
	3,0%	11,9	10,3	8,9	7,7	6,6

Sensitivity analysis: Cover/(Impairment) - WACC and EBITDA (€ million)

		WACC
		Company
		10,7%
EBITDA reduction - over and what is already included in the execution (WACC)	(10,0%)	4,9
	(7,5%)	5,5
	(5,0%)	6,2
	(2,5%)	6,8
	-	7,4

- Sensitivity CGU Systema S.r.l.:

Sensitivity analysis: Cover/(Impairment) - WACC and g-rate (€ million)

		WACC				
		-1.0%	-0.5%	Company	+0.5%	+1.0%
		11,0%	11,5%	12,0%	12,5%	13,0%
G-rate	-	3,2	3,0	2,9	2,7	2,6
	0,5%	3,3	3,1	2,9	2,8	2,6
	1,0%	3,4	3,2	3,0	2,9	2,7
	1,5%	3,6	3,4	3,2	3,0	2,8
	2,0%	3,7	3,5	3,3	3,1	2,9
	2,5%	3,9	3,7	3,4	3,2	3,0
	3,0%	4,1	3,8	3,6	3,3	3,1

Sensitivity analysis: Cover/(Impairment) - WACC and EBITDA (€ million)

		WACC
		Company
		10,7%
EBITDA reduction - over what is already included in the execution (WACC)	(10,0%)	2,8
	(7,5%)	2,9
	(5,0%)	3,0
	(2,5%)	3,2
	-	3,3

It should be noted that the inclusion of an Execution Risk Premium in the WACC implies a tolerance with respect to a possible reduction in EBITDA in the Plan forecasts.

In the specific case, this tolerance is 20.8% over the Plan period of CGU Worldconnect AG and 27.3% over the Plan period of CGU Systema S.r.l.

Following the impairment loss of the CGUs and the group of CGUs to which goodwill is allocated, the recoverable amount is aligned with the carrying amount. Therefore, any negative changes in the basic assumptions could lead to a further impairment loss.

4.3 Property, plant and equipment

The specific table below shows changes in this item, indicating the historical cost, accumulated depreciation, changes in the year and the closing balance of each asset. Depreciation was calculated using the rates that reflect the related assets' residual useful lives. The balance of Property, plant and equipment, broken down by category as at 31 December 2025 and 31 December 2024, is shown below:

<i>(In thousands of Euro)</i>	Carrying amount at 31 December 2024	Increases	(Decreases)	Acquisitions	(Depreciation)	(Impairment losses)	Exchange difference	Reclassifications	Carrying amount at 31 December 2025
Land and buildings	4,727	42	-	-	(179)	(13)	12	-	4,589
Plant and machinery	297	80	-	-	(93)	(88)	-	-	197
Industrial and commercial equipment	2,253	1,313	(30)	-	(1,289)	(627)	3	148	1,771
Assets under construction and payments on account	177	179	-	-	-	-	-	(148)	207
Total property, plant and equipment	7,454	1,614	(30)	-	(1,560)	(729)	15	-	6,763

As at 31 December 2025, the item consisted mainly of buildings used as the operating offices of Group companies for EUR 4,589 thousand and industrial and commercial equipment for EUR 1,771 thousand (in particular furniture, furnishings, office equipment and moulds). The Group made investments of EUR 1,614 thousand, mainly relating to industrial and commercial equipment.

As mentioned in paragraph 4.2.1, as a result of the impairment tests, impairment losses attributable to the item Property, plant and equipment amounting to EUR 729 thousand were recognised and allocated to the item “General and Administrative Costs”.

4.4 Right-of-use assets

This item, amounting to EUR 1,538 thousand (EUR 3,099 thousand as at 31 December 2024), refers exclusively to the recognition of rights of use assets due to the initial application of IFRS 16 - Leases.

The changes in the year were as follows:

<i>(In thousands of Euro)</i>	Carrying amount at 31 December 2024	Increases	(Decreases)	Acquisitions	(Depreciation)	(Impairment losses)	Exchange difference	Reclassifications	Carrying amount at 31 December 2025
Right-of-use assets	3,099	978	(13)	-	(1,652)	(876)	2	-	1,538
Total right-of-use assets	3,099	978	(13)	-	(1,652)	(876)	2	-	1,538

The increases in the year, equal to EUR 978 thousand, mainly refer to some new contracts to lease cars and commercial vehicles.

As mentioned in paragraph 4.2.1, as a result of the impairment tests, impairment losses were recognised, attributable to the item “Rights-of-Use assets” of the CGUs subject to impairment test in the amount of EUR 876 thousand, and allocated to the item 'General and Administrative Costs'.

4.5 Deferred tax assets and liabilities

Changes in Deferred tax assets and Deferred tax liabilities between 31 December 2024 and 31 December 2025 are shown below.

Deferred tax assets

<i>(In thousands of Euro)</i>	
Balance as at 31 December 2024	6,412
Accruals to profit or loss	3,547

The balance of EUR 9,959 thousand at 31 December 2025 is composed of deferred tax assets originating mainly in the Parent from allocations to taxed provisions, from temporarily non-deductible amortisation, depreciation and impairment losses, and from temporary differences relating to trademarks and customer relationships. Compared to the previous year, the Group recognised IRES and IRAP deferred tax assets calculated, mainly, on the write-downs of fixed assets following the impairment test for EUR 2,943 thousand and other minor changes. The 2022 Budget Law (no. 234/2021, art. 1, paragraphs 622-624) has retroactively modified the regime for revaluations and realignments of trademarks and goodwill carried out on the basis of art. 110 of Decree Law no. 104/2020, increasing the time span of deductions from 18 to 50 years (2% per annum from 2021).

The rule also provided the following two additional alternatives:

1. maintenance of the deduction over 18 years against payment of the ordinary substitute tax on the franking of extraordinary transactions (12%, 14% and 16% for revaluations of up to 5 million, between 5 million and 10 million and over 10 million, respectively);
2. revocation of the realignment for tax purposes, with repayment or right to offset the substitute tax already paid, in accordance with procedures to be defined by a future measure.

Considering that:

- the dilution of the benefit over 50 years shifts the cost-benefit balancing point from the second to the seventh year, while still maintaining a significant overall tax saving;
- the outlay for the “ordinary” substitute tax, necessary to maintain deductibility over 18 years, is very costly and close in time, considerably reducing the advantage of the operation;
- revocation of the realignment would entail cancellation of the income from the release of the deferred tax provision, with an inevitable impact on the Group’s equity;

it was deemed reasonable to maintain the realignment carried out with the 50-year deduction and to recognise deferred tax assets on temporarily non-deductible amortisation/depreciation and impairment, with annual monitoring of the reasonable certainty of their recovery.

The following aspects were taken into account in the calculation of deferred tax assets:

- the tax regulations of the country in which the Group operates and their impact on temporary differences, and any tax benefits deriving from the use of tax losses carried forward, considering their potential recoverability over a period of three years;
- the Group’s forecast profits in the medium and long term.

On the basis of the above, the Group expects that it can recover with reasonable certainty the deferred tax assets recognised.

It should be noted that the effects of impairment (see paragraph 4.2) impacted deferred tax assets for a total of EUR 2,943 thousand.

Deferred tax liabilities

(In thousands of Euro)

Balance as at 31 December 2024	1,406
Releases to profit or loss	(642)
Rreleases to comprehensive income (income tax)	6
Balance as at 31 December 2025	770

Deferred tax liabilities at 31 December 2025 are primarily attributable to the deferred taxation arising from the PPA of Worldconnect, Systema and Peter Jäckel.

The change for the year, amounting to EUR 648 thousand, is mainly attributable to the effect of the write-down of non-current assets following the impairment test and the gradual release of the deferred tax liability arising from the PPA.

It is estimated that the residual liability for deferred taxes refers to differences that will be reabsorbed in the medium and long term.

CURRENT ASSETS

4.6 Inventories

Inventories as at 31 December 2025 amounted to EUR 36,648 thousand (EUR 39,682 thousand as at 31 December 2024), net of the allowance for inventory write-down of EUR 5,305 thousand. Inventories include those at the Group's warehouses and goods in transit, for which the Group has already acquired ownership, for EUR 4,704 thousand (EUR 7,215 thousand as at 31 December 2024).

Inventories are made up as follows:

	Balance as at	
	31 December 2025	31 December 2024
Finished products and goods	35,715	35,194
Goods in transit	4,704	7,215
Advances	1,535	2,007
Gross inventories	41,953	44,416
(Allowance for inventory write-down)	(5,305)	(4,734)
Total Inventories	36,648	39,682

The decrease in gross inventories, amounting to EUR 2,463 thousand compared to 31 December 2024, is mainly attributable to a volume effect and timely purchase planning. The carrying amount of inventories is adjusted by the allowance for inventory write-down, which includes the write-down of goods at risk of potential obsolescence.

Changes in allowance for inventory write-down between 31 December 2024 and 31 December 2025 are shown below:



<i>(In thousands of Euro)</i>	Allowance for inventory write-down
Balance as at 31 December 2024	(4,734)
(Accruals)	(967)
Exchange difference	(4)
Utilisations/Releases	400
Balance as at 31 December 2025	(5,305)

Accruals made relate to the analysis of slow moving products faced with problems (typical of the sector) related to the obsolescence/slow turnover of inventories, in order to align their value to the estimated realisable value.

4.7 Trade receivables

As at 31 December 2025 this item amounted to EUR 51,500 thousand, net of the loss allowance of EUR 3,590 thousand (EUR 56,251 thousand, net of a loss allowance of EUR 4,084 thousand as at 31 December 2024).

Trade receivables as at 31 December 2025 and 31 December 2024 are shown in detail below:

<i>(In thousands of Euro)</i>	Balance as at	
	31 December 2025	31 December 2024
Trade receivables from third parties	52,310	57,019
Trade receivables from related parties (Note 5)	2,781	3,316
Gross trade receivables	55,090	60,335
(Loss allowance)	(3,590)	(4,084)
Total trade receivables	51,500	56,251

Trade receivables are presented net of total receivables assigned without recourse to factoring companies and amounted to EUR 6,297 thousand as at 31 December 2025 (EUR 7,982 thousand as at 31 December 2024).

Changes in the loss allowance as at 31 December 2025 are shown below:

<i>(In thousands of Euro)</i>	Loss allowance
Balance as at 31 December 2024	(4,084)
(Accruals)	(958)
Exchange difference	(1)
Utilisations	1,454
Balance as at 31 December 2025	(3,590)

Impaired assets refer mainly to disputed amounts or customers subject to bankruptcy proceedings. The utilisations reflect amounts that, based on certain, precise information or the conclusion of pending bankruptcy procedures were impaired in full. As shown in the tables above, the loss allowance amounted to EUR 3,590 thousand as at 31 December 2025 and to EUR 4,084 thousand as at 31 December 2024. Credit risk is the exposure to potential losses arising from non-performance of the obligations taken on by the counterparty. The Group has credit control processes in place that include customer creditworthiness analyses and credit exposure controls based on reports with a breakdown of due dates and average collection times. The change in the loss

allowance is the result of an analytical assessment of non-performing assets and assets that have been proven to be of uncertain recoverability as well as a general assessment based on the asset's historical credit loss. As at the date of the assessment, there were no significant effects that could be attributed to the consequences of the current geopolitical and macroeconomic context. The carrying amounts of trade receivables are deemed to approximate their fair value.

4.8 Current tax assets

The breakdown of current tax assets as at 31 December 2025 and 31 December 2024 is shown below:

<i>(In thousands of Euro)</i>	Balance as at	
	31 December 2025	31 December 2024
Receivables from tax authorities	171	163
Receivables for tax payments on account	323	14
Tax rebate assets	115	117
Total current tax assets	609	294

Current tax assets mainly include the following items recorded in the Parent's separate Financial Statements: (i) the receivables for advances on tax paid amounting to EUR 323 thousand, (ii) the credit for research, development, innovation and design, amounting to EUR 127 thousand, (iii) the credit for taxes requested for rebate, amounting to EUR 115 thousand.

4.9 Financial assets

Financial assets amounted to EUR 366 thousand (341 thousand as at 31 December 2024) and refer mainly to receivables for active derivative instruments.

4.10 Other assets

The breakdown of other current assets as at 31 December 2025 and 31 December 2024 is shown below:

<i>(In thousands of Euro)</i>	Balance as at	
	31 December 2025	31 December 2024
Prepaid expenses	5,812	7,218
VAT credit	1,565	1,623
Others	818	742
Total Other current assets	8,184	9,583

This item mainly includes prepaid expenses referring to the advance payment of costs relating to future years and the receivable due from the tax authority for period VAT.

4.11 Cash and cash equivalents

Cash and cash equivalents include cash balances and demand deposits with a maturity of three months or less from the original date of acquisition, which are subject to an insignificant risk of changes in fair value and are used by the Group to manage short-term commitments.



The breakdown of cash and cash equivalents as at 31 December 2025 and 31 December 2024 is shown below:

<i>(In thousands of Euro)</i>	Balance as at	
	31 December 2025	31 December 2024
Bank accounts	23,569	20,742
Cash on hand	7	10
Total Cash and cash equivalents	23,576	20,753

Cash and cash equivalents amount to EUR 23,576 thousand as at 31 December 2025 (EUR 20,753 thousand as at 31 December 2024). The item consists of cash on hand, securities and demand deposits or short-term deposits with banks that are currently available and readily usable.

For further details regarding the dynamics that influenced cash and cash equivalents, reference should be made to the Statement of Cash Flows.

EQUITY AND LIABILITIES

4.12 Equity

Equity was EUR 96,679 thousand (EUR 137,066 thousand as at 31 December 2024), having decreased mainly as a result of the result of the year.

Share capital

The share capital as at 31 December 2025 amounts to EUR 21,343, divided into 21,868,189 ordinary shares.

On 22 July 2019, Borsa Italiana S.p.A. commenced trading of the Parent's ordinary shares on the Mercato Telematico Azionario (MTA), including them in the STAR segment.

Other reserves

As at 31 December 2025, other reserves amounted to EUR 104,353 thousand (EUR 104,738 thousand as at 31 December 2024) and were mainly broken down as follows:

- The share premium, which amounts to EUR 101,858 thousand, including EUR 59,253 in suspended taxation following the realignment of trademarks and customer relationships.
- Other reserves amounting to EUR 5,861 thousand which mainly originated as a result of the effects of the application of the IFRS and the Business Combination which took place in 2018;
- Treasury shares of EUR 3,366 thousand.

Retained earnings

As at 31 December 2025, retained earnings from consolidation amounted to EUR 7,332 thousand.

Loss for the year attributable to owners of the Parent

2025 ended with a loss for the year attributable to the owners of the parent of EUR 36,348 thousand.

Long Term Incentive Plan Reserve (Share-based payment arrangements)

In 2021, the Group approved a Stock Grant Plan, which envisages the award of rights to certain employees to receive the Parent's shares free of charge.

The free award of such rights to receive shares comes under the scope of the "Cellularline S.p.A. 2021-2023 Incentive Plan", submitted for approval by the ordinary shareholders' meeting on 28 April 2021.

The following table summarises the main conditions of the stock grant plan:

Date of assignment	Maximum number of instruments	Vesting conditions	Contractual duration of options
15 March 2023	90,000 *	30% Relative Total Shareholder Return 70% Consolidated Adjusted EBITDA	Three years

(* The number of instruments reported refers to the first tranche of awards of the three-year cycle, of which 55,000 assigned to CEOs and key managers. As at the date of this Report, only the third grant cycle is active.

The Plan envisages three cycles of annual awards of rights to Beneficiaries (2021, 2022 and 2023), each of which with a three-year performance period and a two-year lock-up on the shares assigned by virtue of the rights awarded for each cycle, where conditions are met and in accordance with the terms and conditions set forth in the Plan and its Regulation. The rights assigned to the beneficiaries will accrue, and accordingly give entitlement to their holders to receive the Parent's shares, according to the degree to which measurable long-term performance objectives, pre-determined by the Parent, are achieved. These performance objectives contribute with a different percentage weighting towards the accrual of the rights and attribution of the shares, all as indicated:

- (i) the Relative Total Shareholder Return (or Relative TSR) is the share performance objective and contributes towards the incentive variable remuneration envisaged by the Plan (in the form of shares), weighing for 30%,
- (ii) the Consolidated Three-Year Adjusted EBITDA is the corporate performance objective and contributes towards the incentive variable remuneration envisaged by the Plan (in the form of shares), weighing for 70%.

In addition, in 2024, the Group approved a new Stock Grant Plan, which envisages the award to certain employees of rights to receive the Parent's shares free of charge.

The free award of such rights to receive shares comes under the scope of the "Cellularline S.p.A. 2024-2026 Incentive Plan", submitted for approval by the Ordinary Shareholders' Meeting on 24 April 2024.

The following table summarises the main conditions of the stock grant plan:

Date of assignment	Maximum number of instruments	Vesting conditions	Contractual duration of options
08 May 2024	109,000 *	50% Relative Total Shareholder Return 50% Consolidated Adjusted EBITDA	Three years
Date of assignment	Maximum number of instruments	Vesting conditions	Contractual duration of options
04 March 2025	119,000 *	50% Relative Total Shareholder Return 50% Consolidated Adjusted EBITDA	Three years

() As at the date of this Report, the first two cycles of the above Plan have been activated.*

The Plan envisages three cycles of annual awards of rights to Beneficiaries (2024, 2025 and 2026), each of which with a three-year performance period and a two-year lock-up on the shares assigned by virtue of the rights awarded for each cycle, where conditions are met and in accordance with the terms and conditions set forth in the Plan and its Regulation. The rights assigned to the beneficiaries will accrue, and accordingly give entitlement to their holders to receive the Parent's shares, according to the degree to which measurable multi-year performance objectives, pre-determined by the Parent, are achieved. These performance objectives contribute with a different percentage weighting towards the accrual of the rights and attribution of the shares, all as indicated:

- (i) the Relative Total Shareholder Return (or Relative TSR) is the share performance objective and contributes towards the incentive variable remuneration envisaged by the Plan (in the form of shares), weighing for 50%,
- (ii) the Consolidated Three-Year Adjusted EBITDA is the corporate performance objective and contributes towards the incentive variable remuneration envisaged by the Plan (in the form of shares), weighing for 50%.

As at 31 December 2025, in accordance with IFRS 2, the valuation regarded the total fair value of the approved plan.

The "market based" component (Relative Total Shareholder Return) has been estimated using a stochastic simulation with the Monte Carlo Method, which, on the basis of suitable hypotheses, made it possible to define a significant number of alternative scenarios over the time frame considered.

The non-market-based component was valued at the reporting date to account for expectations regarding the number of rights that may vest.

The value of the LTI reserve at 31 December 2025 is EUR 219 thousand (EUR 255 thousand as at 31 December 2024).

Reconciliation of the Parent's equity and loss for the year with consolidated equity and profit/(loss) for the year.

The following table shows the reconciliation between the equity reported in the Financial Statements of the Parent as at 31 December 2025 and that reported in the Consolidated Financial Statements as at the same date (in thousands of Euro).

RECONCILIATION OF PARENT'S EQUITY WITH CONSOLIDATED EQUITY	Equity as at 31/12/2023	Profit for 2024	Other changes to equity on Parent	Equity as at 31/12/2024	Loss for 2025	Other changes to equity on Parenty	Equity as at 31/12/2025
Cellularline S.p.A.	128,089	4,021	(2,808)	129,302	(28,756)	(4,299)	96,247
Difference between carrying amount and equity of subsidiaries	6,755	1,124	(431)	7,448	(7,691)	670	426
Measurement of Cellular Swiss at equity	298	96	-	394	76	-	471
Derecognition of intra-group gains	(483)	(3)	-	(486)	22	-	(464)
Elimination of intra-group impairment	-	410	-	410	-	(410)	-
Cellularline Group	134,659	5,647	(3,239)	137,066	(36,348)	(4,039)	96,679

4.13 Bank loans and borrowings and other financial liabilities (current and non-current)

The breakdown of Financial liabilities (current and non-current) as at 31 December 2025 is shown below:

<i>(In thousands of Euro)</i>	Balance as at	
	31 December 2025	31 December 2024
Current bank loans and borrowings and loans and borrowings from other financial backers	17,260	13,740
Non-current bank loans and borrowings and loans and borrowings from other financial backers	14,156	21,149
Total bank loans and borrowings and loans and borrowings from other financial backers	31,416	34,889
Other current financial liabilities	1,681	1,446
Other non-current financial liabilities	3,466	6,766
Total other financial liabilities	5,147	8,212
Total financial liabilities	36,563	43,101

As at 31 December 2025, bank loans and borrowings and loans and borrowings from other financial backers came to EUR 31,416 thousand (EUR 34,889 thousand as at 31 December 2024) and mainly include:

- the bank loan of the Parent, stipulated in July 2024 in the re-financing transaction for EUR 21,274 thousand;
- the Parent's short-term hot money bank loans and other short-term financial liabilities, in the amount of EUR 10,125 thousand.

The Parent's bank loan, gross of bank fees, is shown below:

<i>(In thousands of Euro)</i>	Inception	Maturity	Original amount	Balance as at 31 December 2025		
				Outstanding debt	current portion	non-current portion
Syndicate						
“Ordinary” facility	31/07/2024	31/07/2028	25,000	21,428	7,144	14,284
Total syndicated loan (*)			25,000	21,428	7,144	14,284

(*) The syndicated loan was signed with con BNL S.p.A. and Unicredit S.p.A.

The bank loan repayable to the above institutions is subject to economic and financial covenants. These covenants, calculated on a leverage ratio defined as the Net Financial Position in relation to EBITDA on the basis of contractual agreements with credit institutions, were met as of 31 December 2025.

The loan is measured at amortised cost in accordance with IFRS 9 and therefore its carrying amount, reduced by transaction costs, as at 31 December 2025 is EUR 21,274 thousand (EUR 24,721 thousand as at 31 December 2024).

For details regarding the item Other financial liabilities (current and non-current), please refer to Note 4.20.

Below is a reconciliation of the net financial indebtedness as at 31 December 2025, of EUR 12,621 thousand, and as at 31 December 2024, of EUR 22,007 thousand, according to the scheme envisaged by ESMA Guidance 32-382-1138 dated 4 March 2021 and indicated in the Consob Note 5/21 dated 29 April 2021:

<i>(In thousands of Euro)</i>	Balance as at		Changes	
	31 December 2025	31 December 2024	Δ	%
(A) Cash	23,576	20,753	2,823	13.6%
(B) Other cash and cash equivalents	-	-	-	0.0%
(C) Other current financial assets	366	341	25	7.2%
(D) Liquidity (A)+(B)+(C)	23,942	21,094	2,848	13.5%
(E) Current financial debt	10,270	10,168	102	1.0%
(F) Current portion of non-current debt	8,675	5,018	3,656	72.9%
(G) Current financial indebtedness (E) + (F)	18,945	15,186	3,759	24.8%
- of which guaranteed	-	-	-	0.0%
- of which not guaranteed	18,945	15,186	3,759	24.8%
(H) Net current financial indebtedness (G) - (D)	(4,997)	(5,907)	910	-15.4%
(I) Non-current financial debt	17,618	27,915	(10,297)	-36.9%
(J) Debt instruments	-	-	-	0.0%
(K) Non-current trade and other payables	-	-	-	0.0%
(L) Non-current financial indebtedness (I)+(J)+(K)	17,618	27,915	(10,297)	-36.9%
- of which guaranteed	-	-	-	0.0%
- of which not guaranteed	17,618	27,915	(10,297)	-36.9%
(M) TOTAL FINANCIAL INDEBTEDNESS (H) + (L)	12,621	22,007	(9,387)	-42.7%

A breakdown of the financial liabilities is shown below based on their maturity:

<i>(In thousands of Euro)</i>	Balance as at	
	31 December 2025	31 December 2024
Within 1 year	18,945	15,186
From 1 to 5 years	17,552	27,915
Over 5 years	66	-
Total	36,563	43,101

4.14 Employee benefits

As at 31 December 2025, the item amounted to EUR 555 thousand (EUR 604 thousand as at 31 December 2024) and derives from the actuarial valuations of the Italian companies' post-employment benefits (TFR), which are treated as defined-benefit plans. These valuations were made on the basis of the accrued benefits method using the "Projected Unit Credit" method, as required by IAS 19.

The actuarial model is based on:

- discount rate of 3.37%, which was derived from the Iboxx Corporate AA index with a duration of 7/10;
- annual inflation rate of 2.00%;
- annual rate of TFR increase of 3.00%.

In addition, sensitivity analyses were carried out for each actuarial assumption, considering the effects that would have occurred as a result of reasonably possible changes in the actuarial assumptions at the reporting date; the results of these analyses do not give rise to significant effects.

4.15 Provisions for risks and charges

Changes in the Provisions for risks and charges, broken down for the period between 31 December 2024 and 31 December 2025 are shown below:

<i>(In thousands of Euro)</i>	Agents' severance indemnity provision (FISC)	Provision for future risks	Total
Balance as at 31 December 2024	1,781	69	1,850
- of which current portion	-	-	-
- of which non-current portion	1,781	69	1,850
Accruals	241	1,367	1,608
Utilisations/Releases	(342)	(69)	(411)
Balance as at 31 December 2025	1,680	1,367	3,047
- of which current portion	-	-	-
- of which non-current portion	1,680	1,367	3,047

The Agents' severance indemnity provision (FISC) refers to the measurement of the agents' severance indemnity of the Parent and of Systema for the amount to be paid to agents for the termination of the agency relationship through no fault of the agent. The actuarial valuation, consistent with IAS 37, was carried out by quantifying future payments through the projection of the indemnity accrued at the reporting date by the agents operating until the presumed (random) termination of the contractual relationship. For actuarial valuations, demographic and economic-financial assumptions were adopted; specifically, the discount rate was set with reference to the IBoxx Eurozone AA index in relation to the duration of the collective at 3.37%. During the fiscal year, a provision for future risks has been set, primarily related to taxes from prior years.



4.16 Trade payables

The breakdown of Trade payables as at 31 December 2025 and 31 December 2024 is shown below:

<i>(In thousands of Euro)</i>	Balance as at	
	31 December 2025	31 December 2024
Trade payables to third parties	29,318	31,532
Trade payables from related-party	-	1
Total trade payables	29,318	31,533

As at 31 December 2025, trade payables amounted to EUR 29,318 thousand (EUR 31,533 thousand as at 31 December 2024) and refer to the acquisition of goods and services, all due within the year.

4.17 Current tax liabilities

At 31 December 2025, the item amounts to EUR 115 thousand, compared with EUR 1,854 thousand as at 31 December 2024.

4.18 Other liabilities

The breakdown of Other liabilities as at 31 December 2025 and 31 December 2024 is shown below:

<i>(In thousands of Euro)</i>	Balance as at	
	31 December 2025	31 December 2024
Due to employees	2,565	2,311
Tax liabilities	1,508	2,240
Social security liabilities	974	994
Other payables	1,462	2,933
Total Other liabilities	6,509	8,478

As at 31 December 2025, the item amounts to EUR 6,509 thousand (EUR 8,478 thousand as at 31 December 2024) and mainly consists of:

- EUR 2,565 thousand due to employees for wages to be settled and bonuses;
- tax liabilities of EUR 1,508 thousand (withholdings and VAT);
- EUR 974 thousand due to social security institutions for contributions to be settled;
- EUR 1,462 thousand for other payables (accrued expenses and deferred income and sundry payables).

4.19 Other financial liabilities (current and non-current)

The breakdown of Other financial liabilities as at 31 December 2025 and 31 December 2024 is shown below:

<i>(In thousands of Euro)</i>	Balance as at	
	31 December 2025	31 December 2024
Other current financial liabilities	1,681	1,446
Other non-current financial liabilities	3,466	6,766
Total other financial liabilities	5,147	8,212

As at 31 December 2025, Other financial liabilities come to EUR 5,147 thousand (EUR 8,212 thousand at 31 December 2024) and mainly include:

- financial liabilities relating to put & call options and agreements signed for the purchase of the remaining shares of subsidiaries for EUR 2,582 thousand, of which EUR 2,432 thousand relating to Worldconnect and EUR 150 thousand relating to Peter Jäckel;
- the lease liability deriving from the application of IFRS 16 for EUR 2,565 thousand (EUR 3,260 as at 31 December 2024).

5. Notes to the consolidated income statement

The notes to the consolidated income statement with reference to the years ending 31 December 2025 and 31 December 2024 are provided below.

5.1 Revenues from sales

In 2025, revenue from sales amounts to EUR 156,643 thousand (EUR 164,263 thousand in 2024). As mentioned earlier, the Group's business is carried out in a single operating segment and can be divided into three main product lines:

- Red line (accessories for multimedia devices);
- Black line (accessories for motorcycles and bicycles);
- Blue line (third party products marketed under distribution agreements).

The following tables show revenue, broken down by product line and geographical area.

Revenues from Sales by product line						
<i>(In thousands of Euro)</i>	Year ended				Change	
	31/12/2025	% of revenues	31/12/2024	% of revenues	Δ	%
Red – Italy	56,233	35.9%	55,309	33.7%	924	1.7%
Red – International	70,465	45.0%	79,928	48.7%	(9,463)	-11.8%
Revenue from sales - Red	126,698	80.9%	135,237	82.3%	(8,539)	-6.3%
Black – Italy	3,851	2.5%	4,023	2.4%	(172)	-4.3%
Black – International	5,105	3.3%	4,399	2.7%	706	16.1%
Revenue from sales - Black	8,956	5.7%	8,421	5.1%	535	6.4%
Blue – Italy	18,148	11.6%	17,930	10.9%	219	1.2%
Blue – International	2,841	1.8%	2,675	1.6%	165	6.2%
Revenue from sales - Blue	20,989	13.4%	20,605	12.5%	384	1.9%
Total Revenue from Sales	156,643	100.0%	164,263	100.0%	(7,620)	-4.6%

- The **Red Line**, which represents the Group's core business, recorded a decline over the previous year of 6.3% (EUR 126,698 thousand in 2025 compared to EUR 135,237 thousand in 2024). In 2025, sales of the

Red line accounted for approximately 80.9% of total revenue, showing progress in the domestic market compared to 2024 (+1.7%, or EUR 924 thousand), thereby consolidating its absolute market *leadership*. However, this positive domestic performance was not sufficient to compensate for the slowdown in international markets, which were particularly affected by the changing competitive environment, as well as by a situation of uncertainty reflected in consumption in various geographical areas;

- the **Black Line** recorded sales of EUR 8,956 thousand, marking an increase of EUR 535 thousand compared to the previous year, equal to 6.4%; the proportion of sales of the Black Line in 2025 (5.7%) improved compared to the previous year (5.1%). Our growth is mainly fuelled by our distribution efforts in international markets;
- the **Blue Line** recorded sales of EUR 20,989 thousand, corresponding to 13.4% of the total, substantially in line in absolute terms with the previous year (EUR 20,605 thousand in 2024, corresponding to 12.5%).

Revenue from sales by geographical area

(In thousands of Euro)	Year ended				Change	
	31/12/2025	% of revenues	31/12/2024	% of revenues	Δ	%
Italy	78,233	49.9%	77,262	47.0%	971	1.3%
Spain/Portugal	13,072	8.3%	15,366	9.4%	(2,294)	-14.9%
Eastern Europe	10,525	6.7%	11,910	7.3%	(1,386)	-11.6%
Germany	9,998	6.4%	11,994	7.3%	(1,996)	-16.6%
Northern Europe	9,710	6.2%	8,471	5.2%	1,240	14.6%
France	8,505	5.4%	8,359	5.1%	146	1.7%
Benelux	8,378	5.3%	9,245	5.6%	(867)	-9.4%
Switzerland	7,298	4.7%	7,607	4.6%	(309)	-4.1%
Middle East	6,010	3.8%	5,840	3.6%	170	2.9%
Others	4,913	3.1%	8,209	5.0%	(3,296)	-40.2%
Total Revenues from Sales	156,643	100%	164,263	100.0%	(7,620)	-4.6%

With regard to the analysis of sales by geographical area, it should be noted that - thanks to the growth in sales recorded domestically - the share of sales on the domestic market accounted for roughly 50% of the Group's total sales (compared with 47% last year). Note should be taken, in particular, of the excellent results from Northern Europe, with an increase in revenues of EUR 1,240 thousand (+14.6%) compared to 2024. In other international markets, however, contractions of varying magnitude occurred, mainly due to unfavourable developments in local markets.

5.2 Cost of sales

The cost of sales amounts to EUR 93,202 thousand in 2025 (EUR 98,444 thousand in 2024) and mainly includes the costs of purchasing and processing raw materials (EUR 84,654 thousand), personnel expense (EUR 3,282 thousand), logistics costs (EUR 2,385 thousand) and the costs of transport related to purchases (EUR 2,880 thousand).



5.3 Sales and distribution costs

The following table shows details of sale and distribution costs:

<i>(In thousands of Euro)</i>	Year ended			
	31 December 2025	% of revenue	31 December 2024	% of revenue
Sales and distribution personnel expense	14,746	9.4%	13,992	8.5%
Commissions to agents	6,795	4.3%	6,984	4.3%
Transport	4,865	3.1%	4,698	2.9%
Advertising and advertising consultancy expenses	1,280	0.8%	2,229	1.4%
Other sales and distribution costs	3,787	2.3%	3,517	2.1%
Total sales and distribution costs	31,473	20.1%	31,421	19.1%

In 2025, sales and distribution costs amounted to EUR 31,473 thousand, compared to EUR 31,421 thousand in 2024.

5.4 General and administrative costs

The following table shows the breakdown of other general and administrative costs:

<i>(In thousands of Euro)</i>	Year ended			
	31 December 2025	% of revenues	31 December 2024	% of revenues
Amortisation	10,372	6.6%	10,286	6.3%
Depreciation	1,560	1.0%	1,729	1.1%
Depreciation right-of-use assets	1,652	1.1%	1,676	1.0%
Impairment losses on goodwill and other non-current assets	42,308	27.0%	33	0.0%
Provisions for risks and impairment losses	2,269	1.4%	295	0.2%
Administrative personnel expense	7,008	4.5%	6,650	4.0%
Administrative, legal and management consultancy	2,387	1.5%	2,816	1.7%
Commissions and fees	118	0.1%	156	0.1%
Directors' and Statutory Auditors' fees	734	0.5%	947	0.6%
Other general and administrative costs	3,290	2.1%	3,239	2.0%
Total general and administrative costs	71,699	45.8%	27,828	16.9%

In 2025, general and administrative costs amounted to EUR 71,699 thousand, compared to EUR 27,828 thousand in 2024, mainly due to a write-down of the carrying value of goodwill and other non-current assets as a result of impairment test totalling EUR 42,308 thousand.

5.5 Other non-operating revenue

The following table shows details of Other non-operating revenue.

<i>(In thousands of Euro)</i>	Year ended			
	31 December 2025	% of revenues	31 December 2024	% of revenues
Prior year income	279	0.2%	191	0.1%
Recoveries of SIAE fees	31	0.0%	3	0.0%
(SIAE and CONAI contributions)	(341)	-0.2%	(197)	-0.1%
Other non-operating revenue	1,845	1.2%	1,465	0.9%
Total other non-operating revenue	1,814	1.2%	1,462	0.9%

Total Other non-operating revenue was positive in the amount of EUR 1,814 thousand, an increase on EUR 1,462 thousand in 2024.

5.6 Financial income and expense

Net financial expense amounts to EUR 849 thousand (expense of EUR 1,915 thousand in 2024). The following table shows details of financial income:

<i>(In thousands of Euro)</i>	Year ended			
	31 December 2025	% of revenues	31 December 2024	% of revenues
Other financial income and fair value gains	2,354	1.5%	3,775	2.3%
Interest income	109	0.1%	28	0.0%
Total Financial income	2,463	1.6%	3,803	2.3%
Finance costs from fair value changes	(1,355)	-0.9%	(2,950)	-2.2%
Interest expense on bank loans	(1,327)	-0.8%	(1,964)	-1.2%
Bank commissions/fees	(447)	-0.3%	(608)	-0.4%
Other interest expense	(183)	-0.1%	(197)	-0.1%
Total Financial expense	(3,312)	-2.1%	(5,718)	-3.5%
Total Financial expense	(849)	-0.5%	(1,915)	-1.2%

The positive change in Financial Income and Expenses for FY 2025 of EUR 1,066 thousand was mainly attributable to lower interest expense and bank fees, higher income from the *fair value* revaluation of *put & call options*, offset by higher charges for hedging derivatives.

5.7 Net exchange gains and

Net exchange gains showed a balance of EUR 668 thousand (EUR 25 thousand in 2024).

<i>(In thousands of Euro)</i>	Year ended			
	31 December 2025	% of revenues	31 December 2024	% of revenues
Net exchange gains on trading	650	0.4%	62	0.0%
Net exchange losses on financial transactions	(37)	0.0%	(37)	0.0%
Total foreign exchange gains (losses)	668	0.4%	25	0.0%

In FY 2025, the item Net Exchange Gains is mainly influenced by the development of the EUR/USD exchange rate during the year .

5.8 Net gains and on equity investments

Net gains on equity investments amount to EUR 76 thousand in 2025 (EUR 97 thousand in FY 2024) and refer exclusively to the impairment gain recognised on the investment in the associate Cellular Swiss, measured using the equity method.



5.9 Income taxes

The breakdown of Income taxes for the years ended 31 December 2025 and 31 December 2024 is shown below:

<i>(In thousands of Euro)</i>	Year ended	
	31/12/2025	31/12/2024
Current taxes of the year	(2,650)	(3,219)
Current taxes of previous years	1	(22)
Deferred tax assets/(liabilities)	4,322	2,648
Total income taxes	1,673	(593)

This item includes the expense for current taxes for the year in the amount of EUR 2,650 thousand.

Deferred taxes of EUR 4,322 thousand mainly refer to:

- net income due to the recognition of deferred tax assets of the Parent amounting to EUR 3,599 thousand, deriving from the impairment of fixed assets following impairment testing, on partially-deductible amortisation, like that of the Cellularline and Interphone trademarks, and on the provision made for the allowance for inventory (direct and indirect) write-down, bonuses to employees as well as the allocation to the bad debt provision (not tax deductible);
- other changes arising from the consolidation entries of subsidiaries for EUR 683 thousand.
- minor changes (in the amount of EUR 40 thousand) arising from the recognition of deferred tax assets on the Financial Statements of other Group companies;

5.10 Basic and diluted earnings per share

Basic earnings per share were calculated by dividing the profit/(loss) for the year by the average number of ordinary shares. The table below shows the details of the calculation:

<i>(thousands of Euro)</i>	Year ended 31 December 2025	Year ended 31 December 2024
Profit/(loss) for the year attributable to owners of the parent	(36,348)	5,647
Average number of ordinary outstanding shares	20,948	21,328
Basic earnings per share	(1.74)	0.26

<i>(thousands of Euro)</i>	Year ended as at 31 December 2025	Year ended as at 31 December 2024
Group profit/(loss) for the year:	(36,348)	5,647
Average number of outstanding shares	20,948	21,328
Number of shares with a dilutive effect	-	-
Average number of shares to calculate the diluted earnings	20,948	21,328
Diluted earnings per share	(1.74)	0.26

5.11 Statement of cash flows

The main factor that influenced cash flow trends in the years considered are summarised below.

Net cash flows generated by operating activities

<i>(In thousands of Euro)</i>	2025	2024
Cash flows from operating activities		
Profit/(loss) for the year	(36,348)	5,647
<i>Adjustments for:</i>		
- Current and deferred taxes	(1,673)	593
- Net accruals and impairment losses included in working capital	1,112	2,292
- (Income)/expenses from investments and (Gains)/losses on foreign exchange	181	1,890
- Gains on equity investments	(76)	(97)
- Amortisation, depreciation and impairment losses of non-current assets	55,893	13,724
- Other non-monetary movements	-	-
<i>Changes in:</i>		
- Inventories	2,622	5,069
- Trade receivables	5,246	(4,932)
- Trade payables	(2,215)	(797)
- Changes in other operating assets and liabilities	(570)	3,022
- Payment of employee benefits and change in provisions	(50)	-
- Income taxes paid and offset	(4,564)	(2,993)
Cash flows generated by operating activities	19,559	23,418
Interest paid and other net charges paid	(181)	(1,890)
Net cash flow generated by operating activities	19,377	21,527

Cash flows generated by used in investing activities

<i>(In thousands of Euro)</i>	Year ended	
	31 December 2025	31 December 2024
Cash flows from investing activities		
Acquisition of subsidiary, net of cash acquired and other costs	-	-
Purchase of property, plant and equipment and intangible assets	(5,647)	(5,307)
Cash flows used in investing activities	(5,647)	(5,307)

Cash flows used in financing activities

<i>(In thousands of Euro)</i>	Balance as at	
	31 December 2025	31 December 2024
Cash flows from financing activities		
(Dividend distribution)	(1,941)	(1,824)
Disbursed bank loans and borrowings and loans and borrowings from other financial backers	-	25,000
Repaid bank loans and borrowings and loans and borrowings from other financial backers	(3,473)	(27,881)
Increase in other financial liabilities	(3,169)	(3,871)
Other changes in equity	(2,344)	1,046
Other non-monetary changes in equity	20	(2,124)
Net cash flows used in financing activities	(10,907)	(9,656)

Transactions with related parties

Transactions with related parties are neither atypical nor unusual and are part of the ordinary course of business of the Group's companies. These transactions mainly concern (i) the supply of products and accessories for mobile telephony, (ii) the provision of services that are functional to the performance of the business and (iii) the provision of loans to the above-mentioned related parties. Transactions with related parties, as defined by IAS 24 and governed by Article 4 of Consob Regulation 17221 of 12 March 2010 (and subsequent amendments), implemented by the Group up to 31 December 2025 concern mainly commercial transactions relating to the supply of goods and the provision of services. The following is a list of the related parties with which transactions took place in 2025, indicating the type of relationship:

Related parties	Type and main relationship
Cellular Swiss S.A.	Associate of Cellularline S.p.A. having a 50% investment (consolidated using the equity method); the remaining shareholders are: Maria Luisa Urso (25%) and Antonio Miscioscia (25%)
Christian Aleotti	Shareholder and CEO of Cellularline S.p.A.

The table below shows the equity balances of Cellularline's transactions with related parties in 2025 in the statement of financial position:

<i>(In thousands of Euro)</i>	Current trade receivables	Other non-current receivables (payables)	(Trade payables)
Cellular Swiss S.A.	2,781	-	-
Total	2,781	-	-
<i>Impact on the financial statements item</i>	<i>5.4%</i>	-	-

It should be noted that trade receivables are presented net of the related trade payables.

The table below shows the balances of the transactions with related parties carried out by Cellularline in the income statement for 2025:

<i>(In thousands of Euro)</i>	Revenue from sales	(Sales and distribution costs)	(General and administrative costs)	Other non-operating expense/(revenue)
Cellular Swiss S.A.	5,520	(1)	(2)	-
Christian Aleotti	-	-	(15)	-
Total	5,520	(1)	(17)	-
<i>Impact on the financial statements item</i>	<i>3.5%</i>	<i>0.0%</i>	<i>0.0%</i>	-

The main related parties with which Cellularline carried out transactions in 2025 are as follows:

- Cellular Swiss S.A.: commercial relationship involving the transfer of goods held for sale by Cellularline to Cellular Swiss S.A., with the latter recharging a portion of the commercial contributions incurred for the acquisition of new customers and/or the development of existing customers, in line with the Group's commercial policies;
- Christian Aleotti: two leases to which Cellularline is a party, as tenant, entered into on 1 September 2017 and 16 October 2017.

It should be noted that there are no existing relations with other related parties.

6. Other information

Classes of financial instruments

Below is a breakdown of the financial assets and liabilities as required by IFRS 7 according to the categories envisaged by IFRS 9 at 31 December 2025 and 31 December 2024.

<i>(In thousands of Euro)</i>	Carrying amount as at 31/12/2025	Carrying amount			Fair value level		
		Amortised cost	FV to OCI	FV to PL	Level 1	Level 2	Level 3
Cash and cash equivalents	23,576	23,576	-	-	-	-	-
Trade receivables and other assets	59,685	59,685	-	-	-	-	-
Other financial assets	366	-	-	366	-	366	-
Total financial assets	83,626	83,261	-	366	-	366	-
Financing	31,416	31,416	-	-	-	-	-
Trade payables and other liabilities	35,827	35,827	-	-	-	-	-
Other financial liabilities	5,147	-	-	5,147	-	5,147	-
Total financial liabilities	72,389	67,242	-	5,147	-	5,147	-

<i>(In thousands of Euro)</i>	Carrying amount as at 31/12/2024	Carrying amount			Fair value level		
		Amortised cost	FV to OCI	FV to PL	Level 1	Level 2	Level 3
Cash and cash equivalents	20,753	20,753	-	-	-	-	-
Trade receivables and other assets	65,834	65,834	-	-	-	-	-
Other financial assets	341	-	-	341	-	341	-
Total financial assets	86,928	86,928	-	-	-	341	-
Financing	34,889	34,889	-	-	-	-	-
Trade payables and other liabilities	40,011	40,011	-	-	-	-	-
Other financial liabilities	8,212	-	-	8,212	-	8,212	-
Total financial liabilities	83,112	74,900	-	8,212	-	8,212	-

IFRS 13 establishes a fair value hierarchy that classifies the inputs of the valuation techniques adopted to measure fair value into three levels. The fair value hierarchy gives the highest priority to prices (unadjusted) quoted in active markets for identical assets or liabilities (Level 1 data) and the lowest priority to unobservable inputs (Level 3 data). In some cases, the data used to measure the fair value of an asset or liability could be classified into different levels of the fair value hierarchy. In such cases, the fair value measurement is classified entirely at the same level of the hierarchy in which the lowest level input is classified, taking into account its importance for the measurement.

The levels used in the hierarchy are:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;

- Level 2 inputs are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3 inputs are unobservable inputs for the asset or liability.

It should be noted that put/call options and derivative financial instruments are measured at fair value. For financial instruments measured at amortised cost, the carrying amount is also considered to be a reasonable approximation of their fair value.

Contingent liabilities

On the basis of the information available to date, the Parent's Directors believe that, at the date of approval of these Financial Statements, the accrued provisions are sufficient to ensure the correct presentation of financial information.

Risks

The Group is exposed to the various risks already illustrated in Paragraph 13 of the Directors' Report.

Guarantees granted in favour of third parties

This item includes sureties payable in favour of third parties for EUR 611 thousand, mainly relating to a customer to guarantee any contractual penalties for commercial supplies.

Number of employees

The average number of employees of the Group for the year, broken down by category, was as follows:

AVERAGE NUMBER OF EMPLOYEES		
HEADCOUNT	Average 2025	Average 2024
Managers	15	14
Junior managers	39	41
Clerical staff	228	221
Blue collar workers	1	1
Apprentices	15	17
TOTAL	298	295

Remuneration of Executive directors and Key Managers

The following table shows the fees:

Category	2025	2024
<i>(In thousands of Euro)</i>		
Executive Directors	1,005	998
Other key managers	252	235
Total remuneration	1,257	1,233

The remuneration of the Executive directors includes both the emolument for this office and the remuneration as executives.

Directors' and Statutory Auditors' fees

The Directors' fees for 2025 amounted to approximately EUR 596 thousand.

The Board of Statutory Auditors' fees for 2025 amounts to approximately EUR 77 thousand.

Independent Auditors' fees

The Parent is required to prepare Consolidated Financial Statements and, by resolution of the Shareholders' Meeting of 16 April 2019, appointed KPMG S.p.A. as Independent Auditor until the approval of the 2027 Financial Statements. Fees for the statutory audit of the Parent's and the Group's separate and consolidated financial statements (annual and half-yearly) amount to a total of approximately EUR 163 thousand, in addition to EUR 50 thousand for other appointments for the issue of an attestation and EUR 6 thousand for other accounting services as shown in the following table:

<i>(In thousands of Euro)</i>			
Type of services	Recipient	KPMG Network	2025
A) Audit services	Parent	KPMG S.p.A.	150
		KPMG Network	
B) Attestation services	Parent	KPMG S.p.A.	50
		KPMG Network	
C) Other services	Parent	KPMG S.p.A.	3
		KPMG Network	
Total - Parent			203
A) Audit services	Subsidiaries	KPMG S.p.A.	13
		KPMG Network	18
B) Attestation services	Subsidiaries	KPMG S.p.A.	
		KPMG Network	
C) Other services	Subsidiaries	KPMG S.p.A.	3
		KPMG Network	
Total - Subsidiaries			34

Key events after the reporting date

- On 04 March 2026, the Board of Directors approved the 2026-2029 Business Plan.
- The early months of 2026 saw an escalation of the conflict in the Middle East. The critical evolution of the geopolitical situation has generated increased uncertainty in international markets, with potential repercussions on costs and supply chains. The impact for the Group is currently being monitored.



Reggio Emilia, 16 March 2026

Chair of the Board of Directors

Antonio Luigi Tazartes

ATTESTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 December 2025 PURSUANT TO ART. 81-TER OF CONSOB REGULATION NO. 11971 OF 14 MAY 1999, AS AMENDED AND SUPPLEMENTED

1. I, the undersigned Christian Aleotti, as Chief Executive Officer, and Giacomo Rizzi, in his capacity as Manager responsible for preparing the financial information of the Cellularline Group, attest, also considering the provisions of Article 154-bis, paragraphs 3 and 4, of Legislative Decree 58 of 24 February 1998:

- that the Financial Statements are consistent with the characteristics of the business;
- that the administrative and accounting procedures for the preparation of the Consolidated Financial Statements as at and for the year ended 31 December 2025 have been effectively applied.

2. In this regard, we note that no significant issues emerged.

3. We also attest that:

3.1. The Consolidated Financial Statements as at and for the year ended 31 December 2025 of the Cellularline Group:

- have been prepared in accordance with the applicable International Financial Reporting Standards endorsed by the European Union pursuant to Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002;
- correspond with the entries in the ledgers and the accounting records;
- give a true and fair view of the performance and financial position of the issuer and of all the companies included in the consolidation scope.

3.2. The Directors' Report includes a reliable analysis of the performance and results of operations as well as of the issuer's position and of all the companies included in the consolidation, together with a description of the main risks and uncertainties to which they are exposed.

Reggio Emilia, 16 March 2026

Christian Aleotti

Giacomo Rizzi

Chief Executive Officer

Manager responsible for preparing the financial
information

**SEPARATE FINANCIAL STATEMENTS AS AT AND FOR THE
YEAR ENDED 31 December 2025**

**SEPARATE FINANCIAL STATEMENTS AT 31 DECEMBER
2025**



cellularline

SEPARATE FINANCIAL STATEMENTS AS AT 31 December 2025

STATEMENT OF FINANCIAL POSITION

<i>(thousands of Euro)</i>	Notes	31/12/2025	Of which related parties	31/12/2024	Of which related parties
ASSETS					
Non-current assets					
Intangible assets	6.1	18,292		33,596	
Goodwill	6.2	-		18,432	
Property, plant and equipment	6.3	4,449		4,997	
Equity investments in subsidiaries and associates	6.4	21,501		24,940	
Right-of-use assets	6.5	840		1,816	
Deferred tax assets	6.6	9,353		5,765	
Financial assets	6.7	2,662	2,584	2,522	2,498
Total non-current assets		57,096		92,067	
Current assets					
Inventories	6.8	29,672		31,343	
Trade receivables	6.9	51,612	16,951	55,419	20,038
Current tax assets	6.10	521		257	
Financial assets		366		341	
Other assets	6.11	6,875	12	7,376	115
Cash and cash equivalents	6.12	15,535		13,906	
Total current assets		104,581		108,642	
TOTAL ASSETS		161,677		200,709	
EQUITY AND LIABILITIES					
Equity					
Share capital	6.13	21,343		21,343	
Other reserves	6.13	102,642		103,913	
Retained earnings	6.13	1,018		26	
Profit/(loss) for the year		(28,756)		4,021	
TOTAL EQUITY		96,247		129,302	
LIABILITIES					
Non-current liabilities					
Bank loans and borrowings and loans and borrowings from other financial backers	6.14	14,130		21,149	
Deferred tax liabilities	6.6	46		39	
Employee benefits	6.15	207		204	
Provisions for risks and charges	6.17	2,342		1,667	
Other financial liabilities	6.21	363		607	
Total non-current liabilities		17,087		23,666	
Current liabilities					
Bank loans and borrowings and loans and borrowings from other financial backers	6.14	17,264		13,739	
Trade payables	6.18	26,102	964	27,144	1,291
Current tax liabilities	6.19	45		1,593	
Provisions for risks and charges	6.17	-		-	
Other liabilities	6.20	3,933		3,925	
Other financial liabilities	6.21	998		1,339	
Total current liabilities		48,343		47,741	
TOTAL LIABILITIES		65,430		71,407	
TOTAL EQUITY AND LIABILITIES		161,677		200,709	

SEPARATE FINANCIAL STATEMENTS AS AT 31 December 2025
INCOME STATEMENT

<i>(thousands of Euro)</i>	Notes	2025	Of which related parties	2024	Of which related parties
Revenue from sales	7.1	122,594	19,270	130,899	23,005
Cost of sales	7.2	(74,382)	(1,415)	(83,067)	(1,993)
Gross operating profit		48,212		47,832	
Sales and distribution costs	7.3	(21,525)		(21,206)	
General and administrative costs	7.4	(52,091)	(17)	(21,310)	(13)
Other non-operating revenue	7.5	2,045	400	2,010	415
Operating profit/(loss)		(23,358)		7,325	
Financial income	7.6	215	108	718	278
Financial expense	7.6	(3,143)		(3,341)	
Exchange gains	7.7	483		66	
Losses on equity investments		(4,034)		(410)	
Profit/(loss) before taxes		(29,838)		4,360	
Current and deferred taxes	7.8	1,082		(339)	
Profit/(loss) for the year		(28,756)		4,021	

STATEMENT OF COMPREHENSIVE INCOME

<i>(thousands of Euro)</i>	Notes	2025	2024
Profit/(loss) for the year		(28,756)	4,021
<i>Other components of comprehensive income that will not be reclassified to profit or loss</i>			
Actuarial gains on defined benefit plans		2	2
Actuarial gains on provisions for risks		19	1
Gains/(losses) on translation of foreign operations		-	-
Related taxes		(6)	(1)
Other components of comprehensive expense for the year		15	2
Total comprehensive income for the year		(28,740)	4,023

SEPARATE FINANCIAL STATEMENTS AS AT 31 December 2025

STATEMENT OF CASH FLOWS

<i>(thousands of Euro)</i>	Notes	2025	2024
Profit/ (loss) for the year		(28,756)	4,021
Amortisation, depreciation and impairment losses		39,724	11,044
Net impairment losses and accruals		2,245	1,937
(Income)/expenses from investments and (Gains)/losses on foreign exchange		2,446	2,556
Losses on equity investments		4,034	410
Current and deferred taxes		(1,082)	339
Other non-monetary changes		-	-
Cash flow generated by) operating activities net of NWC		18,610	20,307
(Increase)/decrease in inventories		1,009	4,587
(Increase)/decrease in trade receivables		3,210	(6,646)
Increase/(decrease) in trade payables		(1,042)	(151)
Increase/(decrease) in other assets and liabilities		509	2,721
Payment of employee benefits and change in provisions		(310)	(201)
Income taxes paid and offset		(4,310)	(2,107)
Cash flow generated by operating activities		17,676	18,508
Interest paid and other net charges paid		(2,446)	(2,556)
Net cash flows generated by operating activities		15,230	15,952
Acquisition of subsidiary, net of cash acquired		(595)	(1,556)
Purchase of property, plant and equipment and intangible assets		(4,464)	(4,216)
Cash flows generated used in investing activities		(5,059)	(5,772)
(Dividends distributed)		(1,941)	(1,824)
Other financial assets and liabilities		(749)	(3,058)
Disbursed bank loans and loans and borrowings and loans and borrowings from other financial backers (*)		-	25,000
Repaid bank loans and borrowings and loans and borrowings from other financial backers		(3,494)	(27,881)
Other changes in equity		(2,377)	(1,875)
Other non-monetary changes in equity		19	892
Net cash flows used in financing activities		(8,543)	(2,630)
Increase/(decrease) in cash and cash equivalents		1,629	7,550
Opening cash and cash equivalents	6.12	13,906	6,356
Closing cash and cash equivalents	6.12	15,535	13,906

(*) Stipulation of new loans/new drawdowns

STATEMENT OF CHANGES IN EQUITY

<i>(thousands of Euro)</i>	Note s	Share Capital	Other reserves	Retained earnings	Profit/(loss) for the year	Total Equity
Balance as at 31 December 2023		21,343	103,189	2,420	1,136	128,089
Profit for the year		-	-	-	4,021	4,021
Other components of the statement of comprehensive income		-	2	-	-	2
Total comprehensive income for the year		-	2	-	4,021	4,023
Allocation of profit for previous year		-		1,136	(1,136)	-
Dividend distribution		-	1,697	(3,521)	-	(1,824)
Purchase of treasury shares		-	(1,875)	-	-	(1,875)
Other changes		-	892	-	-	892
Balance as at 31 December 2024		21,343	103,903	36	4,021	129,302
Profit/(loss) for the year		-	-	-	(28,756)	(28,756)
Other components of the statement of comprehensive income		-	15	-	-	15
					-	-
Total comprehensive income for the year		-	15	-	(28,756)	28,740
Allocation of profit for previous year		-		4,021	(4,021)	-
Dividend distribution		-	1,097	(3,039)	-	(1,941)
Purchase of treasury shares		-	(2,377)	-	-	(2,377)
Other changes		-	19	-	-	19
Balance as at 31 December 2025		21,343	102,642	1,018	(28,756)	96,247

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED 31 December 2025**

1. Introduction

Cellularline S.p.A. (hereinafter also "Cellularline" or the "Company"), a company incorporated under Italian law with registered office in Reggio Emilia, Via G. Lambrakis 1/a, is one of the main operators in the smartphone and tablet accessories sector in the EMEA area, as well as a market leader in Italy; moreover, in terms of volume, the Company ranks among the top operators in Switzerland, Spain, Belgium, the Netherlands, Germany and Austria and boasts a good competitive position in the other European countries.

The Separate Financial Statements are submitted for approval by the Shareholders' Meeting convened for 30 April 2026, in line with the financial calendar approved by the Board of Directors on 21 January 2026.

Since 22 July 2019, Cellularline shares have been listed on the STAR segment of the Milan Stock Exchange.

As at 31 December 2025, the shareholders of Cellularline holding more than 5% of the share capital with voting rights are as follows:

- Christian Aleotti 12.57%
- First Sicaf S.p.A. 8.02%
- Antonio Luigi Tazartes 7.31%

2. Basis of preparation and accounting policies

The basis of preparation and the main accounting policies adopted in the preparation of the Separate Financial Statements as at and for the year ended 31 December 2025 are described below. They have been applied consistently for all previous years. The purpose of the Notes is to illustrate the accounting policies adopted, to provide the information required by IAS/IFRS that is not contained in other parts of the Separate Financial Statements, as well as to provide additional information that is not shown in the financial schedules, but is required to give a true and fair view of the Company's operations.

2.1 Basis of presentation

With reference to the use of the going concern assumption in the preparation of the Separate Financial Statements, the joint co-ordination table between the Bank of Italy, Consob and Isvap on the application of IAS/IFRS, with document no. 2 of 06.02.2009 "Information to be provided in financial reports on the going concern assumption, financial risks, impairment testing of assets and uncertainties in the use of estimates", as well as with the subsequent document no. 4 of 04.03.2010, requires Directors to make particularly accurate assessments on the existence of the going concern assumption.

In addition, paragraphs 25-26 of IAS 1 state that: "When preparing financial statements, management shall make an assessment of an entity's ability to continue as a going concern. An entity shall prepare financial statements on a going concern basis unless management either intends to liquidate the entity or to cease trading, or has no realistic alternative but to do so".

Therefore, when preparing the Separate Financial Statements at 31 December 2025, the Directors carried out a prospective evaluation of the Company's ability to continue to constitute a functioning economic complex intended for the production of income for a foreseeable future period of time, relating to a period of at least

twelve months from the reference date of the Financial Statements. This assessment was also made taking into account:

- the positive evolution of the reference market recorded in the last few years, which was associated with a significant increase in sales revenue, as well as forecasts regarding future trends in revenues and core business;
- the economic and financial development forecasts contained in the 2026-2029 Business Plan approved by the Company on 04 March 2026;
- the (past and expected) ability of the Company to continue to generate positive cash flows that, together with available credit lines, enable them to meet expected payment commitments;
- the high level of capitalisation of the Company. The Financial Statements as at and for the year ended 31 December 2025 have been prepared on a going concern basis. The Financial Statements are expressed in Euro, which is the Company's functional currency. For the sake of clarity, the mandatory items under IAS 1 that show nil balances in both comparative periods have been omitted from the schedules and tables. The following schedules have been used in the preparation of these Financial Statements:

- **Statement of financial position:** it presents current and non-current assets separately from current and non-current liabilities, with a description in the notes, for each asset and liability item, of the amounts that are expected to be settled or recovered within or after 12 months from the reporting date.
- **Income statement:** the classification of costs in the income statement is based on their function, showing the intermediate results relating to gross operating profit/(loss), net operating profit/(loss) and profit/(loss) before taxes.
- **Statement of comprehensive income:** this statement includes the profit/(loss) for the year and the expenses and income recognised directly in equity for transactions other than those carried out with the owners.
- **Statement of cash flows:** the statement of cash flows shows cash flows from operating, investing and financing activities. Cash flows from operating activities are represented using the indirect method, through which the profit for the year is adjusted by the effects of non-monetary transactions, any deferral or accrual of previous or future collections or payments and revenue connected with the cash flows deriving from investing or financing activities.
- **Statement of changes in equity:** this statement includes, in addition to the result of the statement of comprehensive income, also the transactions that took place directly with the shareholders who acted in this capacity and the details of each component. Where applicable, it also includes the effects of changes in accounting policies for each item of equity.
- **Notes to the Separate Financial Statements.**

The income statement presents the following results, since Management believes that they are significant for the purposes of providing a better understanding of the Company's results:

- Gross operating profit: this is the difference between revenue from sales and services and the cost of sales;

- Operating profit: this is the profit for the year before financial income and expense and income taxes.

These operating results are not accounting measure in accordance with the IFRS and, therefore, should not be considered a substitute for assessing performance. Furthermore, the criteria for determining these operating results may not be consistent with those adopted by other companies and, therefore, that these data may not be comparable. The Statement of Cash Flows has been prepared using the indirect method and shows the cash flows for the year, classifying them under operating, investing and financing activities. With reference to CONSOB Resolution no. 15519 of 27 July 2006 on financial statement formats, it should be noted that the income statement and statement of financial position include mention of transactions with related parties.

2.2 Use of estimates and judgements in the preparation of the Separate Financial Statements

In preparing the Separate Financial Statements, Management has had to make judgements, estimates and assumptions that influence the application of the accounting policies and the amounts of assets, liabilities, costs and revenue recognised. However, since these are estimates, actual results will not necessarily be the same as those represented here; these estimates and assumptions are regularly reviewed.

Significant subjective judgements made by Management in the application of the accounting policies and the main sources of uncertainty in estimates are listed below.

Fair value measurement

When measuring the fair value of an asset or liability, the Company makes use of observable market data as far as possible.

The fair values are divided into various hierarchical levels based on the input data used in the valuation techniques, as illustrated below:

- Level 1 inputs are quoted prices (unadjusted) on active markets for identical assets or liabilities that the Company can access at the measurement date;
- Level 2 inputs are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3 inputs are unobservable inputs for the asset or liability.

If the inputs used to measure the fair value of an asset or a liability might be categorised within different levels of the fair value hierarchy, the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level of input that is significant to the entire measurement.

Impairment test

At each reporting date, the Company assesses whether there is objective evidence of diminution in value (“impairment indicators”) with respect to the carrying amounts of its non-financial assets (specifically, Intangible Assets, Goodwill, Right-of-Use Assets, and Property, Plant, and Equipment, in line with IAS 36.

If an impairment indicator exists, then the carrying amount recoverability of the assets is assessed through an impairment test. In any case, goodwill recoverability is assessed annually through an impairment test.

For the purpose of preparing the annual financial statements as at 31 December 2025, the Directors identified three indicators of impairment: (a) the Company's carrying amount of equity was higher than the value of its stock market capitalisation as of the same date; (b) the US Government's tariff policies, although still being adjusted, have caused a tightening of competitive conditions in Europe, which has been taken into account in the preparation of the 2026-2029 Business Plan, which includes the plans of the subsidiaries (hereinafter also referred to as the "Plan"); (c) internal reporting shows that the economic and financial performance of the Company and certain subsidiaries was worse than expected and shows a reduction in growth even in expected cash flows.

According to the provisions of paragraph 22 of IAS 36, the impairment test is performed for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. If this is the case, recoverable amount is determined for the cash-generating unit ("CGU") to which the asset belongs, unless either:

- the asset's fair value less costs of disposal is higher than its carrying amount; or
- the asset's value in use can be estimated to be close to its fair value less costs of disposal and fair value less costs of disposal can be measured".

Generally, most assets do not have the characteristics to be tested individually and therefore the impairment test is performed at CGU level, corresponding to the Company and its subsidiaries. Goodwill recognised in the financial statements has been allocated to a grouping of CGUs that coincides with the entire Group and the only identified operating segment, within which all services and products offered to customers converge.

This grouping of CGUs:

- represents the minimum level within the Cellularline Group for which goodwill is monitored for internal management purposes, and
- this level is no larger than an Operating Segment as defined by IFRS 8 before applying the aggregation criteria.

For the purposes of the impairment test, the recoverable amount was determined as value in use using the Discounted Cash Flow model. This criterion is based on the general concept that the Enterprise Value is equal to the discounted value of the following two elements:

- the cash flows it will be able to generate within the forecast period;
- the terminal value, i.e. the value of the business as a whole, after the forecast period.

The recoverable amount of equity investments is represented by their value in use, determined by applying the Discounted Cash Flow method to the expected cash flows of the subsidiaries, net of the related net financial position.

For the purpose of the testing the goodwill posted on the separate financial statements of Cellularline S.p.A., the value in use of the Company's invested capital is derived from the impairment test carried out at the Consolidated Financial Statements level, making the following adjustments to the Consolidated Enterprise Value:

- Deduction of the net financial position pertaining to subsidiaries;
- Deduction of the liability recognised in the Consolidated Financial Statements for put options relating to minority interests in the above-mentioned subsidiaries.

In order to verify the recoverability of goodwill, this value is compared with Cellularline S.p.A.'s net invested capital, including goodwill and investments in subsidiaries.

In conducting impairment tests, the Company uses various assumptions, including the estimate of future increases in sales, operating costs, the growth rate of terminal values, investments, changes in working capital and the weighted average cost of capital (discount rate). The Company, with the support of an External Advisor (Deloitte & Touche), performed an impairment test, whose criteria were approved by the Board of Directors of the Company on 04 March 2026 and the results of which were approved on 11 March 2026. As a result of the test, the Company recognised impairment losses on non-current assets in the amount of EUR 10.4 million before the related deferred tax effect, equity investments in subsidiaries in the amount of EUR 4.0 million and goodwill in the amount of EUR 18.4 million.

Impairment testing is characterised by a high level of judgement, in addition to the uncertainty inherent in any forecast, especially in relation to:

- the expected operating cash flows, calculated by taking into account the general economic performance (including expected inflation rates and exchange rates) and that of the company's sector and the actual cash flows generated in previous years;
- the financial parameters to be used to discount the above cash flows.

Refer to Note "6.2 Goodwill" for more detailed information.

Valuation of receivables

The loss allowance reflects the Directors' estimate of credit losses on trade receivables. It is estimated based on the expected credit losses, taking into account expected future changes in the counterparties' credit ratings, current and previous past due amounts, losses and collections, monitoring of credit quality and projections of economic and market conditions. The Company has adopted a specific credit assessment and allowance determination procedure.

Valuation of inventories

The allowance for inventory write-down reflects the estimate of the losses in the value of inventories, that have already occurred or that are expected to occur determined on the basis of past experience, and historical and expected sales trends. The allowance for inventory write-down takes into account the commercial obsolescence for each category of products on the basis of inventory turnover rates, market values and specific technical assessments related to technological developments.

Valuation of the Stock Grant plan

The valuation of the stock grant plans, granted during the three-year period 2021-2023 and the subsequent three-year period 2024-2026, was carried out based on the guidance contained in International Financial Reporting Standard 2 (IFRS 2) - “Share-based payments”.

Recoverability of deferred tax assets

The Separate Financial Statements include deferred tax assets. These deferred taxes have been recorded taking into consideration their recoverability, on the basis of the future income expectations of the companies.

Provisions for risks

As it operates globally, the Company is subject to legal and tax risks deriving from normal operations. The Company recognises and measures contingent liabilities on the basis of assumptions mainly relating to the probability and extent of the financial outlay.

2.3 Most significant accounting policies used in the preparation of the Separate Financial Statements

Transactions in foreign currencies are translated into the Company’s functional currency at the exchange rate in force at the transaction date. Monetary items in foreign currency at the reporting date are translated into the functional currency using the exchange rate at that date. Non-monetary items that are measured at fair value in a foreign currency are translated into the functional currency using the exchange rates in force on the date on which the fair value was determined. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate in force at the transaction date. Exchange gains and losses arising from the translation are generally recognised in profit or loss for the year under financial income and expense.

Intangible assets

Intangible assets acquired or generated internally are recognised as assets, in accordance with IAS 38, when it is probable that the use of the asset will generate future economic benefits and when the cost of the asset can be reliably determined. Intangible assets with finite useful lives are measured at the costs incurred to acquire or internally generate the asset, net of accumulated amortisation and impairment losses.

Intangible assets are amortised on a straight-line basis over their estimated useful life, which is the estimated period over which the assets will be used by the Company.

The amortisation rates used are summarised below, by category of intangible assets:

Category	Amortisation rate
Development costs	50%-33%
Customer relationships	7.7%
Software	33%

Licenses	33-50%
Cellularline trademark	5.5%
Interphone trademark	10%
Other	33%

If the licences refer to specific service contracts, they are amortised over the term of the relevant contract.

Some of the above items are detailed below.

Development costs

Costs incurred for research and development projects are those incurred with the aim of studying and acquiring knowledge for new or improved products, processes and services. If these costs reflect a multi-year utility, i.e., if they have benefits that manifest themselves over several years, they may be capitalised, otherwise they are charged to the income statement in the year in which they are incurred.

Advertising expenses, which do not meet the requirements of IAS 38, are taken to profit or loss for the year.

Customer relationships.

The purchase price allocation procedure entailed the appraisal of the Company's customer relationship, as the sum of its customer relationships relating to the Red, Blue and Black lines. Customer relationships refer to the existing contracts with key customers, enabling the Company to limit access by third parties through the consolidated relationship it has established with customers. The fair value of customer relationships can be reliably measured as it is possible to identify the economic benefits attributable to this asset by monitoring the revenue generated by individual customers for each product line. The residual useful life, also considering the customer attrition rate, i.e. the percentage of customers who historically interrupt their trade relationships with the Company after a given period of time, can be estimated at 13 years.

Software, license and trademarks

This item mainly includes the effect of the purchase price allocation procedure for the fair value of the Cellularline and Interphone brands. For the purpose of estimating the fair value, a royalty rate was considered, based on the analysis of comparable market transactions, and applied to the cash flows attributable to each asset. These flows were expressed net of marketing costs aimed at maintaining the intangible asset at the conditions in which it was at the measurement date and net of the related tax burden. The value of the asset is the sum of the present values of the cash flows. The trademarks in question may be separated from the Company and transferred, sold or licensed for use to a third party and the Company has the option of limiting access by third parties as they are registered trademarks. In addition, the Company receives the economic benefits attributable to them, reflected in the revenue of the Red product line for the Cellularline trademark, recognised in Europe for smartphone and tablet accessories for over 25 years, and in the revenue of the Black division for the Interphone trademark. The estimated useful lives of these trademarks are 18 and 10 years, respectively. Software costs, including ancillary expense, relate to software acquired for the Group's use. Licenses refer to software licenses dedicated to specific service contracts.

Goodwill

Goodwill acquired in business combinations is initially recognised at cost and represents the excess of the acquisition cost over the Company's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of the acquirees. Any negative difference, “negative goodwill”, is recognised in profit or loss at the time of acquisition. When a subsidiary is acquired in a business combination achieved in stages, the individual assets and liabilities of the subsidiary are not measured at fair value in each subsequent stage and goodwill is only determined in the first acquisition stage. After initial recognition, goodwill is shown net of impairment losses, determined as described below. At the acquisition date, any emerging goodwill is allocated to the unit or group of cash generating units expected to benefit from the synergies achieved as a result of the acquisition. Any impairment losses are identified through assessments of the ability of each cash-generating unit to generate cash flows capable of recovering the portion of goodwill allocated to it, in the manner indicated in the section on property, plant and equipment. If the recoverable amount of the cash-generating unit or group of cash-generating units is lower than the carrying amount, an impairment loss is recognised. This impairment loss is not reversed if the reasons for it no longer exist. When part or all of an acquiree whose acquisition generated goodwill is sold, the residual carrying amount of goodwill is considered when calculating the gain or loss on the sale.

Goodwill is not subject to amortisation.

Impairment test

Please refer to paragraph “2.2 Use of estimates and judgements in the preparation of the Separate Financial Statements – Impairment Test” and to the results of the impairment test as at 31 December 2025 reported in section 6.2.1.

Property, plant and equipment

Property, plant, machinery and industrial equipment (including that under finance lease) used for the production or supply of goods and services are recognised at historical cost, net of accumulated depreciation and any impairment losses; the cost also includes any costs directly incurred to prepare the assets for use. Interest expense incurred on loans obtained to purchase or construct property, plant and equipment is recognised as an increase in the assets only in the case of assets that meet the requirements for recognition as such, i.e. they require a significant period of time to be ready for use or marketable. Ordinary maintenance and repair costs are taken directly to profit or loss for the year in which they are incurred, while maintenance costs that increase the value of assets are allocated to such assets and depreciated with the asset on the basis of its residual possibility of use. Assets under construction and payments on account are recognised as assets based on the cost incurred and/or the advance paid, including directly attributable expenses. Depreciation is calculated on a straight-line basis considering the cost of the assets, net of their residual values (when reasonably estimable), over their estimated useful lives, applying the following rates (main categories):

Category	Depreciation rate
Buildings	3%
Plants and machinery	12-30%

Industrial and commercial equipment	15%
Other assets	12-15-20-25%

Assets intended for specific service contracts are an exception and are depreciated according to the duration of the contract. Depreciation begins when the assets are available for use and is calculated at half the normal rate in the year when the assets are placed in service, with the exception of property, plant and equipment allocated for instrumental use on specific service contracts, which are depreciated in proportion to the remaining days of the service contract. Gains and losses on the sale or disposal of assets are determined as the difference between the revenue from sale and the asset's carrying amount, and are recognised in profit or loss for the year.

Equity investments in subsidiaries and associates

Cellularline controls a company when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

An associate is a company over which the Company has a significant influence but which cannot be classified as a subsidiary or joint venture.

The Company's investments in subsidiaries and associates are initially recognised at fair value and subsequently measured at cost, adjusted by any subsequent impairment.

Equity investments in other companies

Investments in other unconsolidated and unrelated companies are measured at cost, including incidental expenses.

Financial assets and liabilities

The application of IFRS 9 has not had a significant impact on financial assets and liabilities.

The standard introduces a new model of hedge accounting in order to update the requirements of the current IAS 39. The main updates concern:

- changes to the effectiveness test by replacing the current 80-125% parameter-based approach, with the principle of the "economic relationship" between the hedged item and the hedging instrument; moreover, an assessment of the retrospective effectiveness of the hedging relationship is no longer required;
- the increase in the types of transactions eligible for hedge accounting, also including the risks of non-financial assets/liabilities eligible for hedge accounting;
- the change in the accounting treatment of forward contracts and options when they are included in a hedging relationship in order to reduce the volatility in the income statement.

Recognition and measurement

Trade receivables and debt instruments issued are recognised when they originate. All other financial assets and liabilities are initially recognised at the trade date, i.e. when the Company becomes a contractual party to the

financial instrument. With the exception of trade receivables that do not contain a significant financing component, financial assets are initially measured at fair value plus or minus - in the case of financial assets or liabilities not at Fair Value Through Profit or Loss (FVTPL) - transaction costs directly attributable to the acquisition or issue of the financial asset. At initial recognition, trade receivables that do not have a significant financing component are measured at their transaction price.

Classification and subsequent measurement

Upon initial recognition, a financial asset is classified as either at amortised cost or fair value through profit or loss (FVTPL).

Financial assets are not reclassified after initial recognition, unless the Company changes its business model for managing financial assets. In this case, all the financial assets concerned are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset shall be measured at amortised cost if it is not designated as at FVTPL and both of the following conditions are met:

- the financial asset is held as part of a business model whose objective is to hold assets to collect contractual cash flows;
- the contractual terms of the financial asset provide for cash flows at certain dates that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost or Fair Value Through Other Comprehensive Income (FVOCI), as indicated above, are measured at FVTPL. Upon initial recognition, the Company may irrevocably designate the financial asset as measured at FVTPL if, by doing so, it eliminates or significantly reduces an accounting mismatch that would otherwise result from measuring the financial asset at amortised cost or at FVOCI.

Financial assets: subsequent measurement and gains and losses

- Financial assets measured at FVTPL are subsequently measured at fair value. Net gains and losses, including dividends or interest received, are recognised in profit or loss for the year.
- Financial assets measured at amortised cost are subsequently measured at amortised cost in accordance with the effective interest method. The amortised cost is reduced by impairment losses. Interest income, exchange gains and losses and impairment losses are recognised in profit or loss for the year as are any gains or losses from derecognition.

Financial liabilities: classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost using the effective interest method. Interest expense and exchange gains and losses are recognised in profit or loss, along with any gains or losses on derecognition.

Derecognition

- Financial assets are derecognised when the contractual rights to cash flows from the financial asset expire, when the contractual rights to receive cash flows are transferred in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or when the Company does not transfer nor substantially retain all the risks and rewards of ownership of the financial asset and has not retained control of the financial asset.
- Financial liabilities are derecognised when the obligation specified in the contract is discharged or cancelled or expires. The Company also derecognises a financial liability in the event of a change in the related contractual terms when the cash flows of the modified liability are substantially different. In this case, a new financial liability is recognised at fair value on the basis of the modified contractual terms. The difference between the carrying amount of the financial liability settled and the consideration paid (including assets not represented by transferred cash and cash equivalents or assumed liabilities) is recognised in profit or loss for the year.

Offsetting

Financial assets and financial liabilities can be offset and the amount resulting from the offset is presented in the statement of financial position if, and only if, the Company has both the legal right to offset the amounts and intends either to settle on a net basis or to realise the financial asset and settle the financial liability simultaneously.

Impairment losses

Financial instruments and contract assets

The Company recognises loss allowances considering lifetime credit losses. Loss allowances for trade receivables and contract assets are always recognised considering lifetime credit losses. To determine whether the credit risk of a financial asset has increased significantly after initial recognition, in order to estimate the expected credit losses, the Company considers information that reflect reasonable and supportable assumptions that are relevant and available. This includes quantitative and qualitative information and analyses, based on the Company's historical credit losses, on credit assessments and information on expected developments. Lifetime expected credit losses are expected credit losses that result from all possible default events over the expected life of a financial instrument. 12-month expected credit losses are the expected credit losses that result from default events on a financial instrument that are possible within twelve months after the reporting date (or a shorter period of time if the expected life of a financial instrument is less than 12 months).

The maximum period to consider when assessing expected credit losses is the maximum contractual period during which the Company is exposed to credit risk.

Impaired financial assets

At each reporting date, the Company assesses whether financial assets measured at amortised cost are credit-impaired. A financial asset is "credit-impaired" when one or more events that have a detrimental impact on the

estimated future cash flows of that financial asset have occurred.

Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the Company or of the debtor;
- a breach of contract, such as a default or past-due event (more than 90 days);
- the restructuring of a debt or an advance by the Company under conditions that the Company not otherwise consider;
- it is becoming probable that the debtor will enter bankruptcy or other financial reorganisation;
- the disappearance of an active market for that financial asset because of financial difficulties.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. The Company's policy is to write off the gross carrying amount when the financial asset is more than 90 days past due, based on its historical credit losses of similar assets. Financial assets that have been written off could still be claimed in accordance with the Company's credit recovery procedures.

Non-financial assets

At each reporting date, the Company verifies whether there is objective evidence of impairment based on the carrying amounts of its non-financial assets, investment property, inventories and deferred tax assets; if, on the basis of this verification, there is indication that the assets are impaired, the Company estimates their recoverable amount. Conversely, the recoverable amount of goodwill is estimated at least annually.

Inventories

Inventories are measured at the lower of purchase or production cost, determined using a method similar to weighted average cost, including incidental expenses, direct and indirect costs reasonably attributable to them and the estimated realisable value based on market trends. If the net realisable value is lower than cost, the inventories are written down by the difference calculated separately for each item. The write-down is determined following a specific recoverability analysis and is reversed in subsequent years if the reasons for the write-down no longer exist, by reinstating the original value. Goods in transit are measured by specifically identifying the purchase cost.

Cash and cash equivalents

Cash and cash equivalents include cash balances and demand deposits with a maturity of three months or less from the original date of acquisition, which are subject to an insignificant risk of changes in fair value and are used by the Company to manage short-term commitments.

Employee benefits

Post-employment benefits were accounted for in accordance with IAS 19.

The post-employment benefits of Italian companies until 31 December 2006 were considered a defined-benefit plan; the regulations governing these benefits were amended by Law no. 296 of 27/12/2006. They are now to be considered a defined-benefit plan exclusively for the amounts accrued before 1 January 2007 (and not yet paid as at the reporting date), while after that date they are treated as a defined-contribution plan, since the amounts of post-employment benefits accrued after 1 January 2007 are transferred to the specific “Treasury Fund” established by INPS (the Italian social security institution) or to another equivalent pension fund, in compliance with the provisions of the aforementioned legislation. Due to the legislative context, the composition of the company's workforce and its seniority, the effects deriving from the use of actuarial techniques and the discounting of future liabilities at the reporting date are considered to be immaterial, considering the nominal amount of the assets as a reliable approximation of the fair value of their expected settlement amount.

Provisions for risks and charges

Provisions for risks and charges are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects that some or all of the expenditure covered by a provision for risks and charges will be reimbursed by another party (for example, through insurance contracts), it recognises a provision for the full amount of the liability and a separate asset for the expected reimbursement when it is virtually certain that reimbursement will be received. In this case, the cost of any related provision is taken to profit or loss, net of the amount recognised for the reimbursement. If the effect of the time value of money is material, the amount of a provision is discounted using a pre-tax discount rate that reflects, where appropriate, the risks specific to the liability. When provisions are discounted, the increase in the provision due to the passing of time is recognised as a financial expense.

The agents' severance indemnity provision (FISC) includes the annual accruals for the payment of indemnities to agents following termination. In fact, in accordance with Italian legislation (art. 1751 of the Italian Civil Code), upon termination of the agency contract for no fault of the agent, the principal must pay an agent severance indemnity calculated in proportion to the total amount of commissions the agent earned during the contract, even if they were not entirely paid when the contract was terminated.

Under IFRS, and considering the guidance provided by the International Accounting Standard Board (IASB) and the International Financial Reporting Interpretation Committee (IFRIC), the FISC has been considered a post-employment benefit, specifically a defined-benefit plan, which must therefore be accounted for using actuarial techniques. The actuarial valuation of the FISC was carried out using the "Projected Unit Credit Method" (PUM) as provided for by paragraphs 64-66 of IAS 19. This method consists of valuations that express the average present value of the defined benefit obligations and past service cost up to the date of the actuarial valuation, projecting, however, the agent's commissions until the anticipated end date of continuing the agency contract.

Trade payables

The Company holds contracts for the supply of goods that include the provision of bonuses, discounts and, in certain circumstances, contributions classified as a reduction of trade payables. These bonuses, discounts and contributions are recognised either as a percentage of the quantities purchased, as a fixed amount on the quantities bought or sold, or as a defined contribution. Mainly with reference to agreements with a maturity date later than the end of the financial year, which represent a minority share of the premiums and contributions for the financial year, the determination of their amount represents a complex accounting estimate that requires a high degree of judgement as it is influenced by multiple factors. The parameters and information that are used for the estimate are based on the amount purchased or sold and on assessments that take into account historical data regarding the actual recognition of bonuses and contributions by suppliers.

Foreign currency translation

The functional and presentation currency adopted by the Company is the Euro.

Assets and liabilities, with the exception of property, plant and equipment, intangible and non-current financial assets, originally expressed in the currencies of non-EU countries, are translated into Euro at the closing spot rate and the exchange gains and/or losses are taken to profit or loss. Revenue and income, costs and expense relating to foreign currency transactions are recognised at the transaction date exchange rate.

Recognition of revenue

Revenue is recognised when control of goods or services is transferred and to the extent that the Company will receive the economic benefits and the amount can be measured reliably. In addition, it is recognised net of returns, discounts, rebates and premiums.

Recognition of costs

Costs and other operating expenses are recognised in the income statement when they are incurred on an accrual basis and related to revenues, when they do not produce future economic benefits or when they do not qualify for recognition as assets.

Interest and financial income

Financial income and interest are recognised on an accruals basis using the effective interest rate and include foreign exchange gains and losses and hedging gains and losses recognised in profit or loss.

Government grants

Government grants are recognised when there is a reasonable assurance that they will be received and the Company will comply with the conditions relating to them. When grants are related to cost components, they are recognised as revenue, but are systematically allocated over the years so as to match the costs they are intended to offset.

Financial expense

Financial expense is recognised in profit or loss when incurred. Financial expense is capitalised when it refers to an item of property, plant and equipment or an intangible asset that requires a significant period of time to be available for its intended use or for sale.

Dividends

Dividend income is recognised when the Company has the right to receive them, which normally coincides with the year when the investee's Shareholders' Meeting that approved the distribution of profit or reserves is held. Dividend distributions on the Company's ordinary shares are recognised as a liability in the Separate Financial Statements for the year in which the distribution is approved by the Shareholders' Meeting.

Income taxes

Current taxes

Current tax assets and liabilities for the current and previous years are measured on the basis of the amount expected to be recovered or paid to the tax authorities. The tax rates and rules used to calculate the amount are those issued and in force at the reporting date.

Deferred taxes

Deferred taxes are calculated using the liability method on the temporary differences at the reporting date between the tax values of assets and liabilities and their corresponding carrying amounts.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- to the extent that the deferred tax liability arises from the initial recognition of goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss);
- for the taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, if the reversal of the temporary differences can be controlled and it is likely that it will not occur in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences and for the carry-forward of unused tax losses and unused tax credits, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the unused tax losses and unused tax credits can be utilised, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss). With reference to taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, a deferred tax asset is recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised. The carrying amount of deferred tax assets is reassessed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised. Unrecognised deferred tax assets are

reassessed annually at the end of each reporting period and a previously unrecognised deferred tax asset is recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted by the end of the reporting period.

Income taxes relating to items recognised directly in equity are recognised directly in equity and not in profit or loss.

Deferred tax assets and liabilities are offset if, and only if, the Company has a legally enforceable right to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority.

Risks, commitments, guarantees

Commitments and guarantees are indicated at their contractual value, as along with the risks for which a liability is only possible, without allocating provisions for risks.

Risks for which a liability is probable are described in the Notes and the amount is accrued, in accordance with the principle of fairness, in the provisions for risks. Risks of a remote nature are not taken into account.

Right-of-use assets

The Company has adopted IFRS 16 Leases from 1 January 2019. IFRIC 23, IAS 28 and IAS 19, which became effective on 1 January 2019. IFRS 16 introduced a single model of accounting for leases in the financial statements of lessees whereby the Company, as lessee, recognised an asset that represents the right to use the underlying asset and a liability that reflects the obligation to pay the lease payments. The accounting methods for the lessor, on the other hand, remain similar to those provided for by the previously applicable standard.

The Company has used the option to adopt IFRS 16 with the modified retrospective method, which provides for the possibility of recognising the right-of-use asset as at 1 January 2019 for an amount equal to the lease liability remaining at that date, without recalculating the figures for the previous year.

Definition of leasing

In accordance with IFRS 16, the Company assesses whether the contract is a lease or contains a lease on the basis of the new definition of a lease. Under IFRS 16, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. As at the date of initial application of IFRS 16, the Company decided to adopt an operating procedure that allows it not to re-examine which transactions constitute a lease. IFRS 16 was applied only to contracts that had previously been identified as leases. Contracts that were not identified as leases by applying IAS 17 and IFRIC 4 were not reassessed to determine whether they were leases. Therefore, the definition of a lease in IFRS 16 has been applied only to contracts entered into or amended on or after 1 January 2019.

Lessee accounting model

The Company leases assets such as buildings and motor vehicles. As a lessee, the Company previously classified leases as operating or financial, assessing whether the lease transferred substantially all the risks and rewards of ownership. In accordance with IFRS 16, the Company recognises the right-of-use assets and the lease liabilities in the statement of financial position. However, the Company has decided not to recognise right-of-use assets and lease liabilities of low value assets (less than USD 5,000). Therefore, the Company recognises the lease payments as a cost on a straight-line basis over the lease term. The Company recognises the right-of-use assets that do not meet the definition of investment property under "Property, plant and equipment", which is the same item it uses to present the same kind of assets that it holds. The Company classifies lease liabilities under "Other financial liabilities" in the statement of financial position. As at the commencement date of the lease, the Company recognises a right-of-use asset and a lease liability. The right-of-use asset is initially measured at cost, then at cost less any accumulated depreciation and any accumulated impairment losses, and adjusted for any measurement of the lease liability. The right-of-use asset that meets the definition of investment property is recognised in the item of the same name and is initially measured at cost and subsequently at fair value, in accordance with the Company's accounting policies.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date, discounting them using the interest rate implicit in the lease. If that rate cannot be readily determined, the Company uses the incremental borrowing rate. Generally, the Company uses the incremental borrowing rate as the discount rate.

The lease liability is subsequently increased to reflect the interest accrued on the lease liability and reduced to reflect the lease payments made and is remeasured if there is a change in future lease payments resulting from a change in the index or rate, if there is a change in the amounts that the Company expects to pay under a residual value guarantee or when there is a change in the assessment of an option to purchase the underlying asset, extend or terminate a lease.

The Company has estimated the lease term of certain contracts in which it acts as a lessee and which provide for renewal options. The assessment of whether or not there is a reasonable certainty of exercising the option influences the estimated lease term, significantly impacting the carrying amount of the lease liabilities and right-of-use assets recognised.

3. New accounting standards, amendments and interpretations endorsed by the European Union that became effective as of the financial year beginning 1 January 2025.

As required by IAS 8 - Accounting policies, changes in accounting estimates and errors -, new accounting standards and interpretations, as well as amendments to existing standards and interpretations already applicable, not yet in force at the date, which may apply in the future in the Company's Separate Financial Statements, are set out below:

- a) New documents issued by the IASB and endorsed by the EU to be mandatorily adopted as of Financial Statements for financial years beginning on 1 January 2025**

The following new standards and certain amendments to existing accounting standards are mandatorily applicable for the first time as of 1 January 2025 as a result of the endorsement by the European Commission of the following documents:

Document title	Date of issue	Date of entry into force	Endorsement date	EU Regulation and date of publication
The effects of changes in foreign exchange rates: lack of exchangeability (Amendments to IAS 21)	15 August 2023	1 January 2025	12 November 2024	(EU) 2024/2862 13 November 2024

The effects of changes in foreign exchange rates: lack of exchangeability (Amendments to IAS 21)

Document issued by the IASB on 15 August 2023, applicable from 1 January 2025 with early application permitted. The amendments require an entity to apply a methodology consistently over time to ascertain whether one currency can be converted into another and, when this is not possible, to define the method of exchange rate determination to be used and the disclosure to be made in the notes to the financial statements. The application of these changes had no impact on these Consolidated Financial Statements as at 31 December 2025.

b) IFRS accounting standards, amendments and interpretations approved by the European Union, not yet applicable and not adopted in advance as at 31 December 2025

The following table shows the standards or amendments endorsed by the European Union, not yet mandatorily applicable and not early adopted in these separate Financial Statements as at 31 December 2025:

Document title	Date of issue by the IASB	Date of entry into force of the IASB document
Amendments to the classification and measurement of financial instruments (Amendments IFRS 9 and IFRS 7)	30 May 2024	1 January 2026
Annual IFRS Improvements Cycle - Volume 11	18 July 2024	1 January 2026
Power-dependent contracts (Amendments IFRS 9 and IFRS 7)	18 December 2024	1 January 2026
Presentation and disclosure (IFRS 18)	09 April 2024	1 January 2027

With Regulation No. 2025/1047, issued by the European Commission on 27 May 2025, amendments to IFRS 9 and IFRS 7 'Amendments to the classification and measurement of financial instruments' were endorsed, essentially aiming to clarify the timing of the derecognition of financial liabilities settled through electronic payment systems and to provide clarification on the classification of financial assets with environmental, social and governance characteristics. The amendments are effective for financial years beginning on 1 January 2026.

Regulation No. 2025/1266, issued by the European Commission on 30 June 2025, endorsed the amendments to IFRS 9 and IFRS 7 'Electricity- Nature-dependent electricity contracts' aimed, in essence, to: (i) clarify the use of the 'own-use exemption' for power purchase agreements for electricity from renewable sources; and (ii) allow, upon fulfilment of certain conditions, the designation of a cash flow hedge in the presence of contracts for the purchase or sale of electricity from renewable sources (adjustable on a net basis). The amendments are effective for financial years beginning on 1 January 2026.

Regulation No. 2025/1331, issued by the European Commission on 9 July 2025, endorsed the document 'Annual Improvements to IFRS Accounting Standards - Volume 11' containing changes, essentially of a technical and editorial nature, to international accounting standards. These amendments are effective for financial years beginning on 1 January 2026.

Regulation No. 2026/338, issued by the European Commission on 13 February 2026, endorsed IFRS 18, 'Presentation and Disclosure in Financial Statements', which introduces significant innovations in the structure of the income statement, in the rules of aggregation and disaggregation of information, and in the disclosure of performance measures defined by the management (MPMs). The new standard, which will replace IAS 1 'Presentation of Financial Statements', will improve the disclosure of corporate performance in terms of comparability, transparency and usefulness of the published information and introduce significant changes in the structure of the financial statements with particular reference to the income statement and, to a lesser extent, the statement of cash flows. The standard is effective for financial years beginning on 1 January 2027.

c) IFRS accounting standards, amendments and interpretations not yet endorsed by the European Union

At the date of reference of these financial statements the competent bodies of the European Union have not completed the endorsement process necessary for the adoption of the following amendments and new standards:

Document title	Date of issue by the IASB	Date of entry into force of the IASB document
IFRS 19 - Subsidiaries without Public Accountability: Disclosures	09 May 2024	1 January 2027
Amendments to IFRS 19 - Subsidiaries without Public Accountability: Disclosures	21 August 2025	1 January 2027
Amendments to IAS 21 - The effects of changes in foreign exchange rates: translation to a hyperinflationary presentation currency	13 November 2025	1 January 2027

IFRS 19 - Subsidiaries without Public Accountability: Disclosures Standard issued by the IASB on 09 May 2024, applicable from 1 January 2027 with possibility of early application. The standard will introduce reduced disclosure requirements for the financial statements of subsidiaries that do not have 'public liability', and therefore do not have listed debt or equity instruments listed on regulated markets and do not hold assets in trust. IFRS 19 will simplify reporting systems and processes for non-publicly accountable companies, reducing the costs of preparing subsidiary financial statements, while at the same time ensuring a certain degree of quality and usefulness of the information for stakeholders.

Amendments to IFRS 19 - Subsidiaries without Public Accountability: Disclosures, issued by the IASB on 21 August 2025 and applicable from 1 January 2027 with early application possible. These amendments extend the simplified disclosure requirements to IFRS standards and amendments issued between February 2021 and May 2024, with the aim of reducing the disclosure burden for subsidiaries applying IFRS 19, while maintaining an adequate level of information for users of financial statements.

Amendments to IAS 21 - The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Reporting Currency, issued by the IASB on 13 November 2025 and applicable from 1 January 2027 with early application possible. The changes are intended to more clearly regulate the translation of balances from a non-hyperinflationary functional currency to a presentation currency belonging to a hyperinflationary economy.

For all newly-issued standards, as well as for revisions and amendments to existing standards, Cellularline is assessing any impacts that cannot currently be reasonably estimated arising from their future application.

4 Segment reporting

The Company has identified one operating segment, which includes all the services and products provided to customers. The Company's activities develop through one operating segment, which can be divided into three main product lines:

- Red line (accessories for multimedia devices);
- Black line (accessories for motorcycles and bicycles);
- Blue line (third party products marketed under distribution agreements).

5 Notes to the Statement of Financial Position

The following are the Notes to the main assets and liabilities in the Separate Financial Statements of Cellularline S.p.A. as at 31 December 2025.

ASSETS

NON-CURRENT ASSETS

6.1 Intangible assets

The specific table below shows changes in this item, indicating the historical cost, accumulated amortisation, changes in the year and the closing balance of each asset. Amortisation was calculated using the rates that reflect the residual possibility of utilisation of the related intangible assets.

Intangible assets as at 31 December 2025 and 31 December 2024 are detailed below.

<i>(In thousands of Euro)</i>	Carrying amount at 31 December 2024	Increases	(Amortisation)	(Decreases/ Impairment losses)	Reclassificatio ns	Carrying amount at 31 December 2025
Development costs	776	1,045	(1,139)	(231)	-	450
Industrial patents and intellectual property rights	1,676	1,634	(1,713)	(542)	-	1,056
Concessions, licenses, trademarks and similar rights	12,859	34	(1,187)	(3,968)	-	7,737
<i>Customer relationships</i>	18,283	-	(4,593)	(4,641)	-	9,049
Assets under development and payments on account	-	-	-	-	-	-
Total intangible assets	33,594	2,712	(8,631)	(9,382)	-	18,292

With reference to 31 December 2025, it should be noted that the Company has made investments of EUR 2,712 thousand.

In particular, investments are mainly attributable to:

- industrial patents and intellectual property rights, equal to EUR 1,634 thousand: this item mainly includes software, i.e. the costs incurred for the implementation and development of the main management programme and other specific applications, which are normally amortised over 3 years. The investments are mainly related to updates to the SAP management software, to the business intelligence systems and further innovations/IT projects, aimed at having increasingly effective and efficient information tools to support the Company's organisational structure;
- development costs of EUR 1,045 thousand; this item mainly includes the costs incurred for investments in specific product innovation projects. These are considered to generate long-term benefits, as they relate to projects under development, whose products are clearly identified, are intended for a market with sufficient profit margins to cover the amortisation of capitalised costs, which is normally two years.

As mentioned in paragraph 6.2.1, as a result of the impairment test, impairment losses attributable to the item Intangible Assets amounting to EUR 9,382 thousand were recognised and allocated to the item “General and Administrative Costs”.

6.2 Goodwill

The details of Goodwill as at 31 December 2025 and 31 December 2024 are shown below:

<i>(In thousands of Euro)</i>	Carrying amount at 31 December 2024	Increases	(Decreases/Wri te-downs)	(Amortisation)	Carrying amount at 31 December 2025
Goodwill	18,432	-	(18,432)	-	-
Total Goodwill	18,432	-	(18,432)	-	-

The value of goodwill as at 31 December 2025 was fully written down due to an impairment loss of EUR 18,432 thousand arising from the impairment test referred to in *par. 6.2.1 “Impairment test on goodwill”*.

6.2.1 Impairment test on goodwill

Goodwill recorded in the Company's separate financial statements is monitored for internal management purposes at the level of the CGU comprising the Company (Cellularline S.p.A. CGU) and its subsidiaries.

After checking for the presence of impairment indicators, as indicated in *par.2.2 “Use of estimates and judgements in the preparation of the Separate Financial Statements - Impairment test”*, the impairment test was performed, with the support of an External Consultant (Deloitte & Touche), at the level of the Cellularline S.p.A. CGU, excluding from the carrying amount the goodwill recognised in the financial statements, and subsequently at the level of the CGU grouping to which the goodwill recognised in the financial statements is allocated.

The impairment tests were performed on the basis of the economic-financial forecasts based on the 2026-2029 Business Plan approved by the Board of Directors on 04 March 2026.

The impairment tests were performed by comparing:

- the recoverable amount, determined as value in use, resulting from the application of the Discounted Cash Flow method to the CGU's expected cash flows ("Recoverable Amount");
- the carrying amount of the net invested capital of the CGU as at 31.12.2025 ("Carrying Amount").

Value of Use, determined as Enterprise Value, is obtained by adding up:

- the present value of Unlevered Free Cash Flows discounted for the explicit forecasting period of the 2026-2029 Plan;
- the present value of the Terminal Value calculated after the last explicit Plan projection year (2029).

Unlevered cash flows are cash flows generated by the company's operations, gross of the financial components relative to the financial liabilities service.

The cash flow underlying the Terminal Value was determined based on stable growth rates and considering an average capex investment level consistent with the expected results, by applying a perpetuity model.

The weighted average cost of capital ("Weighted Average Cost of Capital" or "WACC") and sustainable growth rate was used as the discount rate in perpetuity ("g") for the Cellularline S.p.A. CGU and for the group of CGUs to which goodwill is allocated:

- Group of CGUs (Cellularline Group): WACC of 10.7% (10.66% as at 31 December 2024) and g-rate of 1.96% (1.96% as at 31 December 2024).
- CGU Cellularline S.p.A.: WACC equal to 10.3% and "g-rate" equal to 1.95%.

The WACC is the average of the cost of equity and the cost of debt capital weighted according to financial structure of comparable companies. The sustainable growth rate in perpetuity (g) is derived from the expected inflation in the long term (2030) for the countries in which the Company and its subsidiaries operate (source: IMF - October 2025), weighted on the basis of revenues. It should be noted that the estimates and data relating to the performance and financial forecasts to which the above parameters are applied are determined by Management on the basis of past experience and expectations of developments in the markets.

In addition, it is noted that the WACC used for the purpose of the impairment test in the context of these annual financial statements also includes a so-called "execution risk", with an impact on the calculation of rates equal to: i) 1.30% for the Cellularline Group; ii) 0.91% for the CGU Cellularline S.p.A.. This component represents the estimated risk of not fully achieving the Plan's objectives, as well as the current degree of volatility and uncertainty reflected in market trends and, in general, in the macro-economic environment. Therefore, this component was taken into account through an adjustment of the discount rate, rather than cash flows, on the basis of analyses incorporating scenarios of partial realisation of the objectives of the Plan, in a still uncertain market environment.

The analyses performed, based on the assumptions and limitations highlighted above, led to an estimate of the recoverable value, in terms of Enterprise Value, of approximately EUR 88.9 million for the CGU Cellularline S.p.A.. This value is lower than the Carrying Amount equal to the net invested capital at the reporting date of the Cellularline S.p.A. CGU, resulting in impairment losses of EUR -7.5 million net of deferred tax effects.

Impairment losses relating to the CGU Cellularline S.p.A. CGU have been allocated proportionally across all non-current assets within the Company, except for those assets whose fair value, net of disposal costs, exceeds their carrying amount. Consequently, impairment losses, before deferred tax effects, were recognised on Intangible Assets in the amount of EUR 9.4 million, on Right-of-Use Assets in the amount of EUR 0.4 million, and on Property, Plant, and Equipment in the amount of EUR 0.6 million.

In order to test the goodwill recognised in the financial statements, the relative recoverable value of the CGUs group's net invested capital - which, as mentioned above, includes the Company and its subsidiaries- was determined by making the following adjustments to the Enterprise Value calculated at the Cellularline Group level:

- Deduction of the net financial position pertaining to subsidiaries;
- Deduction of the liability recognised in the Consolidated Financial Statements for put options relating to minority interests in the above-mentioned subsidiaries.

The analyses carried out, based on the hypotheses and limitations previously highlighted, have led to an estimated value in use of approximately EUR 107.2 million (183.9 million at 31 December 2024). This value is lower than the Carrying Amount, resulting in the full write-down of the goodwill recorded in the financial statements.

The goodwill impairment losses, equal to EUR 18.4 million, were charged to the item “General and administrative costs”, and were mainly attributable to the update of the 2026-2029 Business Plan, which reflected a revision of growth assumptions compared to the previous plan, in light of the changing competitive and macroeconomic environment. In particular, the tightening of US trade policy, with the introduction of new tariffs, has reshaped international trade flows; China has diverted part of its exports from the US to other markets, intensifying its commercial presence on the European market with a consequent increase in competitive pressure that the Company has prudently reflected in future plan estimates.

As a result of the impairment losses, the recoverable amount of the Company's assets is in line with the carrying amount. Therefore, any negative changes in the basic assumptions could lead to a further impairment loss.

6.3 Property, plant and equipment

The specific table below shows changes in this item, indicating the historical cost, accumulated depreciation, changes in the year and the closing balance of each asset.

Depreciation was calculated using the rates that reflect the related assets' residual useful lives.

The balance of Property, plant and equipment, broken down by category as at 31 December 2025 and 31 December 2024, is shown below:

<i>(In thousands of Euro)</i>	Carrying amount at 31 December 2024	Increases	(Depreciation)	(Decreases/ Impairment losses)	Reclassifications	Carrying amount at 31 December 2025
Land and buildings	3,151	42	(125)	-	-	3,068
Plant and machinery	268	73	(80)	(88)	-	172
Industrial and commercial equipment	1,402	965	(988)	(526)	148	1,002
Assets under construction and payments on account	176	179	-	0	(148)	206
Total property, plant and equipment	4,996	1,259	(1,193)	(614)	-	4,449

As at 31 December 2025 the item consisted mainly of buildings used as the operating offices of the Company for EUR 3,068 thousand and industrial and commercial equipment for EUR 1,002 thousand (mainly furniture, furnishings, office machinery and moulds). With reference to the year ended at 31 December 2025, the Company made investments of EUR 1,259 thousand, mainly related to industrial and commercial equipment.

As mentioned in paragraph 6.2.1, as a result of the impairment test, impairment losses attributable to the item Property, plant and equipment amounting to EUR 614 thousand were recognised and allocated to the item “General and Administrative Costs”.

6.4 Equity investments in subsidiaries and associates

The breakdown of changes in the item as at 31 December 2024 and 31 December 2025 are shown below:

<i>(In thousands of Euro)</i>	31 December 2024	Increases	(decreases/wri te-downs)	31 December 2025
Equity investments in subsidiaries	24,907	595	(4,034)	21,469
Equity investments in associates	33	-	-	33
Total equity investments	24,940	595	(4,034)	21,501

Below is a list of investments:

EQUITY INVESTMENTS	Office	Share/ quota Capital	Equity	Type of ownership	Profit/(loss) for the previous year	Percentage of ownership	Carrying amount	Measureme nt using the Equity Method
		(in foreign curren cy)	(in foreign currency)		(in foreign currency)		(in Euro/000)	(in Euro/000)
Subsidiaries								
- Cellular Spain S.L.U.	ES	3	1,763	Direct	265	100%	1,103	1,630
- Cellular Immobiliaria Italiana S.L.U.	ES	3	36	Direct	(19)	100%	3	36
- Cellular Immobiliare Helvetica S.A.	CH	100	261	Direct	11	100%	71	1,280
- Systema S.r.l.	IT	100	2,435	Direct	(332)	100%	3,665	2,567
- Worldconnect AG	CH	100	6,951	Direct	499	90%	16,313	13,881
- Cellularline USA Inc.	US	50	295	Direct	(84)	100%	255	251
- Coverlab S.r.l.	IT	10	(85)	Direct	(135)	62.3%	-	223
- Peter Jäckel GmbH	DE	100	(776)	Direct	(1,292)	79.6%	-	312

- Cellularline Middle East FZE	USD	41	101	Direct	55	100%	38	-
Cellularline Benelux BV	BE	20	41	Direct	21	100%	20	-
Total subsidiaries							21,468	19,182
Associates								
- Cellular Swiss S.A. (*)	CH	100	878	Direct	135	50%	33	471
Total associates							33	471

(*) Figures refer to the latest available Financial Statements as at 31 December 2024.

For transactions with related parties, reference should be made to the “transactions with related parties” section of these Notes.

Cellular Spain S.L.U.

The Company ended 2025 with revenue of EUR 10,734 thousand (EUR 13,512 thousand in 2024). The economic result for the year was a profit of EUR 265 thousand. No indicators of impairment were identified from the analyses performed.

Cellular Inmobiliaria S.L.U. – Cellular Immobiliare Helvetica S.A.

The two real estate companies continued their ordinary operations. No indicators of impairment were identified from the analyses performed.

Systema S.r.l.

The company Systema S.r.l. ended 2025 with revenue of EUR 14,750 thousand (EUR 12,219 thousand in 2024). The economic result for the year was a loss of EUR 822 thousand. From the analyses performed, indicators of impairment were identified and a impairment test was therefore performed as described in paragraph 6.4.1 below.

WorldConnect AG

The Swiss-registered company is the global market leader for SKROSS-branded travel adapters. Worldconnect had a turnover of EUR 16,331 thousand in 2025 (EUR 19,481 thousand as at 31 December 2024). The economic result for the year was a profit of EUR 532 thousand. From the analyses performed, indicators of impairment were identified and a impairment test was therefore performed as described in paragraph 6.4.1 below.

Coverlab S.r.l.

The company is an innovative e-commerce company and operates in the custom accessories segment. It closed FY 2025 with revenue of EUR 366 thousand (EUR 862 thousand in 2024).

The economic result for the year was a loss of EUR 314 thousand. From the analyses performed, indicators of impairment were identified and the investment was written down as described in paragraph 6.4.1 below.

Cellular Usa Inc.

Cellular USA was established in the first half of 2022 and aims to market the Black line in the American market; as a newco, it does not yet have any significant turnover. As at 31 December 2025 it recorded a loss for the year of EUR 75 thousand. From the analyses performed, indicators of impairment were identified and the investment was written down as described in paragraph 6.4.1 below.

Cellular Swiss S.A.

In 2025, the associate Cellular Swiss continued to pursue its strategy to develop business with existing customers – which operate mainly in the Consumer Electronics channel - and seeking new customers, also in different channels (for example, in the Telco, Travel Retail and Mass Merchandise channels). No indicators of impairment were identified from the analyses performed.

Peter Jäckel GmbH was acquired in January 2023; it is a major German player in the field of smartphone accessories. It closed FY 2025 with a turnover of EUR 4,985 thousand. As at 31 December 2025, it recorded a loss of EUR 1,292 thousand. From the analyses performed, indicators of impairment were identified and a impairment test was therefore performed as described in paragraph 6.4.1 below.

Cellularline Middle East FZE, established on 17 May 2023, is an operational hub in the Jebel Ali Free Zone, Dubai, in order to serve the Middle East region more efficiently. As at 31 December 2025, it recorded a profit of EUR 48 thousand. No indicators of impairment were identified from the analyses performed.

Cellularline Benelux BV, incorporated on 13 November 2025 in Brussels and wholly owned, was created with the aim of ensuring a direct presence in the Benelux market through the distribution of Cellularline branded products and other *brands*. The company is newly established and therefore no indicators of impairment were identified.

6.4.1 Impairment test on equity investments

At 31 December 2025, the equity investments in subsidiaries recognised in the financial statements amounted to EUR 21.5 million (EUR 24.9 million at 31 December 2024) and, as indicated in *par.2.2 “Use of estimates and judgements in the preparation of the Separate Financial Statements - Impairment test”*, following the verification of the presence of indicators of impairment, the impairment test was carried out for these companies, also using an External Consultant (Deloitte & Touche).

In particular, the impairment test was performed on the basis of the economic-financial forecasts based on the 2026-2029 Business Plan approved by the Board of Directors on 04 March 2026.

The impairment test was performed by comparing:

- the recoverable amount, determined as value in use, resulting from the application of the Discounted Cash Flow method to the expected cash flows of the subsidiaries, net of the related net financial position ("Recoverable Amount");

- the carrying amount of investments in subsidiaries recognised at 31.12.2025 ("Carrying Amount").

The value in use, determined as Equity Value, was obtained by adding up:

- the present value of Unlevered Free Cash Flows discounted for the explicit forecasting period of the 2026-2029 Plan;
- the present value of the Terminal Value calculated after the last explicit Plan projection year (2029);
-
- the net financial position.

The cash flow underlying the Terminal Value was determined based on stable growth rates and considering an average capex level consistent with the expected results, by applying a perpetuity model.

The weighted average cost of capital ("Weighted Average Cost of Capital" or "WACC") and sustainable growth rate in perpetuity ("g") were used as the discount rate:

- WorldConnect AG: WACC of 10.7% and 'g-rate' of 1.98%.
- Peter Jaeckel GmbH: WACC of 11.6% and 'g-rate' of 2.18%.
- Systema S.r.l.: WACC of 12.0% and 'g-rate' of 2.00%.

The WACC is the average of the cost of equity and the cost of debt capital weighted according to the financial structure of comparable companies. The sustainable growth rate in perpetuity ('g') is derived from the expected inflation in the long term (2030) (source: IMF - October 2025), weighted on the basis of revenues. It should be noted that the estimates and data relating to the performance and financial forecasts to which the above parameters are applied are determined by Management on the basis of past experience and expectations of developments in the markets.

In addition, it is noted that the WACC used for the purpose of the impairment test in the context of these annual financial statements also includes a so-called "execution risk", with an impact on the calculation of rates equal to: i) 1.75% for WorldConnect AG; ii) 2.60% for Peter Jaeckel GmbH and Systema S.r.l. This component represents the estimated risk of not fully achieving the plan's objectives, as well as the current degree of volatility and uncertainty reflected in market trends and, in general, in the macro-economic environment. Therefore, this component was taken into account through an adjustment of the discount rate, rather than cash flows, on the basis of analyses incorporating scenarios of partial realisation of the objectives of the Plan, in a still uncertain market environment.

The analyses performed, based on the assumptions and limitations outlined above, led to an estimate of the recoverable value, in terms of Equity Value, of approximately: i) EUR 17.1 million for WorldConnect AG; ii) negative EUR (0.8) million for Peter Jaeckel; iii) EUR 5.3 million for Systema S.r.l. This value is:

- greater than the Carrying Amount equal to the carrying value of the investments in WorldConnect AG and Systema S.r.l. on the reference date, not giving rise to impairment losses;
- lower than the Carrying Amount equal to the carrying value of the investment in Peter Jaeckel at the reference date, giving rise to impairment losses of EUR -3.1 million.

It should be noted that with reference to the investment in Coverlab S.r.l., which has negative expected cash flows and a negative book equity, the Management has deemed it appropriate to fully write down the carrying value of the investment by EUR 0.7 million, while for the investment in Cellularline USA Inc. the carrying value has been written down to the value of the subsidiary's equity. Impairment losses on equity investments were recognised under “Income/(expenses) from equity investments”.

These impairment losses were mainly attributable to the update of the 2026-2029 Business Plan, which reflected a revision of growth assumptions compared to the previous plan, in light of the changing competitive and macroeconomic environment. In particular, the tightening of US trade policy, with the introduction of new tariffs, has reshaped international trade flows; China has diverted part of its exports from the US to other markets, intensifying its commercial presence on the European market with a consequent increase in competitive pressure that the Company has prudently reflected in future plan estimates.

In addition, for investee companies that did not give rise to impairment losses, a sensitivity analysis was carried out, which simultaneously considered a change in:

- the WACC and the growth rate (g-rate), in order to verify the impact generated by changes in these parameters on the Equity Value and, consequently, on the difference between the latter and the Carrying Amount at the reporting date;
- the EBITDA according to the 2026-2029 Plan and the Terminal Value in order to verify the impact generated by changes in this parameter on the Equity Value and, consequently, on the difference between the latter and the carrying amount at the reporting date.

The sensitivity analyses revealed the following outcomes:

- potential impairment losses situations on the Worldconnect AG CGU:
 - in the event of an increase in the WACC (including the execution risk component) of +0.5%, keeping the g-rate used for the impairment test unchanged;
 - in case of a deterioration of the g-rate by -1.0%, keeping the WACC (including the execution risk component) used for the impairment test unchanged;
 - if EBITDA deteriorates by -5.0% over all plan years, keeping the WACC (including the execution risk component) used for the impairment test unchanged.

Sensitivity analysis: Cover/(Impairment) - WACC and g-rate (€ million)

		WACC				
		-1.0%	-0.5%	Company	+0.5%	+1.0%
G-rate	-	0,5	(0,3)	(1,1)	(1,7)	(2,4)
	0,5%	1,0	0,1	(0,7)	(1,4)	(2,1)
	1,0%	1,6	0,7	(0,2)	(1,0)	(1,7)
	1,5%	2,3	1,2	0,3	(0,6)	(1,4)
	2,0%	3,0	1,8	0,8	(0,1)	(0,9)
	2,5%	3,9	2,6	1,4	0,4	(0,5)
	3,0%	4,8	3,4	2,1	1,0	0,0

Sensitivity analysis: Cover/(Impairment) - WACC and EBITDA (€ million)

		WACC	
		Company	10,7%
EBITDA reduction - over and what is already included in the execution (WACC)	(10,0%)	(1,4)	
	(7,5%)	(0,9)	
	(5,0%)	(0,3)	
	(2,5%)	0,2	
	-	0,8	

- For the Systema S.r.l. CGU, they showed no potential impairment in the event of a worsening of the WACC and g-rate and losses of value in the case of a reduction of more than 10% in Plan EBITDA and Terminal Value, further to what was already considered in the execution risk estimate.

Sensitivity analysis: Cover/(Impairment) - WACC and g-rate (€ million)

		WACC				
		-1.0%	-0.5%	Company	+0.5%	+1.0%
G-rate	-	11,0%	11,5%	12,0%	12,5%	13,0%
	0,5%	1,5	1,4	1,2	1,0	0,9
	1,0%	1,6	1,5	1,3	1,1	1,0
	1,5%	1,8	1,6	1,4	1,2	1,1
	2,0%	1,9	1,7	1,5	1,3	1,2
	2,5%	2,1	1,8	1,6	1,4	1,3
	3,0%	2,3	2,0	1,8	1,5	1,4

Sensitivity analysis: Cover/(Impairment) - WACC and EBITDA (€ million)

		WACC	
		Company	12,0%
EBITDA reduction - over what is already included in the execution (WACC)	(10,0%)	1,1	
	(7,5%)	1,2	
	(5,0%)	1,4	
	(2,5%)	1,5	
	-	1,6	

It should be noted that the inclusion of an Execution Risk Premium in the WACC implies a tolerance with respect to a possible reduction in EBITDA in the plan forecasts. In the specific case, this tolerance is 20.8% over the Plan period of CGU Worldconnect AG and 27.3% over the Plan period of CGU Systema S.r.l.

6.5 Right-of-use assets

This item, amounting to EUR 840 thousand (EUR 1,816 thousand as at 31 December 2024), refers exclusively to the recognition of right of use due to the initial application of IFRS 16 - Leases.

This item is treated as an intangible asset and depreciated over the term of the underlying lease or rental agreement. In no case is there a contractual purchase option.

The changes in the year were as follows:

<i>(In thousands of Euro)</i>	Carrying amount 31 December 2024	Increases	(Decreases)	(Depreciation)	(Impairment losses)	Carrying amount at 31 December 2025
Right-of-use assets	1,816	524	(10)	(1,086)	(405)	840
Total right-of-use assets	1,816	524	(10)	(1,086)	(405)	840

The increases of the year, equal to EUR 524 thousand, mainly concern new contracts for cars and commercial vehicles.

As mentioned in paragraph 6.2.1, as a result of the impairment test, impairment losses were recognised, attributable to the item Right-of-Use assets in the amount of EUR 405 thousand, and allocated to the item “General and Administrative Costs”.

6.6 Deferred tax assets and liabilities

Changes in Deferred tax assets and liabilities between 31 December 2024 and 31 December 2025 are shown below.

Deferred tax assets

(In thousands of Euro)

Balance as at 31 December 2024	5,765
Accruals in profit or loss	3,878
(Releases) in comprehensive income	(290)
Balance as at 31 December 2025	9,353

The balance as at 31 December 2025, amounting to EUR 9,353 thousand, is composed of deferred tax assets mainly originating from taxed provisions, temporarily non-deductible amortisation and depreciation and temporary differences related to trademarks and customer relationships.

The main change from the previous year, amounting to EUR 3.352 thousand, is related to deferred IRES and IRAP tax assets calculated, mainly, on partially deductible amortisation and depreciation such as those related to the Cellularline and Interphone trademarks, on the allocation made for the allowance for inventory (direct) write-down and on the temporarily non-deductible impairment losses on tangible and intangible assets, following the impairment test.

The 2022 Budget Law (no. 234/2021, art. 1, paragraphs 622-624) has retroactively modified the regime for revaluations and realignments of trademarks and goodwill carried out on the basis of art. 110 of Decree Law no. 104/2020, increasing the time span of deductions from 18 to 50 years (2% per annum from 2021).

The rule also provided the following two additional alternatives:

- maintenance of the deduction over 18 years against payment of the ordinary substitute tax on the franking of extraordinary transactions (12%, 14% and 16% for revaluations of up to 5 million, between 5 million and 10 million and over 10 million, respectively);
- revocation of the realignment for tax purposes, with repayment or right to offset the substitute tax already paid, in accordance with procedures to be defined by a future measure.

Considering that:

- the dilution of the benefit over 50 years shifts the cost-benefit balancing point from the second to the seventh year, while still maintaining a significant overall tax saving;
- the outlay for the “ordinary” substitute tax, necessary to maintain deductibility over 18 years, is very costly and close in time, considerably reducing the advantage of the operation;
- revocation of the realignment would entail cancellation of the income from the release of the deferred tax liabilities, with an inevitable impact on the Company’s equity.

It was deemed reasonable to maintain the realignment carried out with the 50-year deduction and to recognise deferred tax assets on temporarily non-deductible amortisation and depreciation, with annual monitoring of the reasonable certainty of their recovery.

The following aspects were taken into account in the calculation of deferred tax assets:

- the tax regulations in force and their impact on temporary differences, and any tax benefits deriving from the use of tax losses carried forward, where such exist, considering their potential recoverability over a period of three years;
- the Company's forecast profits in the medium and long term.

On the basis of the above, the Company expects that it can recover with reasonable certainty the deferred tax assets recognised.

Deferred tax liabilities

(In thousands of Euro)

Balance as at 31 December 2024	39
Accruals) in profit or loss	18
(Releases) in comprehensive income	(11)
Balance as at 31 December 2025	46

The balance as at 31 December 2025, amounting to EUR 46 thousand, consists of deferred tax liabilities calculated on exchange rate differences arising from foreign currency items.

6.7 Financial assets

Changes in Non-recurring financial assets between 31 December 2024 and 31 December 2025 are shown below.

<i>(In thousands of Euro)</i>	Financial assets
Balance as at 31 December 2024	2,522
Increases	598
(Decreases)	(458)
Balance as at 31 December 2025	2,662

The item, which came to EUR 2,662 thousand, consists of loans granted to subsidiaries. These include loans to Worldconnect of EUR 716 thousand (corresponding to CHF 667 thousand), Cellular Immobiliare Helvetica S.A. of EUR 825 thousand (corresponding to CHF 769 thousand), Cellular Immobiliaria Italiana S.L.U. of EUR 339 thousand, Coverlab S.r.l. of EUR 560 thousand, Cellular Usa of EUR 145 thousand (corresponding to USD 170 thousand). The net decreases mainly relate to repayments made by subsidiaries during 2025, mainly EUR 444 thousand by Coverlab Srl.

CURRENT ASSETS

6.8 Inventories

Inventories are made up as follows:



	Balance as at	
	31 December 2025	31 December 2024
<i>(In thousands of Euro)</i>		
Finished products and goods	28,035	26,055
Goods in transit	4,704	7,196
Advances	1,501	1,997
Gross inventories	34,239	35,248
(Allowance for inventory write-down)	(4,567)	(3,905)
Total Inventories	29,672	31,343

Gross inventories include finished products at the Company's warehouses, as well as goods in transit for which the Company has already acquired ownership of EUR 4,704 thousand (EUR 7,196 thousand as at 31 December 2024). Advances include prepayments for the purchase of finished products. The carrying amount of inventories is adjusted by the allowance for inventory write-down, which includes the write-down of goods at risk of potential obsolescence.

Changes in allowance for inventory write-down between 31 December 2024 and 31 December 2025 are shown below:

	Allowance for inventory write-down
<i>(In thousands of Euro)</i>	
Balance as at 31 December 2024	(3,905)
(Accruals)	(662)
Utilisations/Releases	-
Balance as at 31 December 2025	(4,567)

During the year, the Company, following an analysis of slow-moving products, set aside EUR 662 thousand for problems (typical of the sector) related to the obsolescence/slow turnover of inventories, in order to align their value to the estimated realisable value.

6.9 Trade receivables

Trade receivables as at 31 December 2024 and 31 December 2025 are shown in detail below:

	Balance as at	
	31 December 2025	31 December 2024
<i>(In thousands of Euro)</i>		
Trade receivables from third parties	39,082	39,205
Trade receivables from related parties (Note 8)	16,951	20,038
Gross trade receivables	56,033	59,243
(Loss allowance)	(4,421)	(3,825)
Total trade receivables	51,612	55,419

Changes in the loss allowance from 31 December 2024 to 31 December 2025 are shown below:



(In thousands of Euro)

Loss allowance

Balance as at 31 December 2024	(3,825)
(Accruals)	(2,006)
Utilisations	1,410
Balance as at 31 December 2025	(4,421)

Impaired assets refer mainly to disputed amounts or customers subject to bankruptcy proceedings. The utilisations reflect amounts that, based on certain, precise information or pending bankruptcy procedures were impaired in full. Credit risk is the exposure to potential losses arising from non-performance of the obligations taken on by the counterparty. The Company has credit control processes in place that include customer reliability analyses and credit exposure controls based on reports with a breakdown of due dates and average collection times. The change in the loss allowance, following the accrual of the year, is the result of an analytical assessment of non-performing assets and assets that have been proven to be of uncertain recoverability as well as a general assessment based on the asset's historical credit loss.

The carrying amounts of trade receivables are deemed to approximate their fair value.

6.10 Current tax assets

The breakdown of Current tax assets as at 31 December 2024 and 31 December 2025 is shown below:

	Balance as at	
	31 December 2025	31 December 2024
Receivables from tax authorities	127	142
Receivables for tax payments on account	279	-
Tax rebate assets	115	115
Total current tax assets	521	257

Receivables from tax authorities for current taxes mainly include: (i) the credit for advances paid on IRES and IRAP tax, (ii) the credit for research, development, innovation and design, amounting to EUR 127 thousand, (iii) the credit for taxes requested for rebate, amounting to EUR 115 thousand.

6.11 Other assets

The breakdown of other current assets as at 31 December 2024 and 31 December 2025 is shown below:

	Balance as at	
	31 December 2025	31 December 2024
Prepaid expenses	5,576	7,114
VAT credit	957	63
Others	343	198
Total Other assets	6,875	7,376

This item mainly includes prepaid expenses referring to the advance payment of costs relating to future years.

6.12 Cash and cash equivalents

The breakdown of cash and cash equivalents as at 31 December 2024 and 31 December 2025 is shown below:

(In thousands of Euro)

	Balance as at	
	31 December 2025	31 December 2024
Bank accounts	15,530	13,901
Cash on hand	5	5
Total Cash and cash equivalents	15,535	13,906

Cash and cash equivalents amount to EUR 15,535 thousand as at 31 December 2025 (EUR 13,906 thousand as at 31 December 2024). The item consists of cash on hand, securities and demand deposits or short-term deposits with banks that are currently available and readily usable.

For further details regarding the dynamics that influenced cash and cash equivalents, reference should be made to the Statement of Cash Flows.

EQUITY AND LIABILITIES

6.13 Equity

Equity was EUR 96,247 thousand (EUR 129,302 thousand as at 31 December 2024), having decreased mainly as a result of the period loss.

Below is an analysis of equity items in relation to their origin, possibility of utilisation and distribution (in thousands of Euro):

EQUITY	CARRYING AMOUNT AT 31.12.2025	Possibility of use of reserves (*)	Available portion of reserves	Summary of uses in the year and the previous three years	
				Coverage of losses	Distribution of dividends/reserves
I Share capital	21,343				
II Share premium	101,392	A, B, C	101,392	31,316	
IV Legal reserve	4,269	B	4,269		
V Statutory reserves	-				
VII Other reserves	348	B	348	31,177	
VIII Retained earnings	1,018	A, B, C	1,018	13,401	(6,560)
IX Profit/(loss) for the year	(28,756)				
X Treasury shares	(3,366)	None			2,794
Total Equity	96,247		107,026	75,893	(3,765)

(*) Key / Notes:

A = for capital increase

B = to cover losses

C = for distribution to shareholders

As a result of the realignment of the tax value to the statutory value of trademarks and Customer Relationship, as provided for by article 110, paragraphs 8 and 8-bis of Decree Law no. 104/2020, converted into Law no.

126/2020, as amended by Law no. 178/2020, there is a tax suspension restriction in the amount of EUR 59,253 thousand to the Share premium reserve.

Share capital

The share capital as at 31 December 2025 amounts to EUR 21,343, divided into 21,868,189 ordinary shares.

Other Reserves not commented on above

As at 31 December 2025, other reserves amount to EUR 102,642 thousand (EUR 103,903 thousand as at 31 December 2024) and were mainly divided as follows:

- Legal reserve, which amounts to EUR 4,269 thousand.
- The share premium, which amounts to EUR 101,392 thousand, including EUR 59,253 in suspended taxation following the realignment of trademarks and customer relationships.
- Other reserves amounting to EUR 348 thousand which originated as a result of the effects of the application of the IFRS and the Business Combination which took place in 2018;
- Treasury shares of EUR 3,366 thousand.

Retained earnings from previous years

Retained earnings amount to EUR 1,018 thousand (EUR 36 thousand as at 31 December 2024).

Loss for the year

2025 ended with a loss for the year of EUR 28,755,504.

The Board of Directors resolved to propose to the Shareholders' Meeting to be convened, in a single call, for 30 April 2026, to cover the loss for the year of EUR 28,755,504 through the use of the share premium reserve, which will therefore decrease from EUR 101,391,528 (of which EUR 38,772,585 is available) to EUR 72,636,024 (of which EUR 10,017,081 is available).

Long Term Incentive Plan Reserve (Share-based payment arrangements)

In 2021, the Company approved a Stock Grant Plan, which envisages the award to certain employees of rights to receive Company shares free of charge.

The free award of such rights to receive shares comes under the scope of the “Cellularline S.p.A. 2021-2023 Incentive Plan”, submitted for approval by the ordinary shareholders’ meeting on 28 April 2021.

The following table summarises the main conditions of the stock grant plan:

Date of assignment	Maximum number of instruments	Vesting conditions	Contractual duration of options
15 March 2023	90,000 *	30% Relative Total Shareholder Return 70% Consolidated Adjusted EBITDA	Three years

(* The number of instruments reported refers to each individual tranche of awards of the three-year cycle, of which 55,000 assigned to CEOs and key managers. At the date of this Report, the third award cycles is active.

The Plan envisages three cycles of annual awards of rights to Beneficiaries (2021, 2022 and 2023), each of which with a three-year performance period and a two-year lock-up on the shares assigned by virtue of the rights awarded for each cycle, where conditions are met and in accordance with the terms and conditions set forth in the Plan and its Regulation. The rights assigned to the beneficiaries will accrue, and accordingly give entitlement to their holders to receive Company shares, according to the degree to which measurable multi-year performance objectives, pre-determined by the Company, are achieved. These performance objectives contribute with a different percentage weighting towards the accrual of the rights and attribution of the shares, all as indicated:

- (i) the Relative Total Shareholder Return (or Relative TSR) is the share performance objective and contributes towards the incentive variable remuneration envisaged by the Plan (in the form of shares), weighing for 30%,
- (ii) the Consolidated Three-Year Adjusted EBITDA is the corporate performance objective and contributes towards the incentive variable remuneration envisaged by the Plan (in the form of shares), weighing for 70%.

As at 31 December 2025, in accordance with IFRS 2, the valuation regarded the total fair value of the approved plan.

The "market based" component (Relative Total Shareholder Return) has been estimated using a stochastic simulation with the Monte Carlo Method, which, on the basis of suitable hypotheses, made it possible to define a significant number of alternative scenarios over the time frame considered.

The non-market-based component was valued at the reporting date to account for expectations regarding the number of rights that may vest.

In addition, during 2024, the Company approved a stock grant plan, which envisages the award to certain employees of rights to receive Company shares free of charge.

The free award of such rights to receive shares comes under the scope of the "2024-2026 Incentive Plan" of the Company, submitted for approval by the Ordinary Shareholders' Meeting on 24 April 2024.

The following table summarises the main conditions of the stock grant plan:

Date of assignment	Maximum number of instruments	Vesting conditions	Contractual duration of options
08 May 2024	109,000 *	50% Relative Total Shareholder Return 50% Consolidated Adjusted EBITDA	Three years
Date of assignment	Maximum number of instruments	Vesting conditions	Contractual duration of options
04 March 2025	119,000 *	50% Relative Total Shareholder Return 50% Consolidated Adjusted EBITDA	Three years

(*) As at the date of this Report, the first two cycles of the above Plan have been activated.

The Plan envisages three cycles of annual awards of rights to Beneficiaries (2024, 2025 and 2026), each of which with a three-year performance period and a two-year lock-up on the shares assigned by virtue of the rights awarded for each cycle, where conditions are met and in accordance with the terms and conditions set forth in the Plan and its Regulation. The rights assigned to the beneficiaries will accrue, and accordingly give entitlement to their holders to receive Company shares, according to the degree to which measurable multi-year performance objectives, pre-determined by the Company, are achieved. These performance objectives contribute with a different percentage weighting towards the accrual of the rights and attribution of the shares, all as indicated:

- (i) the Relative Total Shareholder Return (or Relative TSR) is the share performance objective and contributes towards the incentive variable remuneration envisaged by the Plan (in the form of shares), weighing for 50%,
- (ii) the Consolidated Three-Year Adjusted EBITDA is the corporate performance objective and contributes towards the incentive variable remuneration envisaged by the Plan (in the form of shares), weighing for 50%.

As at 31 December 2025, in accordance with IFRS 2, the valuation regarded the total fair value of the approved plan.

The "market based" component (Relative Total Shareholder Return) has been estimated using a stochastic simulation with the Monte Carlo Method, which, on the basis of suitable hypotheses, made it possible to define a significant number of alternative scenarios over the time frame considered.

The non-market-based component was valued at the reporting date to account for expectations regarding the number of rights that may vest.

The LTI reserve at 31 December 2025 amounts to EUR 219 thousand (EUR 255 thousand as at 31 December 2024).

6.14 Financial liabilities (current and non-current)

The breakdown of current and non-current Financial liabilities as at 31 December 2025 is shown below:

<i>(In thousands of Euro)</i>	Balance as at	
	31 December 2025	31 December 2024
Current bank loans and borrowings and loans and borrowings from other financial backers	17,264	13,739
Non-current bank loans and borrowings and loans and borrowings from other financial backers	14,130	21,149
Total bank loans and borrowings and loans and borrowings from other financial backers	31,394	34,888
Other current financial liabilities	998	1,339
Other non-current financial liabilities	363	607
Total other financial liabilities	1,361	1,946
Total financial liabilities	32,755	36,834

Bank loans and borrowings and loans and borrowings from other financial backers amounted to EUR 32,755 thousand (EUR 36,834 thousand as at 31 December 2024) and mainly include:

- the bank loan, stipulated in July 2024 in the re-financing transaction for EUR 21,274 thousand;
- the short-term hot money bank loans and other short-term financial liabilities, in the amount of EUR 6,800 thousand.

The bank loan, gross of bank fees, is shown below:

<i>(In thousands of Euro)</i>	Inception	Maturity	Original amount	Balance as at 31 December 2025		
				Outstanding debt	current portion	non-current portion
Syndicate						
“Ordinary” facility	31/07/2024	31/07/2028	25,000	21,428	7,504	13,744
Total syndicated loan (*)			25,000	21,428	7,504	13,744

(*) The syndicated loan was signed with con BNL S.p.A. and Unicredit S.p.A.

The bank loan payable to the above institutions is subject to economic and financial covenants. These covenants, calculated on a leverage ratio defined as the Net Financial Position in relation to EBITDA on the basis of contractual agreements with credit institutions, were met as at 31 December 2025.

The loan is measured at amortised cost in accordance with IFRS 9 and therefore its carrying amount, reduced by transaction costs, as at 31 December 2025 is EUR 21,428 thousand (EUR 24,721 thousand as at 31 December 2024).

For details regarding the item Other financial liabilities (current and non-current), please refer to Note 4.20.

A breakdown of the financial liabilities is shown below based on their maturity:

<i>(In thousands of Euro)</i>	Balance as at	
	31 December 2025	31 December 2024
Within 1 year	18,262	14,774
From 1 to 5 years	14,493	22,060
Total	32,755	36,834

Below is a reconciliation of the net financial indebtedness as at 31 December 2025, of EUR 16,854 thousand, and as at 31 December 2024, of EUR 22,587 thousand, according to the scheme envisaged by ESMA Guidance 32-382-1138 dated 4 March 2021 and indicated in the Consob Note 5/21 dated 29 April 2021:

<i>(In thousands of Euro)</i>	Balance as at		Changes	
	31 December 2025	31 December 2024	Δ	%
(A) Cash	15,535	13,906	1,629	11.7%
(B) Other cash and cash equivalents	-	-	-	-
(C) Other current financial assets	366	341	25	7.3%
(D) Liquidity (A)+(B)+(C)	15,901	14,247	1,654	11.6%
(E) Current financial debt	10,120	10,168	(48)	-0.5%
(F) Current portion of non-current debt	8,142	4,606	3,536	76.8%
(G) Current financial indebtedness (E) + (F)	18,262	14,774	3,488	23.6%
- of which guaranteed	-	-	-	-
- of which not guaranteed	18,262	14,774	3,488	23.6%
(H) Net current financial indebtedness (G) - (D)	2,361	527	1,834	>100%
(I) Non-current financial debt	14,493	22,060	(7,567)	-34.3%
(J) Debt instruments	-	-	-	-
(K) Trade payables and other non-current payables	-	-	-	-
(L) Non-current financial indebtedness (I)+(J)+(K)	14,493	22,060	(7,567)	-34.3%
- of which guaranteed	-	-	-	-
- of which not guaranteed	14,493	22,060	(7,567)	-34.3%
(M) TOTAL FINANCIAL INDEBTEDNESS (H) + (L)	16,854	22,587	(5,733)	-25.4%

6.15 Employee benefits

As at 31 December 2025, this item, amounting to EUR 207 thousand (EUR 204 thousand as at 31 December 2024), derives from the actuarial valuation of the Company's post-employment benefits (TFR); these valuations were carried out using the "Projected Unit Credit" method as provided for by IAS 19.

The actuarial model is based on:

- discount rate of 3.18%, which was derived from the Iboxx Corporate AA index with a duration of 7/10;
- annual inflation rate of 2.00%;
- annual rate of TFR increase of 3.00%.

In addition, sensitivity analyses were carried out for each actuarial assumption, considering the effects that would have occurred as a result of reasonably possible changes in the actuarial assumptions at the reporting date; the results of these analyses do not give rise to significant effects.

6.16 Buy-Back Plan

With the approval of the Shareholders' Meeting of 17 April 2025, the authorisation programme for the repurchase and disposal of treasury shares was renewed (the so-called "Buy Back Plan"), subject to revocation, for the unexecuted portion, of the authorisation resolution passed by the Shareholders' Meeting of 22 November 2023.

The renewal of the share buy-back plan, which will have a duration of eighteen months (starting from the date of the shareholders' resolution), was motivated by the objective of liquidity support, preservation for subsequent use, use in service of future compensation and incentive plans and any future programs of free assignment of shares to shareholders. It should be noted that the ongoing Buy-Back plan is not aimed at reducing the share capital through the cancellation of the treasury shares repurchased.

Within the framework of this resolution, the Board of Directors launched the programme for the repurchase and disposal of treasury shares, providing that the repurchase will be carried out in one or more tranches, up to a maximum number of Cellularline shares that, taking into account the ordinary shares held from time to time in the portfolio by the Company and its subsidiaries, does not exceed 7.0% of the share capital, subject to compliance with the limits set forth in the applicable regulations. With regard to the consideration, the share purchases may be made at a consideration that is no less than 15% lower and no more than 15% higher than the reference price that the stock will have recorded in the stock exchange session on the day prior to each individual transaction, as well as in compliance with the conditions relating to trading set out in article 3 of Delegated Regulation (EU) 2016/1052.

During the ongoing Buy-Back programme, 342,155 treasury shares of Cellularline were used for the distribution of the share portion of the 2025 dividend.

It is recalled that as at 16 March 2026, the Company held 1,084,642 treasury shares, equal to 4.96% of the share capital.

On 16 March 2026, the Board of Directors resolved to submit to the Shareholders' Meeting a new Buy-Back Plan with a maximum number of Cellularline shares held up to 7% of the share capital, having the same purposes as the existing Buy-Back Programme, for a duration of 18 months.

6.17 Provisions for risks and charges

Changes in the Provisions for risks and charges, broken down for the period between 31 December 2024 and 31 December 2025 are shown below:

<i>(In thousands of Euro)</i>	Provision for future risks	Agents' severance indemnity provision (FISC)	Total
Balance as at 31 December 2024	69	1,598	1,667
- of which current portion	-	-	-
- of which non-current portion	69	1,598	1,667
Accruals	843	181	1,025
Utilisations/Releases	(69)	(281)	(350)
Balance as at 31 December 2025	843	1,498	2,342
- of which current portion	-	-	-
- of which non-current portion	843	1498	2,342

The Agents' severance indemnity provision (FISC) refers to the measurement of the agents' severance indemnity of the Company for the amount to be paid to the agents for the termination of the agency relationship through no fault of the agent. The actuarial valuation, consistent with IAS 37, was carried out by quantifying future payments through the projection of the indemnity accrued at the reporting date by the agents operating until the presumed (random) termination of the contractual relationship. For actuarial valuations, demographic and economic-financial assumptions were adopted; specifically, the discount rate was set with reference to the IBoxx Eurozone AA index in relation to the duration of the collective at 3.37%. During the fiscal year, a provision for future risks has been set, primarily related to taxes from prior years.

6.18 Trade payables

The breakdown of Trade payables as at 31 December 2025 and 31 December 2024 is shown below:

<i>(In thousands of Euro)</i>	Balance as at	
	31 December 2025	31 December 2024
Trade payables to third parties	25,138	25,853
Trade payables from related parties (Note 8)	964	1,291
Total trade payables	26,102	27,144

As at 31 December 2025, trade payables were down compared to 31 December 2024. These payables relate to commercial transactions with normal payment terms, all due within one year.

6.19 Current tax liabilities

The item, amounting to EUR 45 thousand (EUR 1,593 thousand as at 31 December 2024) mainly includes the liability for IRES and IRAP taxes for FY 2025.



6.20 Other liabilities

The breakdown of Other liabilities as at 31 December 2025 and 31 December 2024 is shown below:

<i>(In thousands of Euro)</i>	Balance as at	
	31 December 2025	31 December 2024
Due to employees	2,135	1,992
Social security liabilities	860	881
Tax liabilities	937	1,048
Other payables	1	5
Total Other liabilities	3,933	3,925

As at 31 December 2025, other liabilities amount to EUR 3,933 thousand (EUR 3,925 thousand as at 31 December 2024) and are mainly divided as follows:

- EUR 2,135 thousand due to employees for wages to be settled and bonuses;
- tax liabilities of EUR 937 thousand (withholdings, IRPEF);
- EUR 860 thousand due to social security institutions for contributions to be settled.

6.21 Other financial liabilities (current and non-current)

The breakdown of Other financial liabilities as at 31 December 2025 and 31 December 2024 is shown below:

<i>(In thousands of Euro)</i>	Balance as at	
	31 December 2025	31 December 2024
Other current financial liabilities	998	1,339
Other non-current financial liabilities	363	607
Total other financial liabilities	1,361	1,946

Other financial liabilities as at 31 December 2025 amounted to EUR 1,361 thousand (EUR 1,946 thousand as at 31 December 2024) and included the lease liability arising from the application of IFRS 16.

6 Notes to the income statement

The notes to the income statement for 2025 and 2024 are provided below.

7.1 Revenue from Sales

In 2025, revenue from sales amounts to EUR 122,594 thousand (EUR 130,899 thousand in 2024).

The Company's activities develop through one operating segment, which can be divided into three main product lines:

- Red line (accessories for multimedia devices);
- Black line (accessories for motorcycles and bicycles);
- Blue line (third party products marketed under distribution agreements).

The following table shows revenue, broken down by product line and geographical area for 2025.

Revenues from Sales by product line

					Change	
	2025	% of revenues	2024	% of revenues	Value	%
<i>(In thousands of Euro)</i>						
Red – Italy	53,225	43.4%	50,364	38.5%	2,861	5.7%
Red – International	45,387	37.0%	51,209	39.1%	(5,822)	-11.4%
Revenue from sales - Red	98,612	80.4%	101,573	77.6%	(2,962)	-2.9%
Black – Italy	3,868	3.2%	4,085	3.1%	(217)	-5.3%
Black – International	5,104	4.2%	4,295	3.3%	809	18.8%
Revenue from sales - Black	8,972	7.4%	8,380	6.4%	592	7.1%
Blue – Italy	15,005	12.2%	20,905	16.0%	(5,900)	-28.2%
Blue – International	5	0.0%	40	0.0%	(35)	-86.9%
Revenue from sales - Blue	15,010	12.2%	20,945	16.0%	(5,935)	-28.3%
Total Revenues from Sales	122,594	100.0%	130,899	100.0%	(8,305)	-6.3%

- the **Red Line** recorded a decline over the previous year of 2.9% (EUR 98,612 thousand in 2025 compared to EUR 101,573 thousand in 2024). In 2025, sales of the Red line accounted for approximately 80% of revenue for the year, showing progress in the domestic market compared to 2024 (+5.7%, or EUR 2,861 thousand). However, this positive domestic performance was not sufficient to compensate for the performance in international markets, which were particularly affected by the changing competitive environment, as mentioned, as well as by a situation of uncertainty reflected in discretionary consumption in various geographical areas;
- The **Black Line** recorded sales of EUR 8,972 thousand. The proportion of sales of the Black Line in 2024 (7.4%) was up from the previous year (6.4%). This growth is mainly fuelled by our distribution efforts in international markets;
- the **Blue Line** recorded sales of EUR 15,005 thousand, compared to EUR 20,945 thousand in 2024 (-28.3%).

Revenue from sales by geographical area

					Change	
	2025	% of revenues	2024	% of revenues	Δ	%
<i>(In thousands of Euro)</i>						
Italy	72,098	58.8%	75,355	57.6%	(3,256)	-4.3%
Eastern Europe	9,435	7.7%	10,473	8.0%	(1,038)	-9.9%
Northern Europe	7,813	6.4%	6,385	4.9%	1,428	22.4%
France	7,479	6.1%	7,246	5.5%	233	3.2%
Spain/Portugal	7,121	5.8%	10,041	7.7%	(2,920)	-29.1%
Switzerland	5,605	4.6%	5,372	4.1%	233	4.3%
Germany	4,929	4.0%	6,275	4.8%	(1,346)	-21.5%
Middle East	4,353	3.6%	4,338	3.3%	15	0.3%
Benelux	2,147	1.8%	3,207	2.5%	(1,061)	-33.1%
Others	1,615	1.3%	2,207	1.7%	(592)	-26.8%
Total Revenues from Sales	122,594	100%	130,899	100%	(8,305)	-6.3%

As far as the analysis of sales by geographical area is concerned, it should be noted that in 2025 the domestic market's share of total revenue rose to approximately 58.8%, compared to 57.6% in the previous year. Note should be taken, in particular, of the excellent results from Northern Europe, with an increase in revenues of EUR 1,428 thousand (+22.4%) compared to 2024. Other international markets, on the other hand, experienced contractions of varying magnitude, attributable to the reasons outlined above.

7.2 Cost of sales

The cost of sales came to EUR 74,382 thousand (EUR 83,067 thousand in FY 2024), equating to 60.7% of revenue, as compared to 63.4% of last year.

7.3 Sales and distribution costs

Sales and distribution costs amount to EUR 21,525 thousand (EUR 21,206 thousand in 2024), as illustrated in the table below.

<i>(In thousands of Euro)</i>	Year ended			
	31/12/2025	% of revenues	31/12/2024	% of revenues
Sales and distribution personnel expense	10,366	8.5%	10,054	7.7%
Commissions to agents	4,552	3.7%	4,633	3.5%
Transport	3,375	2.8%	3,286	2.5%
Travel costs	959	0.8%	896	0.7%
Advertising and commercial consultancy expenses	895	0.7%	995	0.8%
Other sales and distribution costs	1,378	1.1%	1,342	1.0%
Total sales and distribution costs	21,525	17.6%	21,206	16.2%

7.4 General and administrative costs

General and administrative costs amount to EUR 50,878 thousand (EUR 21,310 thousand in 2024), as illustrated in the table below.

<i>(In thousands of Euro)</i>	Year ended			
	31/12/2025	% of revenues	31/12/2024	% of revenues
Amortisation	8,632	7.0%	8,627	6.6%
Depreciation	1,193	1.0%	1,295	1.0%
Depreciation right-of-use assets IFRS 16	1,086	0.9%	1,122	0.9%
Impairment losses of goodwill and other non curr. assets	28,813	23.5%	33	0.0%
Provisions for risks and impairment losses	2,849	2.3%	400	0.3%
Administrative personnel expense	4,926	4.0%	4,778	3.7%
Administrative, legal, personnel consultancy etc.	1,843	1.5%	2,185	1.7%
Commissions and fees	62	0.1%	61	0.0%
Directors' and Statutory Auditors' fees	406	0.3%	417	0.3%
Other general administrative costs	2,280	1.9%	2,391	1.8%
Total general and administrative costs	52,091	42.5%	21,310	16.3%

7.5 Other non-operating revenue

Other non-operating revenue for the year ended 31 December 2025 amount to EUR 2,045 thousand (EUR 2,010 thousand in 2024), as shown in the table below.

<i>(In thousands of Euro)</i>	Year ended		Change	
	31/12/2025	31/12/2024	Change	% change
Prior year income	298	134	164	122.3%
Recoveries of SIAE fees (SIAE and CONAI contributions)	31	3	27	849.4%
Other non-operating revenue	(311)	(177)	(134)	76.0%
	2,028	2,049	(22)	-1.1%
Total Other Non-operating revenues	2,045	2,010	35	-61.8%

7.6 Net financial expense

Net financial expense amounts to EUR 2,928 thousand (EUR 2,622 thousand in 2024).

<i>(In thousands of Euro)</i>	Year ended		Change	
	31/12/2025	31/12/2024	Change	% change
Other income and fair value gains	-	425	(425)	-100.0%
Interest income	215	293	(79)	-26.8%
Total Financial income	215	718	(504)	-70.1%
Commissions, other financial expense and fair value losses	(1,722)	(1,266)	(456)	36.0%
Interest expense on medium/long-term loans	(1,307)	(1,952)	646	-33.1%
Other interest expense	(115)	(123)	7	-5.9%
Total Financial expense	(3,143)	(3,342)	197	-5.9%
Net Financial expense	(2,928)	(2,622)	(306)	11.7%

Net financial expense is equal to EUR 2,928 thousand, while in 2024, it amounted to EUR 2,622 thousand.

Financial expense at 31 December 2025 comes to EUR 3,143 thousand and mainly refers to:

- EUR 1,722 thousand for bank commission costs and premiums paid for currency exchange rate risk hedging transactions and factoring transactions;
- EUR 1,307 thousand for interest from banks for short and medium/long-term loans;
- EUR 115 thousand for other interest expense.

7.7 Net exchange gains

<i>(In thousands of Euro)</i>	Year ended		Change	
	31/12/2025	31/12/2024	Change	% change
Exchange gains	480	195	286	100.0%
Net exchange gains/(losses) on financial transactions	3	(128)	131	-100.0%
Net exchange gains/(losses)	483	66	416	100.0%

The positive change, amounting to Euro 416 thousand, is mainly attributable to the EUR/USD exchange rate trend during the year.

7.8 Current and deferred taxes

The breakdown of income taxes for the years ended 31 December 2025 and 31 December 2024 is shown below:

	Year ended		Change	
	(In thousands of Euro) 31 December 2025	31/12/2024	Change	% change
Current taxes	(2,519)	(2,569)	51	-2.0%
Previous years' taxes	2	(21)	23	-100.0%
Deferred tax assets/(liabilities)	3,599	2,251	1,348	59.9%
Total	1,082	(339)	1,421	-100.0%

The item includes the expense for current taxes pertaining to the financial year, amounting to EUR 2,519 thousand, and for taxes relating to previous financial years, amounting to a negative EUR 2 thousand.

Deferred taxes of EUR 3,599 thousand mainly refer to:

- income of EUR 2,896 thousand arising from the recognition of deferred taxation on the temporarily non-deductible impairment of property, plant and equipment and intangible assets following the impairment test;
- income totalling EUR 673 thousand related to partially deductible depreciation, particularly those related to the Cellularline and Interphone brands, and to accrual made to inventory write-downs and other temporarily non-deductible items.

The main temporary differences that led to the recognition of deferred taxes are shown in the table below, together with their effects (in thousands of Euro):

2025						
Amounts taken to profit or loss	Taxable	Tax rate	(Expense in profit or loss)	Taxable	Tax rate	Income in profit or loss
- unpaid Directors' fees	-	24.00%	-	-	24.00%	-
- accrual/(utilisation) of agents' severance indemnity	54	24.00%	(13)	-	24.00%	-
- accrual/(utilisation) of supplementary customer allowance	367	3.90%	(14)	-	3.90%	-
- accrual/(utilisation) of taxed loss allowances	38	24.00%	(9)	523	24.00%	126
- direct write-down of inventories	1,054	24.00%	(253)	998	24.00%	239
- accrual/(utilisation) of allowance for inventory write-down	-	24.00%	-	662	24.00%	159
- losses from exchange rate fluctuations to customers and suppliers	-	24.00%	-	950	24.00%	228
- losses from exchange rate fluctuations on loans to subsidiaries and associates	-	24.00%	-	10,381	27.90%	2,896
- gains from foreign exchange rate fluctuations to customers and suppliers	-	24.00%	-	-	24.00%	-
- gains from exchange rate fluctuations on loans to subsidiaries and associates	-	24.00%	-	-	24.00%	-
- amortisation/depreciation and impairment of customer list	-	27.90%	-	-	27.90%	-
- amortisation of trademarks	-	27.90%	-	817	27.90%	228
- changes in the fair value of warrants (IAS 32)	-	24.00%	-	-	24.00%	-
- valuation differences on employee severance indemnities (IAS 19)	-	24.00%	-	48	24.00%	12
- actuarial differences in the agents' severance indemnity provision (IAS 37)	-	24.00%	-	-	24.00%	0
Total deferred tax assets/liabilities recognised in profit or loss	1,513		(289)	14,331		3,888

The following is a summarising table for the reconciliation between the current tax charge and the theoretical tax charge (IRES, IRAP) and the reconciliation between the applicable tax rate and the average effective tax rate (in EUR thousands):

RECONCILIATION OF TAXES PRESENTED IN THE FINANCIAL STATEMENTS AND THEORETICAL TAXES	
Loss before taxes:	(29,838)
<i>Temporary differences</i>	
Temporary differences taxable in subsequent years (decreases of the year):	
Temporary differences deductible in subsequent years (increases of the year):	14,240
Reversal of prior year temporary differences taxed in the year:	0
Reversal of prior year temporary differences deducted in the year:	(1,054)
<i>Permanent differences</i>	
Impairment of goodwill and other non-current assets	22,645
Non-deductible taxes (excluding IRES and IRAP of the year)	1
Car expenses	244
Non-deductible accrual and depreciation	1,008
Write-downs and non-deductible credit losses	1,351
Entertainment expenses exceeding the tax limit	60
Non-deductible severance pay	-
Other non-deductible expenses	101
IRAP deduction on personnel expense	(69)
10% IRAP deduction	(49)
Patent box tax benefit	-
Fiscally-driven depreciation and amortisation	(5)
Non-taxable tax credits	-
Other permanent deductions	(62)
“Patent Box” Benefit	-
Non-deductible tax credits	-
IRES tax base	8,393
Gross current income taxes	2,014
Credit for taxes paid abroad	(484)
Deductions for energy rating expense	(5)
Current IRES effectively due on profit before taxes	1,525
Determination of IRAP tax base	
Operating profit	(23,358)
Costs considered for IRAP purposes	47,974
Tax wedge	(15,137)
Patent box tax benefit	-
Theoretic tax base	9,478
Current theoretical tax (3.9)	370
Directors’ and freelancers’ fees and related charges	340
Non-deductible amortisation of trademarks	817
Other increases in the tax base	1,703
Other decreases in the tax base	-
Patent box tax benefit	-
IRAP tax base	12,339
Current effective IRAP	481

7.9 Statement of Cash Flows

The main factors that influenced cash flow trends in the years considered are summarised below.

Net cash flows generated by operating activities

<i>(In thousands of Euro)</i>	Year ended	
	31 December 2025	31 December 2024
Cash flows from operating activities		
Profit/(loss) for the period	(28,756)	4,021
<i>Adjustments for:</i>		
- Current and deferred taxes	(1,082)	339
- Net impairment losses and accruals	2,245	1,937
(Income)/expenses from investments and (Gains)/losses on foreign exchange	2,446	2,556
Losses on equity investments	4,034	410
- Amortisation, depreciation and impairment losses	39,724	11,044
- Other non-monetary changes	-	-
<i>Changes in:</i>		
- Inventories	1,009	4,587
- Trade receivables	3,210	(6,646)
- Trade payables	(1,042)	(151)
- Other changes in operating assets and liabilities	509	2,721
- Payment of employee benefits and change in provisions	(310)	(201)
Taxes paid/offset	(4,310)	(2,107)
Cash flows generated by operating activities	17,676	18,508
Interest and other net charges paid	(2,446)	(2,556)
Cash flows generated by operating activities	15,230	15,952

Cash flows used in investing activities

<i>(In thousands of Euro)</i>	Year ended	
	31 December 2025	31 December 2024
Cash flow from investing activities		
Acquisition of subsidiary, net of cash acquired and other costs	(595)	(1,556)
Purchase of property, plant and equipment and intangible assets	(4,464)	(4,216)
Cash flows used in investing activities	(5,059)	(5,772)

Cash flows used in financing activities

<i>(In thousands of Euro)</i>	Year ended	
	31 December 2025	31 December 2024
Cash flows from financing activities		
(Dividend distribution)	(1,941)	(1,824)
Increase in other financial liabilities	(749)	3,058
Disbursed bank loans and borrowings from other financial backers [1] (*)	-	25,000
Repaid bank loans and borrowings from other financial backers (*)	(3,494)	(27,881)
Other changes in equity	(2,377)	(1,875)
Other non-monetary changes in equity	19	892
Cash flows used in financing activities	(8,543)	(2,630)

7 Transactions with related parties

The Company has carried out, and continues to carry out, various types of transactions with related parties, most of which are of a commercial nature. These parties are identified as required by IAS 24. Transactions with related parties are neither atypical nor unusual and fall within the ordinary course of Company business. These transactions mainly concern (i) the supply of products and accessories for mobile telephony, (ii) the provision of services that are functional to the performance of the business and (iii) the provision of loans to the above-mentioned related parties. Transactions with related parties, as defined by IAS 24 and governed by article 4 of Consob Regulation no. 17221 of 12 March 2010 (and subsequent amendments), implemented by the Company as at 31 December 2025 concern mainly commercial transactions relating to the supply of goods and the provision of services. The following is a list of the related parties with which transactions took place in FY 2025, indicating the type of relationship:

Related parties	Type and main relationship
Cellular Swiss S.A.	Associate of Cellularline S.p.A. having a 50% investment (measured using the equity method); the remaining shareholders are: Maria Luisa Urso (25%) and Antonio Miscioscia (25%)
Cellular Spain S.L.U.	100% holding in the company
Systema S.r.l.	100% holding in the company
Cellular Immobiliaria Italiana S.L.U.	100% holding in the company
Cellular Immobiliare Helvetica S.A.	100% holding in the company
WorldConnect AG	A 90% owned company (consolidated on a line-by-line basis); the remaining shareholders are Samuel Gerber
Coverlab S.r.l.	A 62% owned company; the remaining shareholders are Andrea Fabbri (38%).
Cellular USA Inc.	100% holding in the company
Cellularline Benelux B.V.	100% holding in the company
Peter Jäckel GmbH	A 80% owned company; the remaining shareholders are Peter Jäckel Immobilien (20.4%)
Cellularline Middle East FZE	Company incorporated in April 2023, wholly-owned.
Cellular Benelux	Company incorporated in November 2025, wholly owned.
Christian Aleotti	Shareholder of Cellularline S.p.A.

The table below shows the balances of transactions with related parties carried out by Cellularline and recognised in the statement of financial position as at 31 December 2025:

<i>(In thousands of Euro)</i>	Current trade receivables	Non-current financial assets	(Current trade payables)	Receivables/(Payables) from tax consolidation
Cellular Spain S.L.U.	9,481	-	-	-
Cellular Swiss S.A.	2,781	-	-	-
Cellularline Middle East FZE	2,180	-	-(144)	-
Peter Jäckel GmbH	793	-	(83)	-
Systema S.r.l.	1,377	-	(485)	229
Worldconnect AG	146	715	-	-
Cellular Immobiliare Helvetica S.A.	90	825	-	-
Cellular Immobiliaria Italiana S.L.U.	11	339	-	-
Cellularline Benelux BV	86	-	-	-
Coverlab S.r.l.	-	560	-	(236)
Cellular USA Inc.	6	145	(253)	-
Total	16,951	2,584	(964)	(7)
<i>Impact on the financial statements item</i>	<i>32.8%</i>	<i>97.1%</i>	<i>3.7%</i>	<i>-0.1%</i>

It should be noted that trade receivables are presented net of the related trade payables.

The table below shows the income statement balances of Cellularline's transactions with related parties until 31 December 2025:

	Revenues from sales	(Cost of sales)	(General and administrative costs)	Other non-operating (expense)/revenue	Financial income
Cellular Spain S.L.U.	6,121	-	-	40	-
Cellular Swiss S.A.	5,520	(1)	(2)	-	-
Systema S.r.l.	4,257	(1,254)	-	198	-
Worldconnect A.G.	-	(138)	-	139	31
Cellular Immobiliaria Italiana S.L.U.	-	-	-	-	15
Cellular Immobiliare Helvetica S.A.	-	-	-	-	36
Peter Jäckel GmbH	1,989	-	-	(42)	-
Middle East	1,283	-	-	60	-
Coverlab	14	-	-	-	20
Cellular USA Inc.	-	(22)	-	3	5
Cellular Benelux	86	-	-	1	-
Christian Aleotti	-	-	(15)	-	-
Total	19,270	(1,415)	(17)	400	108
<i>Impact on the financial statements item</i>	<i>15.7%</i>	<i>1.9%</i>	<i>0.1%</i>	<i>19.5%</i>	<i>50.3%</i>

The main related parties with which Cellularline carried out transactions in the year ended 31 December 2025 are as follows:

- Cellular Swiss S.A.: commercial relationship relating to the transfer of goods for sale by Cellularline to Cellular Swiss S.A., with the latter recharging a portion of the contributions of a commercial nature incurred for the acquisition of new customers and/or the development of existing customers;
- Cellular Spain SLU: commercial relationship relating to the transfer of goods for sale by Cellularline to Cellular Spain S.L.U., with the latter recharging a portion of the contributions of a commercial nature incurred for the acquisition of new customers and/or the development of existing customers;
- Systema S.r.l.: commercial relationship relating to the transfer of goods for sale by Cellularline to Systema S.r.l.;
- Worldconnect A.G.: commercial relationship relating to the transfer of goods for sale by Cellularline to Worldconnect A.G.;
- Coverlab S.r.l.: commercial relationship relating to the transfer of goods for sale by Cellularline to Coverlab S.r.l.;
- Cellular USA Inc.: relationship in the nature of provision of services by Cellularline to Cellular USA Inc;
- Peter Jäckel GmbH: commercial relationship relating to the supply of goods for sale by Cellularline to Peter Jäckel GmbH;
- Cellularline Middle East FZE: commercial relationship relating to the transfer of goods for sale by Cellularline to Middle East FZE;
- Cellularline Benelux BV: commercial relationship relating to the transfer of goods for sale by Cellularline to Cellularline Benelux BV;
- Christian Aleotti: two leases to which Cellularline is a party, as tenant, entered into on 1 September 2017 and 16 October 2017.

8 Other information

Highlights of the Financial Statements of the Company that manages and coordinates Cellularline

The Company is not managed or coordinated by another company.

Contingent liabilities

On the basis of the information available to date, the Company's Directors believe that, at the date of approval of these Separate Financial Statements, the accrued provisions are sufficient to ensure the correct presentation of financial information.

Risks

The Company is exposed to the various risks already illustrated in Paragraph 13 of the Consolidated Directors' Report.

Guarantees granted in favour of third parties

There are no guarantees in favour of third parties.

Number of employees

The average number of employees for the year, broken down by category, was as follows:

AVERAGE NUMBER OF EMPLOYEES		
HEADCOUNT	Average 2025	Average 2024
Managers	12	11
Junior managers	33	36
Clerical staff	149	148
Blue collar workers	1	1
Apprentices	14	15
TOTAL	209	211

Remuneration of Executive Officers and Key Managers

The following table shows the fees:

Category	2025	2024
<i>(In thousands of Euro)</i>		
Executive Directors	1,005	998
Other key managers	252	235
Total remuneration	1,257	1,233

The remuneration of the Executive Officers includes both the emolument for this office and the remuneration as Executives.

Directors' and Statutory Auditors' fees

The Directors' fees for 2025 amounted to approximately EUR 306 thousand.

The Board of Statutory Auditors' fees for 2025 amounts to approximately EUR 77 thousand.

Independent Auditors' fees

By resolution of the Shareholders' Meeting of 16 April 2019, the Company appointed KPMG S.p.A. as Independent Auditor until the approval of the 2027 Financial Statements. Fees for the statutory audit of the Parent's and the Group's separate and consolidated financial statements (annual and half-yearly) amount to a total of EUR 150 thousand, in addition to EUR 50 thousand for other appointments for the issue of a attestation and EUR 3 thousand for other accounting services as shown in the following table:

<i>(In thousands of Euro)</i>			
Type of services	Recipient	KPMG Network	2025
A) Audit services	Parent	KPMG S.p.A.	150
		KPMG Network	-
B) Attestation services	Parent	KPMG S.p.A.	50
		KPMG Network	-
C) Other services	Parent	KPMG S.p.A.	3
		KPMG Network	-
Total - Parent			203

KEY EVENTS AFTER THE REPORTING DATE

- On 04 March 2026, the Board of Directors approved the 2026-2029 Business Plan.
- The early months of 2026 saw an escalation of the conflict in the Middle East. The critical evolution of the geopolitical situation has generated increased uncertainty in international markets, with potential repercussions on costs and supply chains. The impact for the Company is currently being monitored.

Reggio Emilia, 16 March 2026

Chair of the Board of Directors

Antonio Luigi Tazartes

APPROVAL OF THE FINANCIAL STATEMENTS AND RELATED RESOLUTIONS

Shareholders,

In inviting you to approve the draft financial statements of your Company for the year ended 31 December 2025, we propose that you fully cover the loss of EUR 28,755,504 through the use of the Share Premium Reserve, which will therefore decrease from EUR 101,391,528 (of which EUR 38,772,585 is available) to EUR 72,636,024 (of which EUR 10,017,081 is available).

Finally, we propose you approve the distribution of a dividend partly in cash and partly through the assignment of treasury shares held in portfolio, to be counted against available reserves. The portion of a dividend paid in cash, amounting to EUR 2,244,623 (EUR 0.108 per eligible ordinary share), will be drawn:

- from the retained earnings reserves recorded in the statements as of December 31, 2025, totaling €1,017,765, which are fully available;
- from the share premium reserve in the amount of EUR 1,226,858, recorded in the financial statements as of December 31, 2025, totaling EUR 101,391,528 (of which EUR 38,772,585 is available), reduced to EUR 72,636,024 following the coverage of the loss for the year (of which EUR 10,017,081 is available).

The portion a dividend paid through the free allocation of treasury shares held in the company's portfolio will amount to a maximum of 340,714 ordinary treasury shares, in the amount of 1 ordinary treasury share for every 61 ordinary shares held, excluding treasury shares held on the day prior to the ex-dividend date.

Chair of the Board of Directors

Antonio Luigi Tazartes

ATTESTATION OF THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 December 2025 PURSUANT TO ART. 81-TER OF CONSOB REGULATION NO. 11971 OF 14 MAY 1999, AS AMENDED AND SUPPLEMENTED

1. I, the undersigned Christian Aleotti, as Chief Executive Officer, and Giacomo Rizzi, in his capacity as Manager responsible for preparing the financial information of the Company Cellularline, attest, also considering the provisions of Article 154-bis, paragraphs 3 and 4, of Legislative Decree 58 of 24 February 1998:

- that the Financial Statements are consistent with the characteristics of the business;
- that the administrative and accounting procedures for the preparation of the Financial Statements as at and for the year ended 31 December 2025 have been effectively applied.

2. In this regard, we note that no significant issues emerged.

3. We also attest that:

3.1. The Annual Financial Statements as at and for the year ended 31 December 2025 of Cellularline S.p.A.:

- have been prepared in accordance with the applicable International Financial Reporting Standards endorsed by the European Union pursuant to Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002;
- correspond with the entries in the ledgers and the accounting records;
- give a true and fair view of the performance and financial position of the issuer.

3.2. The Directors' Report includes a reliable analysis of the performance and results of operations as well as of the issuer's position, together with a description of the main risks and uncertainties to which it is exposed.

Reggio Emilia, 16 March 2026

Christian Aleotti

Giacomo Rizzi

Chief Executive Officer

Manager responsible for preparing the financial information



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(The accompanying translated consolidated financial statements of the Cellularline Group constitute a non-official version which is not compliant with the provisions of Commission Delegated Regulation (EU) 2019/815. This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010 and article 10 of Regulation (EU) no. 537 of 16 April 2014

*To the shareholders of
Cellularline S.p.A.*

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of the Cellularline Group (the "group"), which comprise the statement of financial position as at 31 December 2025, the income statement and statements of comprehensive income, cash flows and changes in equity for the year then ended and notes thereto, which include material information on the significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Cellularline Group as at 31 December 2025 and of its financial performance and cash flows for the year then ended in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board and endorsed by the European Union, as well as the Italian regulations implementing article 9 of Legislative decree no. 38/05.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the consolidated financial statements" section of our report. We are independent of Cellularline S.p.A. (the "parent") in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

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



Cellularline Group

Independent auditors' report

31 December 2025

Recoverability of goodwill

Notes to the consolidated financial statements: note 2.3 – Use of estimates and judgements in the preparation of the consolidated financial statements; note 4.2 – Goodwill; note 4.2.1 – Impairment test on goodwill

Key audit matter	Audit procedures addressing the key audit matter
<p>The group's consolidated financial statements at 31 December 2025 include goodwill of €8.6 million, net of an impairment loss of €29.8 million recognised in profit or loss.</p> <p>The directors determine the recoverable amount of goodwill by calculating value in use. This method, by its very nature, requires a high level of directors' judgement about the projected operating cash flows and the discount and growth rates of those cash flows.</p> <p>For impairment testing purposes, the directors used the expected operating cash flows estimated on the basis of the 2026-2029 business plan (the "plan"), approved by the parent's board of directors on 4 March 2026. The parent's board of directors approved the impairment test on 11 March 2026.</p> <p>The operating cash flow estimate reflects the potential impact of the performance of the market performance and, in general, of the current macroeconomic scenario.</p> <p>Considering the above, we believe that the recoverability of goodwill is a key audit matter.</p>	<p>Our audit procedures, which also involved our own specialists, included:</p> <ul style="list-style-type: none">• understanding and analysing the processes adopted for impairment testing and the preparation of the plan;• assessing the reasonableness of the key assumptions used by the directors to determine the goodwill's recoverable amount. Our analyses included comparing the key assumptions used to the group's historical data and external information, where available;• analysing the valuation models adopted by the directors for reasonableness and consistency with professional practice;• assessing the appropriateness of the disclosures provided in the notes about goodwill and the related impairment test.

Responsibilities of the parent's directors and board of statutory auditors ("Collegio Sindacale") for the consolidated financial statements

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board and endorsed by the European Union, as well as the Italian regulations implementing article 9 of Legislative decree no. 38/05 and, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the group's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the consolidated financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the parent or ceasing operations exist, or have no realistic alternative but to do so.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, the group's financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a



Cellularline Group

Independent auditors' report

31 December 2025

guarantee that an audit conducted in accordance with ISA Italia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

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

We also provide those charged with governance with a statement that we have complied with the ethics and independence rules and standards applicable in Italy and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the measures taken to eliminate those threats or the safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are, therefore, the key audit matters. We describe these matters in our auditors' report.



Cellularline Group

Independent auditors' report

31 December 2025

Other information required by article 10 of Regulation (EU) no. 537/14

On 16 April 2019, the parent's shareholders appointed us to perform the statutory audit of its separate and consolidated financial statements as at and for the years ending from 31 December 2019 to 31 December 2027.

We declare that we did not provide the prohibited non-audit services referred to in article 5.1 of Regulation (EU) no. 537/14 and that we remained independent of the parent in conducting the statutory audit.

We confirm that the opinion on the consolidated financial statements expressed herein is consistent with the additional report to the *Collegio Sindacale*, in its capacity as audit committee, prepared in accordance with article 11 of the Regulation mentioned above.

Report on other legal and regulatory requirements

Opinion on the compliance with the provisions of Commission Delegated Regulation (EU) 2019/815

The parent's directors are responsible for the application of the provisions of Commission Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (ESEF) to the consolidated financial statements at 31 December 2025 to be included in the annual financial report.

We have performed the procedures required by Standard on Auditing (SA Italia) 700B in order to express an opinion on the compliance of the consolidated financial statements with Commission Delegated Regulation (EU) 2019/815.

In our opinion, the consolidated financial statements at 31 December 2025 have been prepared in XHTML format and have been marked up, in all material respects, in compliance with the provisions of Commission Delegated Regulation (EU) 2019/815.

Due to certain technical limitations, some information included in the notes to the consolidated financial statements when extracted from the XHTML format to an XBRL instance may not be reproduced in an identical manner with respect to the corresponding information presented in the consolidated financial statements in XHTML format.

Opinion and statement pursuant to article 14.2.e)/e-bis)/e-ter) of Legislative decree no. 39/10 and article 123-bis.4 of Legislative decree no. 58/98

The parent's directors are responsible for the preparation of the group's directors' report and report on corporate governance and ownership structure at 31 December 2025 and for the consistency of such reports with the related consolidated financial statements and their compliance with the applicable law.

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to:

- express an opinion on the consistency of the directors' report and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 with the consolidated financial statements;
- express an opinion on the compliance of the directors' report and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 with the applicable law;



Cellularline Group

Independent auditors' report

31 December 2025

- issue a statement of any material misstatements in the directors' report and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98.

In our opinion, the directors' report and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 are consistent with the group's consolidated financial statements at 31 December 2025.

Moreover, in our opinion, the directors' report and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 have been prepared in compliance with the applicable law.

With reference to the above statement required by article 14.2.e-ter) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Parma, 30 March 2026

KPMG S.p.A.

(signed on the original)

Federico Superchi
Director of Audit



KPMG S.p.A.
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(The accompanying translated separate financial statements of Cellularline S.p.A. constitute a non-official version which is not compliant with the provisions of Commission Delegated Regulation (EU) 2019/815. This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010 and article 10 of Regulation (EU) no. 537 of 16 April 2014

*To the shareholders of
Cellularline S.p.A.*

Report on the audit of the separate financial statements

Opinion

We have audited the separate financial statements of Cellularline S.p.A. (the “company”), which comprise the statement of financial position as at 31 December 2025, the income statement and the statements of comprehensive income, cash flows and changes in equity for the year then ended and notes thereto, which include material information on the accounting policies.

In our opinion, the separate financial statements give a true and fair view of the financial position of Cellularline S.p.A. as at 31 December 2025 and of its financial performance and cash flows for the year then ended in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board and endorsed by the European Union, as well as the Italian regulations implementing article 9 of Legislative decree no. 38/05.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the “*Auditors' responsibilities for the audit of the separate financial statements*” section of our report. We are independent of the company in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key audit matters

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



Cellularline S.p.A.

Independent auditors' report

31 December 2025

Recoverability of goodwill

Notes to the separate financial statements: note 2.2 – Use of estimates and judgements in the preparation of the separate financial statements, note 6.2 – Goodwill and note 6.2.1 – Impairment test on goodwill

Key audit matter	Audit procedures addressing the key audit matter
<p>In its separate financial statements at 31 December 2025, the company reduced the carrying amount of goodwill to nil by recognising an impairment loss of €18.4 million in profit or loss.</p> <p>The directors determine the recoverable amount of goodwill by calculating value in use. This method, by its very nature, requires a high level of directors' judgement about the projected operating cash flows and the discount and growth rates of those cash flows.</p> <p>For impairment testing purposes, the directors used the expected operating cash flows estimated on the basis of the 2026-2029 business plan (the "plan"), approved by the company's board of directors on 4 March 2026. The company's board of directors approved the impairment test on 11 March 2026.</p> <p>The operating cash flow estimate reflects the potential impact of the performance of the market performance and, in general, of the current macroeconomic scenario.</p> <p>Considering the above, we believe that the recoverability of goodwill is a key audit matter.</p>	<p>Our audit procedures, which also involved our own specialists, included:</p> <ul style="list-style-type: none">• understanding and analysing the processes adopted for impairment testing and the preparation of the plan;• assessing the reasonableness of the key assumptions used by the directors to determine the goodwill's recoverable amount. Our analyses included comparing the key assumptions used to the company's and group's historical data and external information, where available;• analysing the valuation models adopted by the directors for reasonableness and consistency with professional practice;• assessing the appropriateness of the disclosures provided in the notes about goodwill and the related impairment test.

Recoverability of equity investments

Notes to the separate financial statements: note 2.2 – Use of estimates and judgements in the preparation of the separate financial statements, note 6.4 – Equity investments in subsidiaries and associates and note 6.4.1 – Impairment test on equity investments

Key audit matter	Audit procedures addressing the key audit matter
<p>The company's separate financial statements at 31 December 2025 include investments in subsidiaries of €21.5 million, net of an impairment loss of €4.0 million recognised in profit or loss.</p> <p>Investments in subsidiaries are tested for impairment when there is any indicators of impairment. Based on their analysis of indicators of impairment, the directors estimated the recoverable amount of the investments in Systema S.r.l., Worldconnect AG, Peter Jäckel GmbH, Coverlab S.r.l. and Cellularline USA Inc..</p> <p>They determined the recoverable amounts of the investments in Systema S.r.l., Worldconnect AG and Peter Jäckel GmbH by estimating the value in use of each investment. This method, by its very nature, requires a high level of directors' judgement about the projected operating cash flows and the discount and</p>	<p>Our audit procedures, which also involved our own specialists, included:</p> <ul style="list-style-type: none">• understanding and analysing the processes adopted for impairment testing and the preparation of the plan;• assessing the reasonableness of the key assumptions used by the directors to determine the equity investments' recoverable amount. Our analyses included comparing the key assumptions used to the group companies' historical data and external information, where available;• analysing the valuation models adopted by the directors for reasonableness and consistency with professional practice;



Cellularline S.p.A.

Independent auditors' report

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growth rates of those cash flows. The directors determined that the recoverable amounts of the investments in Coverlab S.r.l. and Cellularline USA Inc. are equal to the respective subsidiaries' reported equity.

For impairment testing purposes, the directors used the expected operating cash flows estimated on the basis of the 2026-2029 business plan (the "plan"), approved by the company's board of directors on 4 March 2026. The company's board of directors approved the impairment test on 11 March 2026.

The operating cash flow estimate reflects the potential impact of the performance of the market performance and, in general, of the current macroeconomic scenario.

Considering the above, we believe that the recoverability of equity investments is a key audit matter.

- checking the directors' sensitivity analysis described in the notes in relation to the key assumptions used for impairment testing;
- assessing the appropriateness of the disclosures provided in the notes about investments in subsidiaries and the related impairment tests.

Responsibilities of the company's directors and board of statutory auditors ("Collegio Sindacale") for the separate financial statements

The directors are responsible for the preparation of separate financial statements that give a true and fair view in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board and endorsed by the European Union, as well as the Italian regulations implementing article 9 of Legislative decree no. 38/05 and, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the company's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the separate financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the company or ceasing operations exist, or have no realistic alternative but to do so.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, the company's financial reporting process.

Auditors' responsibilities for the audit of the separate financial statements

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



Cellularline S.p.A.

Independent auditors' report

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As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the company to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with the ethics and independence rules and standards applicable in Italy and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the measures taken to eliminate those threats or the safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate financial statements of the current year and are, therefore, the key audit matters. We describe these matters in our auditors' report.

Other information required by article 10 of Regulation (EU) no. 537/14

On 16 April 2019, the company's shareholders appointed us to perform the statutory audit of its separate and consolidated financial statements as at and for the years ending from 31 December 2019 to 31 December 2027.

We declare that we did not provide the prohibited non-audit services referred to in article 5.1 of Regulation (EU) no. 537/14 and that we remained independent of the company in conducting the statutory audit.



Cellularline S.p.A.

Independent auditors' report

31 December 2025

We confirm that the opinion on the separate financial statements expressed herein is consistent with the additional report to the *Collegio Sindacale*, in its capacity as audit committee, prepared in accordance with article 11 of the Regulation mentioned above.

Report on other legal and regulatory requirements

Opinion on the compliance with the provisions of Commission Delegated Regulation (EU) 2019/815

The company's directors are responsible for the application of the provisions of Commission Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (ESEF) to the separate financial statements at 31 December 2025 to be included in the annual financial report.

We have performed the procedures required by Standard on Auditing (SA Italia) 700B in order to express an opinion on the compliance of the separate financial statements with Commission Delegated Regulation (EU) 2019/815.

In our opinion, the separate financial statements at 31 December 2025 have been prepared in XHTML format in compliance with the provisions of Commission Delegated Regulation (EU) 2019/815.

Opinion and statement pursuant to article 14.2.e)/e-bis)/e-ter) of Legislative decree no. 39/10 and article 123-bis.4 of Legislative decree no. 58/98

The company's directors are responsible for the preparation of the directors' report and the report on corporate governance and ownership structure at 31 December 2025 and for the consistency of such reports with the related separate financial statements and their compliance with the applicable law.

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to:

- express an opinion on the consistency of the report on operations and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 with the separate financial statements;
- express an opinion on the compliance of the report on operations and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 with the applicable law;
- issue a statement of any material misstatements in the directors' report and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98.

In our opinion, the directors' report and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 are consistent with the company's separate financial statements at 31 December 2025.

Moreover, in our opinion, the directors' report and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 have been prepared in compliance with the applicable law.



Cellularline S.p.A.

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With reference to the above statement required by article 14.2.e-ter) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Parma, 30 March 2026

KPMG S.p.A.

(signed on the original)

Federico Superchi
Director of Audit

Cellularline S.p.A.
Headquarters in Reggio Emilia - Via Grigoris Lambrakis 1/a
Share Capital €21,343,189 fully paid
Registered with the Reggio Emilia Business Register and Tax Code 09800730963
REA of Reggio Emilia No. 315329

* * *

(Translation from the Italian original which remains the definitive version)

Report of the Board of Statutory Auditors to the Shareholders' Meeting
Pursuant to Article 153 of Legislative Decree No. 58/1998 and Article 2429 of the Civil Code

Dear Shareholders,

this report, prepared pursuant to Article 153 of Legislative Decree No. 58/1998 (the “TUF”) and Article 2429 of the Italian Civil Code, outlines the supervisory activities carried out by the Board of Statutory Auditors of Cellularline S.p.A. (hereinafter also the “Company”) during the financial year ended 31 December 2025. The report has been drafted in accordance with the “Rules of Conduct for the Boards of Statutory Auditors of Listed Companies” issued by the Italian National Council of Chartered Accountants and Accounting Experts, the recommendations of Consob regarding corporate controls and the activities of boards of statutory auditors, and the guidelines of the Corporate Governance Code prepared by the Corporate Governance Committee of Borsa Italiana and adopted by the Company. The Board of Statutory Auditors also performed its supervisory duties in its capacity as the Internal Control and Audit Committee.

The Board of Statutory Auditors, composed of Lorenzo Rutigliano (Chairman), Daniela Bainotti, and Paolo Chiussi (statutory auditors), was appointed by the shareholders' meeting on April 28, 2023, and will conclude its mandate with the shareholders' meeting approving the financial statements for the year ending December 31, 2025.

The Board of Statutory Auditors verified, both upon acceptance of the appointment and subsequently during the term of office, that its members met the integrity and professional requirements set out in Ministerial Decree No. 162 of 30 March 2000, that no grounds for disqualification or incompatibility existed, and that the independence requirements pursuant to Article 2399 of the Italian Civil Code, Article 148, paragraph 3, of Legislative Decree No. 58 of 24 February 1998, and the Corporate Governance Code were satisfied.

All members also declare that they do not hold management or control positions in a number equal to or exceeding the limits established by applicable laws and regulations.

The performance of accounting control and legal audit activities has been entrusted to the auditing firm KPMG S.p.A., which has been assigned the legal audit mandate for the years 2019 - 2027.

In carrying out its institutional activities, the Board of Statutory Auditors acknowledges having:

- Monitored compliance with the Law and the Statute;
- Oversaw compliance with information obligations regarding regulated and privileged information;
- Participated, in its collective capacity, in all meetings of the Assembly, the meetings of the Board of Directors, and the meetings of the established and operating Board Committees, and has continuously received information from the directors and company management regarding the activities carried out, the general progress of management, its expected evolution, as well as the

transactions of significant economic, equity, and financial relevance undertaken during the fiscal year;

- Acknowledged the statements made by the Directors and the evaluations expressed by the Board of Directors, and verified the correct application of the assessment procedures adopted to evaluate the independence of the Board members, regarding which the Board of Statutory Auditors has not identified any elements to report in this report;
- Verified the adequacy of the composition and functioning of the Board of Directors, with particular reference to the definition of the Company's strategic guidelines, the assessment of results in the course of preparation, the analysis of the Company's risk profile, and the establishment of the organisational structure;
- Acquired knowledge of, and monitored, within the scope of its responsibilities, the adequacy of the Company's organisational structure and compliance with the principles of proper management, as well as the adequacy of the administrative-accounting system and its reliability in correctly representing operating events, through the collection of data and information from the heads of the main functions and from the Independent Auditors;
- Assessed and monitored the adequacy of the instructions issued to subsidiaries pursuant to Article 114, paragraph 2, of Legislative Decree No. 58/1998;
- Obtained information on the organisational and procedural activities carried out pursuant to Legislative Decree No. 231/2001, including through meetings with the Company's Supervisory Body, and exchanged information with the internal control functions, without identifying any matters requiring reporting in this document;
- Monitored, in its capacity as the Internal Control and Audit Committee pursuant to Article 19 of Legislative Decree No. 39/2010, *(i)* the financial reporting process, *(ii)* the effectiveness of the internal control and risk management system, *(iii)* the statutory audit of the separate and consolidated financial statements, and *(iv)* the independence of the statutory auditor;
- Monitored compliance with the Procedure for Related-Party Transactions adopted by the Company, noting that no atypical and/or unusual intragroup transactions were carried out with related parties and/or transactions capable of significantly affecting the Company's economic, financial or equity position. No issues requiring reporting in this document emerged with regard to the fairness and alignment with the Company's interest of Related-Party Transactions; the information on such transactions provided in the notes to the financial statements and in the management report was found to be adequate;
- Verified that the Corporate Governance and Ownership Structure Report was prepared pursuant to Article 123-bis of the TUF and that it provides a detailed description of the effective implementation of the corporate governance rules set out in the Corporate Governance Code to which the Company adheres; where applicable, in the limited cases in which the Company deemed it appropriate to depart from the provisions of the Code, the related rationale was provided;
- Verified the contents of the Remuneration Report prepared pursuant to Article 123-ter of the TUF and made available on the Company's website, which provides a detailed description of the effective implementation of the remuneration policies. The Board of Statutory Auditors verified the application of the Company's remuneration policies with particular reference, among others, to the Chief Executive Officer, the General Manager Sales & Marketing and the Chief Financial Officer. The Board of Directors acknowledged the failure to achieve the performance targets under the MBO plan for Directors holding specific offices and for Executives with Strategic Responsibilities. At its meeting of 16 March 2026, the Board of Directors—upon the favourable opinion of the Nomination and Remuneration Committee and after consulting the Related-Party Transactions Committee—resolved to grant the General Manager Sales & Marketing an extraordinary one-off bonus of EUR 45,000 as recognition of the decisive contribution provided to the development and consolidation of strategic commercial initiatives with significant commercial impact;

- Held periodic meetings with the Independent Auditors for the exchange of relevant information and data and to monitor the financial reporting process, its adequacy and integrity, as well as compliance with the legal provisions governing the preparation of the financial statements and their format and structure;
- Received from the Independent Auditors the “Additional Report to the Internal Control and Audit Committee” required under Article 11 of EU Regulation No. 537/2014, which (i) includes the auditors’ declaration of independence, (ii) outlines the timing and scope of the audit, describes the methodology applied, the effects on the audit plan of the main impacts relating to the macroeconomic environment, and indicates the overall quantitative materiality level, (iii) sets out the valuation methods applied to the various items of the separate and consolidated financial statements and the related risks, without highlighting any critical issues or significant matters to report, (iv) does not identify significant deficiencies in the internal control system with respect to the financial reporting process, (v) does not report significant issues in verifying the regular keeping of the Company’s accounts and the proper recording of operating events in the accounting records, and (vi) does not report significant issues in verifying compliance of the financial statements with the regulatory provisions on the European Single Electronic Format (ESEF); no issues deemed significant or requiring your attention emerged from this report;
- Verified the appointment of the Impact Manager, to whom functions and duties aimed at pursuing the common benefit—consistent with and within the framework of the regulations governing Benefit Corporations—have been assigned, as well as the adequacy of the individual appointed to perform the role pursuant to Article 1, paragraph 380, of Law No. 208/2015, and the preparation of the Impact Report pursuant to Article 1, paragraphs 376–384, of Law No. 208/2015. No significant findings emerged, and no irregularities were identified.

Considering the information acquired, the Board of Statutory Auditors believes that the activities were carried out in compliance with the principles of proper administration and that both the organizational, administrative, and accounting structure guiding the financial reporting process, as well as the internal control and risk management system, are overall adequate to meet the current business needs.

In accordance with the guidelines provided by Consob in communication DEM/1025564 of April 6, 2001, the following information is provided:

1. Considerations on the most significant economic, financial and equity transactions carried out by the Company and on their compliance with the law and the articles of association

We obtained from the directors, at least on a quarterly basis, information on the activities performed and on the most significant economic, financial and equity transactions carried out by the Company and its subsidiaries, as well as on the foreseeable evolution of operations. We can reasonably assure you that the actions resolved upon and implemented by the Company comply with the Law and the Articles of Association, are not manifestly imprudent, reckless or in conflict with the resolutions adopted by the shareholders’ meeting, nor such as to compromise the integrity of the Company’s equity.

The most significant transactions carried out during the 2025 financial year that the Board of Statutory Auditors considers appropriate to highlight are described below:

- the launch, following the shareholders’ authorisation of 17 April 2025, of a new buyback programme of up to 7% of the share capital (maximum EUR 3.8 million);
- the purchase of 858,016 treasury shares, within the scope of the authorisation to purchase treasury shares granted by the Shareholders’ Meeting of the Issuer on 22 November 2023 and renewed by the Shareholders’ Meeting on 17 April 2025, for a total consideration of EUR 2,373 thousand;

- the resolution and completion of the liquidation of Subliros S.L. as part of a rationalisation of the Group's e-commerce activities, which entailed the consolidation of the business within the subsidiary Coverlab S.r.l.;
- the distribution of cash dividends amounting to EUR 0.093 per entitled ordinary share and the distribution of dividends through the free allocation to shareholders of 342,155 treasury shares, at a ratio of 1 ordinary share for every 61 ordinary shares held;
- the acquisition of Benefit Corporation status and the identification of the common-benefit purposes;
- the increase in the controlling interest in Peter Jäckel to 79.6% of its share capital following the exercise of a Put option granted to a minority shareholder for a tranche equal to 19.6% of the company's share capital;
- the appointment of Mr Giacomo Rizzi as Manager in charge of preparing the Company's financial reports pursuant to Article 154-bis of the TUF, who assumed responsibility for the Group's administration, finance and control area, replacing Mr Mauro Borgogno, who resigned from the position for personal reasons while retaining his role as a director of the Company;
- the incorporation of Cellularline Benelux BV, with registered office in Brussels, with the aim of directly serving customers in the region.

2. Indication of the potential existence of atypical and/or unusual transactions, including those intra-group or with related parties.

The intra-group transactions or those with related parties are found to be compliant with the law, the by-laws, and the procedure on related party transactions adopted by the Company. They do not raise doubts regarding the correctness and completeness of the related financial reporting, the existence of conflicts of interest, or the safeguarding of corporate assets.

Based on the information available to the Board of Statutory Auditors, no atypical and/or unusual transactions have emerged, according to the definition provided in Note 2 of CONSOB Communication No. DEM/1025564 of April 6, 2001.

3. Evaluation regarding the adequacy of the information provided in the management report by the directors concerning atypical and/or unusual transactions, including intra-group transactions and those with related parties.

The directors have adequately reported and illustrated specific explanatory notes accompanying both the separate financial statements and the consolidated financial statements, detailing the main intra-group transactions or transactions with related parties, describing their characteristics.

4. Activities of Supervision on the Legal Audit

In accordance with Article 19 of Legislative Decree No. 39/2010, the Board of Statutory Auditors carried out the required supervisory activities regarding the work of the Independent Auditors. In this respect, the Board of Statutory Auditors held several meetings with the audit firm KPMG S.p.A., also pursuant to Article 150 of the TUF, concerning, among other matters: the review of the Additional Report pursuant to Article 11 of EU Regulation No. 537/2014; the limited review of the Company's Half Year Report as at 30 June 2025; the planning of audit activities for the financial statements as at 31 December 2025; the progress of the audit work on the financial statements as at 31 December 2025; and the results of the audit of the financial statements as at 31 December 2025. During these meetings, the Independent Auditors did not report any facts deemed objectionable or irregularities requiring notification pursuant to Article 155, paragraph 2, of the TUF.

5. Observations and Proposals Regarding the Remarks and Information Requests in the Auditing Firm’s Report

The Independent Auditors issued, on 30 March 2026, the Audit Report on the separate financial statements as at 31 December 2025 and the Audit Report on the consolidated financial statements as at 31 December 2025, highlighting the key audit matters, which consisted of the recoverability of goodwill and equity investments for the separate financial statements, and the recoverability of goodwill for the consolidated financial statements. The reports express: (i) an opinion stating that the separate and consolidated financial statements of Cellularline S.p.A. provide a true and fair view of the financial position of Cellularline S.p.A. and of the Group as at 31 December 2025, and of the results of operations and cash flows for the year then ended, in accordance with IAS/IFRS as adopted by the European Union and with the measures issued pursuant to Article 9 of Legislative Decree 38/05; (ii) an opinion on the appropriateness of the Directors’ use of the going concern assumption; (iii) an opinion on the compliance of the separate and consolidated financial statements, prepared in XHTML format, with the provisions of Delegated Regulation (EU) 2019/815; (iv) an opinion on consistency stating that the Management Reports accompanying the separate and consolidated financial statements as at 31 December 2025, as well as certain specific information contained in the “Corporate Governance and Ownership Structure Report” referred to in Article 123 bis, paragraph 4, of the TUF—whose responsibility lies with the Company’s Directors—are prepared in accordance with the applicable legal provisions; (v) a statement that there is nothing to report (Article 14, paragraph 2, letter e ter), of Legislative Decree 39/10) with regard to any material misstatements in the Management Report, based on the knowledge and understanding of the entity and its environment obtained during the audit.

The key audit matters identified—namely the recoverability of goodwill and equity investments—were addressed by the auditor as part of the audit and in forming the opinion on the separate and consolidated financial statements as a whole.

On 20 March 2026, and subsequently in today’s meeting, the Independent Auditors presented to the Board of Statutory Auditors, in its capacity as the Internal Control and Audit Committee, the Additional Report required under Article 11 of European Regulation No. 537/2014. Today, as required by Article 19 of Legislative Decree No. 39/2010, the Board examined the document and transmitted it to the Board of Directors together with its own observations.

6. Indication of Any Complaints Filed Pursuant to Article 2408 of the Civil Code and Related Initiatives and Outcomes

During the fiscal year ended December 31, 2025, the Board of Statutory Auditors did not receive any complaints or reports pursuant to Article 2408 of the Civil Code.

7. Indication of Any Complaints Filed, Related Initiatives, and Outcomes

No complaints were received by the Board of Statutory Auditors.

8. Indication of Any Additional Assignments Given to the Auditing Firm and Related Costs

During the 2025 financial year, the Company engaged KPMG S.p.A. to perform the following non audit services, which do not fall within the prohibited services under EU Regulation 537/2014: (i) the “Verification of the Financial Covenants provided for under Article 14 of the Financing Agreement, in particular the ratio between Consolidated Net Financial Debt and Consolidated EBITDA (‘Leverage Ratio’) and Excess Cash Flow”, for

fees amounting to EUR 5 thousand; (ii) the “limited assurance engagement on the Cellularline Group Sustainability Report for the year ended 31 December 2024”, for fees amounting to EUR 45 thousand. An additional EUR 3 thousand was paid for the filing of mandatory tax returns.

The permitted non audit services, where not required by law, were previously approved by the Board of Statutory Auditors, which assessed their appropriateness in light of the criteria set out in EU Regulation 537/2014. The related fees were recognised in the income statement and are disclosed in the appendix to the separate financial statements, as required by Article 149 duodecies of the Issuers’ Regulation.

The Independent Auditors issued, on 30 March 2026, the annual independence confirmation letter required under Article 6, paragraph 2, letter (a), of Regulation (EU) 537/2014, from which no circumstances emerged that could compromise independence. The Board of Statutory Auditors also took note of the 2024 Transparency Report prepared by the audit firm pursuant to Article 13 of European Regulation 537/2014 and published on its website.

Taking into account the engagements awarded by Cellularline S.p.A. and by the Group companies to KPMG and its network, the Board of Statutory Auditors does not consider that any critical issues exist with regard to the independence of KPMG S.p.A.

9. Indication of Any Assignments Given to Individuals Linked to the Auditing Firm and Related Costs

During the fiscal year 2025, the Company did not assign any tasks to other individuals linked to the auditing firm

10. Indication of the Existence of Opinions Issued Pursuant to Law During the Fiscal Year

During the financial year, the Board of Statutory Auditors issued, as required by applicable legislation, by the Corporate Governance Code and by the policies and procedures adopted by the Company, the following opinions: (i) opinions relating to the engagement of additional assignments to KPMG and to entities belonging to its network, as further detailed in points 8 and 9 above of this report; (ii) an opinion regarding the appointment of Mr Giacomo Rizzi as Manager in charge of preparing the Company’s financial reports and the attribution to him of the powers, functions and duties set out in Article 154 bis of Legislative Decree 58/1998 and Article 15, paragraph 3, of the Articles of Association; (iii) the opinions required under the corporate governance rules contained in the Corporate Governance Code to which the Company adheres..

11. Indication of the frequency and number of meetings of the Board of Directors and the Board of Statutory Auditors

During the financial year, the following meetings were held, in which the Board of Statutory Auditors participated in its full composition:

- 1 Shareholders’ Meeting,
- 9 meetings of the Board of Directors,
- 9 meetings of the Control, Risk and Sustainability Committee,
- 3 meetings of the Nomination and Remuneration Committee.

During the financial year, the Board of Statutory Auditors met 22 times.

12. Observations on compliance with the principles of proper management

The Board of Statutory Auditors has no observations to report regarding compliance with the principles of proper management, which appear to have been consistently observed.

13. Observations on the adequacy of the organisational structure

The Board of Statutory Auditors monitored the adequacy of the organisational structure and has no observations to report to the Shareholders' Meeting in this regard.

14. Observations on the adequacy of the internal control system, in particular on the activities carried out by those responsible for internal control, and indication of any corrective actions undertaken and/or still to be undertaken

The Board monitored the adequacy of the Internal Control and Risk Management System, carrying out its assessment also through joint meetings with the Control, Risk and Sustainability Committee, as well as through meetings with the Head of the Internal Audit Function in order to receive information on the results of the audit activities. The Board held periodic exchanges of information with the representatives of the Compliance function and the Internal Audit function, as well as with the Supervisory Body, with regard to the activities of analysis and monitoring of the main corporate risks. In particular, with reference to the risks considered most significant, meetings were held with the Company's management concerning the methods used to identify the countermeasures adopted and their implementation following the analysis of the results of the Risk Assessment activities carried out by the Company.

Pursuant to Legislative Decree No. 39/2010, the Board conducted specific analyses of the activities and checks performed by the Finance function, also with the support of the Internal Audit function, with reference to the financial reporting processes.

15. Observations on the adequacy of the administrative-accounting system and on its reliability in correctly representing operating events

The Board monitored the adequacy of the internal control system and of the administrative-accounting system, as well as the reliability of the latter in correctly representing operating events, by obtaining information from the Manager in charge of preparing the Company's financial reports and from the heads of the relevant functions, and through the examination of corporate documentation. In particular, the Manager in charge of preparing the Company's financial reports, with the support of the competent corporate structures, carried out a monitoring plan covering the key controls of the processes relevant to financial reporting. The results of the activities performed did not reveal any critical issues with respect to compliance with Law 262/2005.

The Board focused on:

(i) the ongoing process of updating internal procedures relating to the main corporate cycles, as well as the verification activities carried out within the internal control system;

(ii) the adoption of administrative procedures designed to provide the necessary information on the management and on the economic, financial and equity data of companies established and governed by the laws of non-EU countries that are of significant relevance;

(iii) verifying that the information flows provided by non-EU subsidiaries were adequate to enable the control of annual and interim accounts as required by Article 15 of the Markets Regulation adopted by CONSOB Resolution No. 20249 of 28 December 2017.

With regard to the preparation of the financial statements, the Board of Statutory Auditors notes that the Board of Directors approved the compliance of the impairment test methodology with the requirements of IAS 36. The notes to the financial statements set out both the assumptions used in performing the test and the results of the valuation process carried out.

In the separate financial statements, the impairment test resulted in the full write-down of goodwill, impairment losses relating to the “Property, Plant and Equipment” item, and the redetermination of the recoverable amount of the equity investments in the subsidiaries Systema S.r.l., Worldconnect AG, Peter Jäckel GmbH, Coverlab S.r.l. and Cellularline USA Inc.

In the consolidated financial statements, the impairment test resulted in the recognition of impairment losses relating to the items Goodwill, Intangible Assets, Right-of-Use Assets and Property, Plant and Equipment.

The Board of Statutory Auditors has no observations regarding the impairment test procedure adopted.

16. Observations on the adequacy of the instructions issued by the Company to its subsidiaries pursuant to Article 114, paragraph 2, of Legislative Decree No. 58/1998

The Board of Statutory Auditors acquired knowledge of, and monitored, the adequacy of the instructions issued by the Company to its subsidiaries pursuant to Article 114, paragraph 2, of Legislative Decree No. 58/1998, through:

- (i) information obtained from the Chief Financial Officer and from corporate representatives;
- (ii) information obtained from the heads of the relevant corporate functions; and
- (iii) meetings with the Independent Auditors, within the scope of their responsibilities.

The Board of Statutory Auditors has no observations to report regarding the adequacy of the information flows provided by the subsidiaries to the Parent Company for the purpose of ensuring the timely fulfilment of the disclosure obligations required by law.

17. Observations on any significant matters that emerged during the meetings held with the auditors pursuant to Article 150, paragraph 2, of Legislative Decree No. 58/1998

During the periodic exchanges of data and information between the Board of Statutory Auditors and the audit firm appointed to perform the statutory audit, also pursuant to Article 150, paragraph 3, of Legislative Decree No. 58/1998, no matters emerged that require mention in this report.

18. Indication of the Company’s adherence, if any, to the Corporate Governance Code of the Corporate Governance Committee for listed companies

The Company has adopted the Corporate Governance Code for Listed Companies promoted by Borsa Italiana. For matters within its remit, the Board of Statutory Auditors monitored the effective implementation of the corporate governance rules to which the Company has declared its adherence. In particular, with reference to the Corporate Governance Code, the Board of Statutory Auditors monitored:

- (i) the methods of implementation of the corporate governance rules, as reported in the Corporate Governance and Ownership Structure Report, without raising any remarks;
- (ii) the correct application of the criteria and procedures adopted by the Board of Directors to assess the independence of its members.

19. Concluding assessments regarding the supervisory activity carried out, as well as any omissions, objectionable facts or irregularities identified in the course of such activity

The Board of Statutory Auditors, on the basis of the supervisory activity performed during the financial year, has no omissions, objectionable facts or irregularities to report.

20. Indication of any proposals to be submitted to the Shareholders' Meeting pursuant to Article 153, paragraph 2, of Legislative Decree No. 58/1998

In light of the supervisory activity carried out during the financial year, the Board of Statutory Auditors has no proposals to submit pursuant to Article 153, paragraph 2, of Legislative Decree No. 58/1998, with regard to the separate financial statements of Cellularline S.p.A. as at 31 December 2025, their approval, or the matters falling within its remit.

Conclusions

The separate financial statements of Cellularline S.p.A. for the year ended 31 December 2025 and the consolidated financial statements for the same date have been prepared in accordance with the international accounting standards IAS/IFRS issued by the International Accounting Standards Board (IASB), in compliance with the provisions of Legislative Decree No. 38 of 28 February 2005, implementing EC Regulation No. 1606/2002 of the European Parliament and of the Council of 19 July 2002.

The Board of Statutory Auditors has reviewed the criteria adopted in the preparation of the aforementioned financial statements, with particular reference to their content and structure, the scope of consolidation, the uniform application of accounting standards, the adequacy of disclosures on the Company's performance, the assessments carried out for impairment testing, and the continued appropriateness of the going-concern assumption. The Independent Auditors expressed no remarks regarding the disclosures provided.

As it is not responsible for a detailed substantive audit of the financial statements, the Board of Statutory Auditors supervised the general approach adopted in the preparation of the separate and consolidated financial statements, as well as their overall compliance with the law in terms of structure and presentation, and has no specific observations to report in this regard.

To the best of the Board's knowledge, the Directors, in preparing the separate financial statements, did not depart from statutory provisions pursuant to Article 2423, paragraph 4, of the Italian Civil Code.

The Board of Statutory Auditors verified that the financial statements and the management report are consistent with the facts and information of which it became aware in the performance of its duties, and has no observations in this respect.

The separate and consolidated financial statements of Cellularline S.p.A. are accompanied by the required report of the Independent Auditors, to which reference is made.

In light of all the above, the Board of Statutory Auditors has identified no grounds preventing the approval of the financial statements as at 31 December 2025 or the adoption of the resolutions proposed by the Board of Directors.

Modena, March 30 2026.

(signed on the original)

The Board of Statutory Auditors

dott. Lorenzo Rutigliano

dott.ssa Daniela Bainotti

dott. Paolo Chiussi