



SHAREHOLDERS' MEETING

APRIL 1, 2026

EXPLANATORY REPORT ON THE ITEMS ON THE AGENDA

drafted pursuant to art. 125-ter, first paragraph, of Legislative Decree no. 58 of 24 February 1998 and subsequent amendments (the "TUF"), art. 2446 of the Italian Civil Code, and art. 74 of the regulation adopted with Consob resolution no. 11971 of 14 May 1999 and subsequent amendments (the "Issuers' Regulation").





FIRST AND ONLY ITEM ON THE AGENDA: REVIEW OF THE COMPANY'S FINANCIAL AND FINANCIAL SITUATION, ALSO PURSUANT TO ART. 2446 OF THE ITALIAN CIVIL CODE; RELATED AND CONSEQUENT RESOLUTIONS.

Dear Shareholders,

This Report is drawn up pursuant to Articles 2446 of the Civil Code and 74 of the Issuers' Regulation and illustrates what the Board of Directors of Aeffe SpA (" **Aeffe** " or the " **Company** ") intends to submit to the Extraordinary Shareholders' Meeting called for 1 April 2026, at 9:30 a.m., in a single call.

The purpose of the Report is to illustrate the pro forma financial, economic and equity situation of Aeffe as of December 31, 2025 (the " **Situation** "), from which it emerges that the Company's net assets, equal to Euro 8,674,789, have decreased by more than one third of the share capital, equal to Euro 26,840,626. This circumstance constitutes the situation referred to in art. 2446 of the Civil Code .

In line with the objective of successfully completing the restructuring project initiated by accessing the negotiated crisis resolution procedure (" **CNC** ") within the necessary technical timeframes and through recourse to the measures established by sector legislation (specifically Legislative Decree 14/2019 (" **CCII** ")), upon accessing the aforementioned CNC procedure, pursuant to art. 20 CCII, the Company declared its intention to benefit from the suspension of the recapitalization obligations and the causes for dissolution, with the consequent inapplicability, until the conclusion of the negotiations or the archiving of the CNC, of articles 2446, paragraphs 2 and 3, 2447, 2482-bis, paragraphs 4-6, and 2482-ter of the Civil Code, as well as the cause for dissolution pursuant to art. 2484, paragraph 1, no. 4), of the Civil Code.

It follows that the determination of a reduction in net equity of more than one third does not require steps aimed at reducing the capital and recapitalizing the Company.

The Situation does not constitute Aeffe's draft financial statements as of December 31, 2025.

Nonetheless, the Board of Directors deemed it a priority to immediately identify and report the deterioration in net assets in order to provide a complete and timely account of it to shareholders and creditors, despite the suspension of the aforementioned capital reduction and recapitalization obligations and the temporary impossibility of finalizing the *impairment tests* , the execution of which is linked to the definition and implementation of the business plan and the conclusion of the assessments by the independent professionals responsible for preparing the certifications required by law and the evaluation of the so-called alternative scenario of judicial liquidation and trademarks.

In light of the context described, the following paragraphs therefore include a brief illustration not only of the accounting data (paragraph 3), but also of the recovery path undertaken (paragraph 1), of the measures already adopted and of the activities being implemented (paragraph 2).

1. Access to Negotiated Crisis Resolution and Protective Measures

With a request *pursuant to* Articles 17 and 25 of the Italian Civil Code, dated October 2, 2025, the Company, together with its subsidiary Pollini SpA, requested the Chamber of Commerce of Romagna, Forlì-Cesena and Rimini, to appoint an independent expert of recognized professionalism to access the CNC procedure, a path that the Company has identified as the most suitable tool for overcoming the crisis it is experiencing.

In this context, the Chamber of Commerce appointed Dr. Riccardo Ranalli as an independent expert, who accepted the assignment (" **Expert** ") on 9 October 2025, with the consequent initiation of the CNC procedure.





Pursuant to Article 17, paragraph 7, of the Italian Civil Code (CCII), the CNC procedure has a standard duration of 180 days, starting from the acceptance of the Expert's appointment, and therefore, in this case, until April 7, 2026. The same provision provides that the Expert's appointment, and consequently the CNC, may be extended for a further period not exceeding 180 days, should the Expert consent. Given the progress of the restructuring process and the timeframes associated with the definition of the 2026-2029 business plan and the related financial plan, the Company intends, where necessary, to request the continuation of the Expert's and CNC's appointments for a further 180 days, and therefore until October 4, 2026, in compliance with applicable regulatory requirements.

On October 10, 2025, with a petition filed with the competent Court of Bologna, and thanks also to the favorable opinion of the Expert, the Company requested and obtained the application of protective measures against all creditors pursuant to Articles 18 and 19 of the Italian Civil Code, as well as specific precautionary measures functional to the successful conclusion of the negotiations. Currently, given the extension granted, the protective measures with generalized effect (*so-called erga omnes*) and the specific precautionary measures will be effective until June 6, 2026, consistent with the timetable of the ongoing restructuring process. The content and development of these measures have been communicated to the market through specific press releases.

2. Activities functional to the recovery of the Company

In the context of the CNC, the Company has launched a program of industrial, financial and organizational interventions aimed at the recovery and relaunch of the group in the four-year period 2026–2029, in line with the guidelines of the aforementioned plan currently being defined and with constant discussions with the Expert and the main financial and commercial *stakeholders*.

First, the *governance structure has been strengthened*, considered essential for the effective implementation of the restructuring process. To this end, management figures with proven experience in the *fashion* and *luxury sectors were recently introduced into the company's organizational structure* through the appointment of a new executive director and a new chief financial officer. Furthermore, in recent weeks, Dr. Stefano Falliti was appointed *Chief Restructuring Officer*, tasked with supporting *management* in coordinating the restructuring process, monitoring the implementation of the measures envisaged in the plan, and managing relationships with creditors, financial institutions, and potential investors.

At the same time, the Company has launched a comprehensive efficiency and cost containment plan aimed at restoring economic sustainability in the short and medium term. This plan includes reducing headcount through the procedure pursuant to Law 223/1991, streamlining the *retail network* by closing unprofitable stores, selectively reviewing leases and business unit rental agreements, and reducing design consulting costs and operating expenses deemed non-strategic or not instrumental to preserving corporate value. This framework also includes the decision to request voluntary exit from the Euronext STAR Milan segment, which was finalized at the end of 2025. This resulted in a reduction in administrative and compliance burdens *and* the reallocation of internal resources to activities strictly functional to the successful completion of the turnaround.

From an industrial perspective, the plan calls for a strategic repositioning of the Group's main *brands* through initiatives on both the creative and commercial and distribution fronts. These include strengthening the *wholesale channel*, increasing focus on markets with higher potential (which, barring the ongoing geopolitical instability—which could also impact significant trade flows—remain China, Japan, the Middle East, and India), reviewing the *supply chain and pricing policies*, and selective investments in *marketing* and customer relationship management, with the aim of gradually rebuilding a stable revenue base, consistent with the brands' positioning and financially sustainable.

In consideration of the need to find external financial resources functional to the structural rebalancing of the financial and equity situation, the Board of Directors, due to the various - albeit



After preliminary expressions of interest received, it deemed appropriate to initiate a competitive process to involve a third-party investor. To this end, in January 2026, Lazard Srl was granted a mandate to structure and manage an orderly and transparent selection process for potential investors.

The possible intervention of an investor constitutes a functional prerequisite for defining the financial maneuver, identifying the most suitable exit tool from the CNC (such as, for example, a certified plan pursuant to art. 56 CCII or a restructuring agreement pursuant to art. 57 or 61 CCII), as well as the overall restructuring of bank and commercial debt.

As mentioned in the introduction, the Company has also engaged leading independent professionals , including Dr. Massimo De Dominicis, to assess the alternative liquidation scenario and any certification activities required by applicable law, as well as Professor Mauro Bini, to assess the trademarks. These professional services strengthen the credibility, transparency, and technical soundness of the recovery process, protecting the interests of creditors, shareholders, and the market.

3. The situation as of December 31, 2025

As specified in the introductory part of this Report, the Situation does not constitute the draft financial statements for the year ended 31 December 2025.

The Situation, although drawn up with reference to the data as of December 31, 2025, represents the assessment carried out by the Company, based on the data available to date, with respect to the erosion of its net equity.

The situation cannot be considered a balance sheet: the company is currently unable to carry out adequate *impairment tests* , also in light of the industrial plan still being defined and whose finalization is strictly connected to the positive conclusion of the CNC procedure.

However, the assumptions used to prepare the Statement of Financial Position highlight the erosion of net equity and, while certainly subject to revision and correction once the impairment tests have been completed and the financial statements can be prepared, they allow for the immediate and timely presentation of the Statement required by law in order to report the occurrence of the hypothesis referred to in Article 2446 of the Civil Code to the Company's shareholders and stakeholders.

The Financial Statements were prepared on a going concern basis, consistent with the restructuring process undertaken by the CNC and the objectives underlying the plan currently being defined. The preparation of the pro forma data required the use of preliminary valuation items, the most significant of which concern: (i) write-downs of the carrying value of investments held primarily in foreign subsidiaries; (ii) the creation of a provision for doubtful accounts receivable from certain foreign subsidiaries; (iii) the recognition of a reorganization reserve for costs related to the CNC procedure and staff reduction; (iv) the recognition of a risk reserve for ongoing tax audits .

The summary tables of the Situation are shown below.

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<i>(migliaia di Euro)</i>	12M 25	%	12M 24	%	Var.%
Ricavi delle vendite e delle prestazioni	86.528	100,0%	133.458	100,0%	(35,2%)
Altri ricavi e proventi	11.967	13,8%	109.955	82,4%	(89,1%)
Totale Ricavi	98.494	113,8%	243.414	182,4%	(59,5%)
Var. rim. Prod. In c.so lav., finiti, sem.	(5.086)	(5,9%)	(12.549)	(9,4%)	(59,5%)
Costi per materie prime, mat.di cons e merci	(25.472)	(29,4%)	(37.306)	(28,0%)	(31,7%)
Costi per servizi	(44.132)	(51,0%)	(60.060)	(45,0%)	(26,5%)
Costi per godimento beni di terzi	(1.733)	(2,0%)	(1.183)	(0,9%)	46,5%
Costi per il personale	(36.404)	(42,1%)	(43.803)	(32,8%)	(16,9%)
Altri oneri operativi	(4.455)	(5,1%)	(1.552)	(1,2%)	187,1%
<i>Totale costi operativi</i>	<i>(117.280)</i>	<i>(135,5%)</i>	<i>(156.452)</i>	<i>(117,2%)</i>	<i>(25,0%)</i>
EBITDA	(18.786)	(21,7%)	86.961	65,2%	n.a.
Ammortamenti e svalutazioni	(54.278)	(62,7%)	(42.086)	(31,5%)	29,0%
EBIT	(73.064)	(84,4%)	44.876	33,6%	n.a.
Totale proventi/ (oneri) finanziari	(4.988)	(5,8%)	7.529	5,6%	n.a.
Utile/(Perdita) pre-tax	(78.052)	(90,2%)	52.405	39,3%	n.a.
Imposte sul reddito d'esercizio	3.183	3,7%	(16.798)	(12,6%)	n.a.
Utile/(Perdita) d'esercizio	(74.869)	(86,5%)	35.607	26,7%	n.a.



<i>(migliaia di Euro)</i>	31.12.2025	31.12.2024
Crediti commerciali	58.737	62.519
Rimanenze	24.558	30.482
Debiti commerciali	(43.081)	(43.008)
CCN operativo	40.214	49.993
Altri crediti	17.582	24.756
Altri debiti	(8.200)	(12.528)
Capitale circolante netto	49.597	62.221
Immobilizzazioni materiali	44.530	46.152
Immobilizzazioni immateriali	24.243	25.614
Attività per diritti d'uso	32.519	33.675
Investimenti	43.856	50.016
Altri crediti a lungo termine	6.591	25.811
Attivo immobilizzato	151.738	181.269
Benefici successivi alla cessazione del rapporto di lavoro	(2.111)	(2.461)
Fondi a lungo termine	(58.455)	(45.009)
Attività disponibili per la vendita		4.349
Altri debiti non correnti	(877)	(1.091)
Attività fiscali per imposte anticipate	8.989	9.114
Passività fiscali per imposte differite	(18.210)	(23.091)
CAPITALE INVESTITO NETTO	130.670	185.302
Capitale sociale	24.606	24.606
Altre riserve	56.563	20.577
Utili/(perdite) esercizi precedenti	2.375	2.375
Risultato d'esercizio	(74.869)	35.607
Totale Patrimonio netto	8.675	83.165
Cassa e disponibilità liquide	(9.384)	(2.734)
Passività finanziarie non correnti	47.279	40.425
Passività finanziarie correnti	46.476	25.988
POSIZIONE FINANZIARIA NETTA SENZA IFRS 16	84.370	63.679
Passività correnti per leasing	8.006	7.193
Passività non correnti per leasing	29.620	31.265
POSIZIONE FINANZIARIA NETTA	121.996	102.137
PATRIMONIO NETTO E INDEBITAMENTO FINANZIARIO	130.670	185.302

4. Proposal for a resolution

The situation highlights a loss such as to constitute the situation provided for by Article 2446, first paragraph, of the Civil Code, with a reduction in net assets of more than one third.

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As previously mentioned, this circumstance falls within the context of the CNC process, the legislation of which, given the timeframe for implementation and the instruments provided for corporate restructuring, provides for the possibility of availing of the suspension of recapitalization obligations and causes for dissolution (Article 20 of the Civil Code). Consequently, while the obligation to provide information to the shareholders' meeting pursuant to Article 2446, first paragraph, of the Civil Code remains in force, which this Report intends to fulfill, the obligations to immediately adopt the measures provided for in the subsequent paragraphs of Article 2446 and Article 2447 of the Civil Code are suspended.

Beyond the formal suspension of these obligations, the Board of Directors emphasizes that overcoming the significant loss situation is an integral part of the broader recovery process undertaken by the Company, as capital rebalancing cannot represent a separate and isolated objective but rather one of the expected and necessary effects of the implementation of the industrial and financial plan, the financial maneuver, and the intervention of a third-party investor.

From this perspective, the Board of Directors expresses its opinion of the reasonableness of the path undertaken, based on a number of elements: the progress of reorganization and cost containment measures, the strengthening of *governance*, the activation of independent professional oversight bodies, structured discussions with the banking community and other creditors, as well as the permanence of the protective and precautionary measures granted by the competent Court. While physiological uncertainties remain related to the outcome of the negotiations and the actual structuring of the financial strengthening operation, the Board believes that, at this time, the information gathered and the ongoing activities allow us to consider the path undertaken as structured, supported by adequate safeguards, and oriented, including from a financial perspective, towards the progressive overcoming of the significant loss situation discussed in this Report.

The Board of Directors monitors and will continue to monitor Aeffe's financial, economic, and equity situation, in order to revise its assessments where necessary and inform the market accordingly.

Given the above, the following resolution proposal is formulated to the Shareholders:

"The Extraordinary Shareholders' Meeting of Aeffe SpA, having examined the explanatory report of the Board of Directors prepared pursuant to art. 125-ter, first paragraph, of Legislative Decree no. 58 of 24 February 1998 and subsequent amendments, art. 2446 of the Civil Code and art. 74 of the regulation adopted with Consob resolution no. 11971 of 14 May 1999 and subsequent amendments, as well as the observations of the Board of Statutory Auditors prepared pursuant to art. 2446 of the Civil Code,

resolution

- to acknowledge the Company's financial, economic, and equity situation as presented by the Board of Directors, which shows net equity of €8,674,789, a reduction of more than a third compared to the share capital of €26,840,626;

- to acknowledge that the effects deriving from the condition referred to in art. 2446, second and third paragraphs, of the Civil Code are suspended pursuant to art. 20 of Legislative Decree 14/2019 ("Corporate Crisis and Insolvency Code").

This Report is submitted to Consob and made available to the public at the registered office of Aeffe SpA and on the Company's website www.aeffe.com (Governance section – Documents relating to Shareholders' Meetings), as well as at Borsa Italiana SpA, in the manner indicated in Articles 65-quinquies, 65-sexies and 65-septies of the Issuers' Regulation, within the legal deadlines.

San Giovanni in Marignano, March 6, 2026

For the Board of Directors

The President - Massimo Ferretti



Via delle Querce, n° 51 - 47842 S. Giovanni in Marignano (RN) Italy – Tel 0541.965211 - Fax 0541.955650/955461
Rimini Company Register – Chamber of Commerce 227228 – Tax Code and VAT No. 01928480407 – Authorized Share
Capital of €31,070,626.00, subscribed and paid up for €26,840,626.00, EMail info@aeffe.com – Website
<http://www.aeffe.com>