



(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

KALEON Group

Consolidated financial statements as at and for the year ended 31 December 2025

(with auditors' report on review thereof)

KPMG S.p.A.

13 April 2026



KPMG S.p.A.
 Revisione e organizzazione contabile
 Via Giovanni Battista Pirelli, 38
 20124 MILANO MI
 Telefono +39 02 6763.1
 Email it-fmauditaly@kpmg.it
 PEC kpmgspa@pec.kpmg.it

(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

To the shareholders of
 KALEON S.p.A.

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of the KALEON Group (the "group"), which comprise the balance sheet as at 31 December 2025, the profit and loss account and cash flow statement for the year then ended and notes thereto.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the KALEON Group as at 31 December 2025 and of its financial performance and cash flows for the year then ended in accordance with the Italian regulations governing their preparation.

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 KALEON 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.

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 Italian regulations governing their preparation and, in accordance with 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



KALEON Group

Independent auditors' report

31 December 2025

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 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;



KALEON Group

Independent auditors' report

31 December 2025

- 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.

Report on other legal and regulatory requirements

Opinion and statement pursuant to article 14.2.e)/e-bis)/e-ter) of Legislative decree no. 39/10

The parent's directors are responsible for the preparation of the group's directors' report at 31 December 2025 and for the consistency of such report with the related consolidated financial statements and its 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 with the consolidated financial statements;
- express an opinion on the compliance of the directors' report with the applicable law;
- issue a statement of any material misstatements in the directors' report.

In our opinion, the directors' report is consistent with the group's consolidated financial statements at 31 December 2025.

Moreover, in our opinion, the directors' report has 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.

Milan, 13 April 2026

KPMG S.p.A.

(signed on the original)

Vera Ravasi
Director of Audit



KALEON

HERITAGE MANAGEMENT

Joint-stock company

Registered Office Via Privata Maria Teresa, 4 20123 Milan

Share capital Euro 2,118,750.00 fully paid-in

Milan Monza Brianza Lodi Companies Register, Tax Code and VAT No. 07040700150

Milan REA No. 1132883

**“Management Report”
of the Board of Directors
to the consolidated financial statements
for the year ended 31 December 2025
of “Kaleon S.p.A.”**

INTRODUCTION

Dear Shareholders,
the consolidated financial statements as at 31 December 2025 of the KALEON Group show a net profit for the year of Euro 1,555,396, after depreciation, amortisation and write-downs of Euro 3,558,478 and income taxes for the year of Euro 846,343.

BRIEF DESCRIPTION OF THE GROUP

The Kaleon Group (hereinafter also the “Group”), founded by the Borromeo Family, specialises in the management, protection and enhancement of important artistic, natural and museum heritage assets. Its business model is innovative and separates asset management from asset ownership, thereby promoting the managerialisation of the business. The company’s core business, Terre Borromeo, is the brand that identifies the prestigious cultural and natural sites on Lago Maggiore linked to the Borromeo family, such as Isola Bella and Isola Madre, Parco Pallavicino in Stresa, Parco del Mottarone with 500 hectares of woodland stretching between Lago Maggiore and Lago Orta, the Rocca di Angera, on the Lombardy side in the province of Varese, and the Castelli di Cannero in the upper Verbania area. With more than 40 years of experience in the tourism sector, the Group stands as a pioneer in the field of high-quality cultural tourism.

More specifically, the Group carries out the following activities:

- ✓ **Ticketing:** management of the tourist flow of visitors to the Borromeo palaces and gardens located on Isola Bella and Isola Madre on Lago Maggiore, as well as Villa Pallavicino, Rocca di Angera and the Castelli di Cannero, properties and gardens characterised by rare animals and plants and exotic flowers, and by exhibitions of major artistic and cultural significance, including, of particular interest, exhibitions of paintings, furniture, dolls and porcelain; the properties, together with part of the collections of furnishings, paintings and furniture displayed therein to the public, are largely protected by the Ministry for Cultural and Environmental Heritage pursuant to the laws governing the conservation of assets of historical, artistic and cultural interest.
- ✓ **Food & Beverage and Hospitality:** the Company complements its core business described above by integrating, into the Terre Borromeo and museum-site visitor experience, the provision of food & beverage services in Terre Borromeo restaurants and cafés, as well as offering the opportunity to spend a weekend or several days relaxing at the Terre Borromeo sites on Lago Maggiore thanks to holiday apartments and, for an even more exclusive solution, the two suites located in the building of the former Albergo Ristorante Delfino.
- ✓ **Retail:** through both its own points of sale and its e-commerce website, sale of goods and accessories, including, by way of example and without limitation, Terre Borromeo gadgets such as stationery and publishing items, perfumes, jewellery and various accessories.
- ✓ **Events:** Rocca di Angera also serves as a venue available for the rental of spaces for the organisation of events, ceremonies and weddings.
- ✓ **Administrative services (non-core activity):** as described below, the administrative and management services activity performed for companies indirectly controlled by the Borromeo family has been transferred, whereas such activity will continue to be carried out for the subsidiaries Parco del Mottarone S.r.l. and Italian Heritage S.r.l. and for the associate Scuola Sci Stella Alpina Mottarone S.t.p. S.r.l.

The activities described above are also carried out at the Parco del Mottarone site, in its dual winter and summer capacity, which consists of separate business units owned by the subsidiary Parco del Mottarone S.r.l. and managed by Kaleon through business unit lease agreements relating to:

- the Ski Facilities and Related Activities business unit, concerning the operation and running of ski lift facilities, management of installations and slopes for downhill skiing and winter sports, and sale of the related equipment;
- the Rental business unit, concerning the rental of bicycles and mountain bikes, as well as the rental of skis, ski boots and related sports equipment, chairs and deckchairs;
- the Adventure Park business unit, concerning the “adventure park with suspended courses”, namely an amusement park consisting of various aerial routes set at different heights above

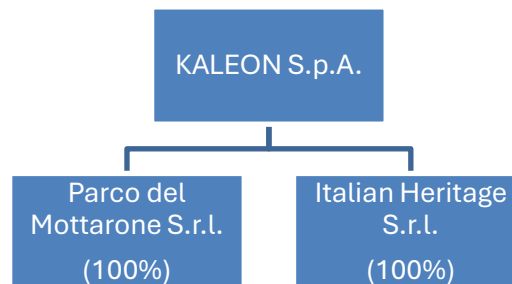
the ground which, with the aid of lianas, Tibetan bridges, cables (zip lines), nets and walkways, allow visitors to move from one tree to another in complete safety;

- the Restaurant - Bar - Lodge business unit, concerning bar, café, refreshment and “restaurant services with service”.

The offering at all sites is aimed at different categories of visitors such as private individuals, companies, groups and schools of all levels.

The Group’s activities are still in a phase of consolidation and expansion, as it continues to invest, innovate and develop, on the one hand to further improve the offering at the sites already under management and, on the other, by continuously seeking potential new tourist sites in order to further consolidate and strengthen its position in the Italian and International tourism sector, especially with regard to sites of artistic and cultural relevance.

The composition of the Group is set out below:



Operationally, the Group companies that carry out the above activities and which effectively represent the scope of consolidation are the following:

- **KALEON S.p.A.**, parent company (hereinafter also the “Parent Company” or “KALEON”), with registered office in Milan, Via Privata Maria Teresa No. 4, and share capital of Euro 2,118,750, tax code, VAT number and Companies Register number 07040700150.
- **Parco del Mottarone S.r.l.**, a wholly-owned subsidiary, with registered office in Milan, Via Borromei 1/A, and share capital of Euro 165,000, tax code, VAT number and Companies Register number 02445510031, included in the scope of consolidation using the line-by-line method.
- **Italian Heritage S.r.l.**, with registered office in Stresa (VB), share capital of Euro 10,000, tax code, VAT number and Companies Register number 02789030034, a company incorporated on 31.10.2024 that closed its first financial year on 31.12.2025; however, since it has not yet commenced its business activity, it has been excluded from the scope of consolidation because its inclusion is immaterial for the purpose of presenting the Group’s equity, financial and economic position.

SIGNIFICANT EVENTS DURING THE YEAR

With reference to the “*events that occurred during the year*”, it should be noted that 2025 was a year full of events and new developments for the Group, as detailed below:

- starting from financial year 2025, the Group completed the implementation process of the new ERP system and all interfaces connected with the other management and monitoring systems;
- with the aim of focusing on the Group’s core activities, with effect from February 1, 2025 the Parent Company transferred to the former subsidiary Vigilo RE S.r.l., through the contribution of a business unit, the ancillary activity of data processing services supporting accounting and administrative management, as well as the real estate management activity relating to any type of transaction, including lease management and management planning and assistance in the preparation of budgets and proposals to improve the profitability of properties; the investment in Vigilo RE S.r.l. was then sold on 29 July 2025;
- on 28 June 2025 the Castelli di Cannero were opened to the public following a restoration lasting approximately 10 years;

- by Shareholders' Meeting resolution of 9 July 2025, the Parent Company changed its corporate name to "Kaleon S.r.l." (formerly SAG S.r.l.), which subsequently became "Kaleon S.p.A." following the transformation from a limited liability company into a joint-stock company resolved at the extraordinary shareholders' meeting of 20 October 2025;
- on 31 October 2025, the extraordinary shareholders' meeting of KALEON S.p.A. resolved paid-in share capital increases, fully subscribed and paid up, for a total amount of Euro 16,500,000.00, allocated for Euro 618,750.00 to share capital and for Euro 15,881,250.00 to the share premium reserve, with the issue of 4,125,000 new ordinary shares without nominal value at a price of Euro 4.00 per share, of which Euro 0.15 to share capital and Euro 3.85 as share premium; accordingly, the Parent Company's share capital amounts to Euro 2,118,750.00 and is divided into 14,125,000 ordinary shares without nominal value;
- in December 2025, the parent company KALEON S.p.A. completed the process for the admission of the Company's shares to trading on Euronext Growth Milan ("EGM") and on Euronext Growth Paris ("EGP"), multilateral trading facilities managed, respectively, by Borsa Italiana S.p.A. and Euronext Paris S.A.; accordingly, with effect from 27 November 2025 and with trading commencing on 1 December 2025, the Ordinary Shares issued by KALEON S.p.A. were admitted to trading on the aforementioned regulated markets.

GROUP PERFORMANCE

The results achieved in 2025, together with the listing process, led to a clear improvement in the financial position compared with the previous year.

In addition, it should be emphasised that the listing process strengthened the Group's structure, expanded its international visibility and provided the tools needed to support future development plans. The appeal and growing reputation of Isola Bella, the beating heart of the Kaleon system, together with the inauguration of the Castelli di Cannero in June 2025, drove the Group's growth. These initiatives made it possible to broaden the scope of action and contributed to the increase in revenues, thereby reinforcing Kaleon's position in the cultural tourism sector.

During financial year 2025, the Group generated operating revenues of Euro 23.2 million compared with Euro 21.7 million in 2024, recording a gross increase of +6.4%; if turnover is considered net of the revenues deriving from the 'Administrative and Management Services' business unit, which was spun off in February 2025, revenue growth amounted to +9.2%. The change in turnover by individual business activity is shown below:

	2025	2024	Changes	Change %
Ticketing	17,601,026	16,043,235	1,557,791	10%
Food & Beverage	3,258,356	2,919,822	338,534	12%
Retail	995,161	926,932	68,229	7%
Hospitality	201,003	138,537	62,466	45%
Events	389,210	432,382	(43,172)	(10%)
Other	675,868	713,940	(38,072)	(5%)
Administrative and Management Services*	52,132	513,189	(461,057)	(90%)
Total	23,172,756	21,688,038	1,490,719	

*including the "Administrative management services" separated in February 2025

More specifically, based on the analysis of turnover by **individual activity**, 'Ticketing' revenues reached Euro 17.6 million, up +10% compared with the same period of 2024, representing 76% of total revenues for financial year 2025; total 'Food & Beverage' revenues as at 31 December 2025 reached Euro 3.3 million, significantly up (+12%) compared with Euro 2.9 million recorded in the same period of 2024 (14% of total revenues for financial year 2025); total 'Retail' revenues as at 31 December 2025 reached Euro 1.0 million, up (+7%) compared with Euro 0.9 million recorded in the same period of 2024 (4% of total revenues for financial year 2025), and total revenues from the 'Hospitality' line as at 31 December 2025 reached Euro 0.2 million, significantly up (+45%) compared with Euro 0.1 million recorded in the same period of 2024.

Lastly, results achieved in the 'Events' and 'Other' revenue lines (the latter including tolls collected at the Parco del Mottarone managed by the Company, proceeds deriving from recharge of lake transport and other revenues) amounted respectively to Euro 0,4 million (substantially in line with the Euro 0,4 million recorded as at 31 December 2024) and Euro 0,7 million (also substantially in line with the Euro 0,7 million recorded as at 31 December 2024), while the reduction in turnover from 'administrative and management services' is due to the fact that, as already described above, the business unit was spun off during financial year 2025 and therefore the revenues in the Kaleon financial statements are only those relating to the first two months of 2025 shown in the table, compared with the 12 months of revenues generated in 2024.

From the perspective of the **sites managed**, Isola Bella confirmed itself as the main tourist attraction, contributing 58% of revenues, with revenues of Euro 13.5 million in 2025 (up 11% compared with Euro 12.2 million recorded in the same period of 2024).

This is followed by Isola Madre, equal to 23% of total revenues, which recorded revenues of Euro 5.2 million (up +7% compared with Euro 4.9 million in 2024).

Growth was also recorded in the total revenues of Parco Pallavicino, which as at 31 December 2025 reached Euro 1.7 million, up (+2%) compared with Euro 1.6 million recorded in 2024 (7% of total revenues for financial year 2025), and in the total revenues of Rocca di Angera, which in 2025 reached Euro 1.4 million, substantially in line with the same period of 2024 (6% of total revenues for financial year 2025).

Total revenues from the Parco del Mottarone site as at 31 December 2025 reached Euro 0.8 million, substantially consistent with the Euro 0.8 million recorded in the same period of 2024 (3% of total revenues for financial year 2025).

The Castelli di Cannero, opened to the public on 28 June 2025 when the season was already under way, recorded revenues of Euro 0.3 million with attendance of approximately 10,000 visitors as at 31 December 2025.

EBITDA achieved in 2025 amounted to Euro 6.1 million, up +11.2% compared with Euro 5.5 million recorded in 2024, whereas EBIT of Euro 2.6 million in 2025 decreased by -15.1% compared with Euro 3.1 million in 2024, mainly due to higher depreciation and amortisation (up +47.2% compared with 2024) relating to costs incurred for new investments, including the listing process described above.

Main Group income statement data

To provide a better understanding of the result for financial year 2025 and the changes compared with the previous year, the summary data derived from the income statement are set out in the following schedule (amounts in Euro units):

RECLASSIFIED INCOME STATEMENT						
<i>Amounts in Euro units</i>	2025	%	2024	%	Change	Change %
Sales revenues	23,172,756		21,688,038		1,484,718	6.8%
OPERATING PRODUCTION VALUE	23,172,756	100.0%	21,688,038	100.0%	1,484,718	6.8%
Operating external costs	(8,590,379)	-37.1%	(8,050,395)	-37.1%	(539,984)	6.7%
Added value	14,582,377	62.9%	13,637,643	62.9%	944,734	6.9%
Personnel costs	(8,125,938)	-35.1%	(7,700,470)	-35.5%	(425,468)	5.5%
GROSS OPERATING PROFIT	6,456,439	27.9%	5,937,173	27.4%	519,266	8.7%
Depreciation, amortisation and provisions	(3,558,478)	-15.4%	(2,416,816)	-11.1%	(1,141,662)	47.2%
OPERATING PROFIT	2,897,961	12.5%	3,520,357	16.2%	(622,396)	-17.7%
Result from ancillary activities	(354,040)	-1.5%	(423,507)	-2.0%	69,467	-16.4%
EBIT before non-recurring items	2,543,921	11.0%	3,096,850	14.3%	(552,929)	-17.9%
EBITDA before non-recurring items	6,102,399	26.3%	5,513,666	25.4%	588,733	10.7%
Result from non-recurring items	85,810	0.4%	0	0.0%	85,810	0.0%
EBIT after non-recurring items	2,629,732	11.3%	3,096,850	14.3%	(467,118)	-15.1%
Financial income and expense	(192,993)	-0.8%	(213,454)	-1.0%	20,461	-9.6%
Write-downs of financial assets	(35,000)	0.4%	(155,000)	1.9%	120,000	0.0%
PROFIT BEFORE TAX	2,401,739	10.4%	2,728,396	12.6%	(326,657)	-12.0%
Income taxes	(846,343)	-3.7%	(1,191,169)	-5.5%	344,826	-28.9%
NET PROFIT	1,555,396	6.7%	1,537,227	7.1%	18,169	1.2%

It should be noted that the 2025 EBITDA shown above has been normalised for non-recurring revenues of Euro 469 thousand arising from the capital gain on the above-mentioned contribution of the business unit, and for non-recurring costs of Euro 384 thousand relating to performance bonuses paid to personnel and connected with the listing.

It should also be noted that, compared with the previous year, additional depreciation and amortisation of Euro 500 thousand were recognised solely in connection with the costs incurred and capitalised for the stock exchange listing, in the absence of which the result for the year would have been approximately Euro 2,055 thousand.

Main Group statement of financial position data

The company's reclassified statement of financial position, compared with that of the previous year, is shown below (amounts in Euro units):

STATEMENT OF FINANCIAL POSITION			
<i>Amounts in Euro units</i>	2025	2024	Changes
Net fixed assets A	26,970,535	22,714,697	4,255,838
Intangible fixed assets	16,941,083	12,890,088	4,050,995
Tangible fixed assets	9,949,452	9,749,609	199,843
Financial fixed assets	80,000	75,000	5,000
Current assets B	2,220,436	2,279,451	(59,015)
Inventories	432,103	518,126	(86,023)
Trade receivables	140,086	359,266	(219,180)
Other receivables	950,976	632,024	318,952
Prepayments and accrued income	697,271	770,035	(72,764)
Current liabilities C	4,772,893	4,733,119	39,774
Trade payables	2,616,796	2,761,363	(144,567)
Advances	232,423	103,338	129,085
Social security payables	569,960	243,980	325,980
Tax payables and other payables	1,222,820	1,401,198	(178,378)
Accrued expenses and deferred income	130,894	223,240	(92,346)
TFR, provisions for risks/charges and liabilities due after 12 months = D	1,310,872	1,323,029	(12,157)
Net operating working capital E = B-C-D	(3,863,329)	(3,776,697)	(86,632)
Total net invested capital = A + E	23,107,206	18,938,000	4,169,206
			0
Cash and cash equivalents	8,032,416	85,922	7,946,494
Bank debt	(4,845,252)	(6,774,544)	1,929,292
Payables to shareholders for loans	0	(6,010,400)	6,010,400
Net financial position	3,187,164	(12,699,022)	15,886,186
Medium/long-term	(2,676,611)	(2,550,011)	(126,600)
Short-term (other)	5,863,775	(10,149,011)	16,012,786
Equity - Own funds	(26,294,370)	(6,238,978)	(20,055,392)
Total sources of financing	(23,107,206)	(18,938,000)	(4,169,206)

Intangible fixed assets recorded a net increase of +32% compared with 2024, while tangible fixed assets increased by +2%, after depreciation and amortisation of Euro 3.5 million and write-downs of Euro 28 thousand.

The increases in intangible fixed assets mainly relate to the costs incurred for the admission of the Parent Company's ordinary shares to trading on Euronext Growth Milan ("EGM") and Euronext Growth Paris ("EGP"), as well as to improvements and innovation and development actions on properties and movable assets owned by third parties and held under lease.

Net financial position is positive for Euro 3.2 million compared with negative Euro 12.7 million recorded in 2024. The change is mainly attributable, on the one hand, to incoming cash deriving from the Parent Company's share capital increases subscribed and paid in during 2025, amounting to Euro 16.5 million between share capital and share premium, and from the new bank loan of Euro 1.5 million granted to KALEON; and, on the other hand, to cash outflows relating to the partial repayment of shareholders' loans and cash used for the Group's current operations, including payment of instalments on outstanding bank loans.

Main Group ratios

Attention is also drawn to the following ratios calculated on the basis of the consolidated financial statements as at 31 December 2025 and the consolidated financial statements as at 31 December 2024, which show the Group's economic, equity and financial position, as well as the change in solvency and profitability ratios compared with the previous year:

FIXED ASSET FINANCING INDICATORS			
	2025	2024	
Primary structure margin	(676,165)	(16,475,719)	Equity - Fixed assets
Primary structure ratio	0.97	0.27	Equity / Fixed assets
Secondary structure margin	3,311,318	(12,602,679)	(Equity + Liabilities due after 12 months) - Fixed assets
Secondary structure ratio	1.12	0.45	(Equity + Liabilities due after 12 months) / Fixed assets
FINANCING STRUCTURE RATIOS			
	2025	2024	
Overall debt ratio	0.42	3.02	(Liabilities due after 12 months + Current liabilities + Financial debt) / Equity
Financial debt ratio	0.18	2.05	Financial debt / Equity
SOLVENCY INDICATORS			
	2025	2024	
Current ratio margin	3,311,318	(12,602,679)	(Current assets + Cash and cash equivalents) - (Current liabilities + Financial debt)
Current ratio	1.48	0.16	(Current assets + Cash and cash equivalents) / (Current liabilities + Financial debt)
Treasury margin	2,879,215	(13,120,805)	(Trade receivables + Other receivables net of deferred tax assets + Cash and cash equivalents) - (Current liabilities + Financial debt)
Quick ratio	1.41	0.12	(Trade receivables + Other receivables net of deferred tax assets + Cash and cash equivalents) / (Current liabilities + Financial debt)
PROFITABILITY RATIOS			
	2025	2024	
Net ROE	5.92%	24.64%	Net profit / Average equity
Gross ROE	9.13%	43.73%	Gross profit / Average equity
ROI	9.33%	18.58%	Operating profit / (Average operating invested capital - Average operating liabilities)
ROS	12.51%	16.23%	Operating profit / Sales revenues

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

At the date of preparation of the financial statements, no factors had emerged that would lead to the identification of material impacts on measurements requiring specific disclosures, nor any factors giving rise to significant uncertainties regarding the going concern assumption.

FORESEEABLE DEVELOPMENT OF OPERATIONS

Management is confident that 2026 will again be a positive year, both in terms of growth in tourist flows and from an economic and financial perspective.

Indeed, the Group continues to invest, innovate and develop both its core business and the business units it manages. In confirmation thereof, in 2026, in order to expand the food service business on Isola Bella, on 18 February 2026 the Parent Company acquired Lago Alto S.r.l. Company and took over the management, by means of a business lease agreement also executed on 18 February 2026, of the business owned by that company, consisting of the bar currently known as "Caffè Lago"; furthermore, the Parent Company entered into a lease agreement for another property used for catering purposes in order to manage the relevant activity directly.

In addition, the Group is continuously seeking new sites to manage in order to implement its innovative business model in the management, separate from ownership, of real estate assets and to further consolidate and increase its position in the Italian tourism sector, especially with regard to sites of artistic and cultural significance, together with the related business economic and financial data.

Naturally, the Company constantly monitors developments relating to the conflict in the Middle East and the related potential critical issues concerning possible limits on the international movement of persons, which, however, at present do not give rise to particular concern.

RESEARCH AND DEVELOPMENT ACTIVITIES

During the year, the Group companies did not carry out research and development activities.

ANALYSIS OF MAIN RISKS AND UNCERTAINTIES

Analysis of risk factors

Pursuant to article 2428, paragraph 3, no. 6-bis of the Italian Civil Code, the main risks and uncertainties to which the Group is exposed, together with the objectives and policies for managing them, are set out below.

Seasonality risks

The Company carries out its business with a seasonal pattern concentrated in the second and third quarter of each calendar year and, therefore, revenue volumes and economic-financial performance may be influenced, for example, by weather conditions, the free movement of persons following macroeconomic and/or geopolitical events, and consumer behaviour. The Company continuously monitors these dynamics in order to optimise operational and financial planning and mitigate possible impacts on the business.

Financial risks

With regard to the analysis of the financial risks connected with the Group's operations, the following should be noted:

Credit and concentration risk: the Group is not exposed to significant credit risks, since the majority of its revenues derives from receipts relating to admissions to the palaces and gardens located on the Islands, which are collected directly at the ticket offices or through electronic payment channels.

Foreign exchange risk: the Group is not exposed to significant exchange rate risks, since it mainly uses the euro as the reference currency for its transactions, and transactions in foreign currencies are extremely limited.

Interest rate risk: the Group is exposed to financial risks arising solely from fluctuations in interest rates relating to bank debt. With regard to the use of such borrowings, and in particular those of a short-term nature, the Company constantly monitors market trends and, where deemed appropriate, assesses actions to mitigate the related risks.

For details of outstanding borrowings, reference should be made to the Notes to the Financial Statements.

Liquidity risk

The Group has adequate liquidity, including in terms of credit lines granted by banking institutions, sufficient to support the Group in its current operations and development plans.

Strategic risks

These represent the risk of a prospective decrease in profits or invested capital arising from changes in the operating environment, wrong business decisions, inadequate implementation of decisions, or poor responsiveness to changes in the competitive context. It should be noted that the Group has a business model focused on capital preservation, with particular emphasis on current and future profitability. This model is implemented through the constant monitoring of the Group's core business operations, specifically through the analysis of financial and balance sheet performance indicators, and through the adoption of a strategic planning process and decision-making framework.

Operational risks

These represent the risk of losses arising from inefficiencies in organisational, procedural and service offering areas. With regard to the approach to managing such risks, the following should be noted:

Environmental and occupational health and safety risk: the Group pays particular attention to environmental protection through compliance with legal provisions. In terms of monitoring business processes, it should be noted that the Group has an organisational structure and internal control system suitable for ensuring compliance with current regulations and the management of the main operating risks.

Primary importance is attached to the safety and health of workers in the workplace within the framework of the Group's strategies and objectives.

The guidelines, with a view to continuous improvement in the field of safety and health, are strict compliance with health and safety regulations, constant commitment to seeking and using the best available technologies in terms of processes/machinery/equipment, research into and use of less hazardous substances and preparations for product manufacturing, and extensive information and training activities aimed at all professional roles involved.

DERIVATIVE FINANCIAL INSTRUMENTS

The Group companies do not have derivative financial instruments in place.

OFF-BALANCE SHEET ARRANGEMENTS

Pursuant to article 2427, no. 22-ter of the Italian Civil Code, it is hereby stated that the Group companies have not entered into agreements, or other arrangements, including arrangements connected with one another, the effects of which are not shown in the statement of financial position but which may expose the Group to risks or generate benefits whose knowledge is necessary to assess the equity, financial and economic position of the Group. It should only be recalled that, starting from the following financial year, the Company will have future commitments for Euro 60 thousand relating to the lease fee of the business owned by Lago Alto S.r.l. and approximately Euro 48 thousand relating to new property lease agreements in addition to those already in place.

RELATIONS BETWEEN THE PARENT COMPANY AND SUBSIDIARIES, ASSOCIATES AND RELATED PARTIES

The Group has commercial and financial relationships with unconsolidated subsidiaries, associates and companies directly or indirectly controlled by the majority shareholder of the Parent Company.

The details of the relationships in place as at 31 December 2025 are set out below:

Related parties	31.12.2025	31.12.2025	31.12.2025	31.12.2025
	Trade assets	Financial assets	Trade liabilities	Financial liabilities
Subsidiaries				
Parco Del Mottarone S,R,L,	92,652	1,681,260	137,574	-
Italian Heritage S,R,L,	10,980			10,000
Associates				
Scuola Sci Stella Alpina Mottarone S,t,p S,r,l,	3,953	45,000	-	665
Companies indirectly controlled by the Parent Company				
Vigilo RE S,r,l				1,672
Immobiliare Porta Volta S,r,l,	3,660			

Related parties	2025	2025	2025	2025
	Trade revenues	Financial revenues	Trade costs	Financial costs
Parent company				
L6a4 S,R,L,	510			
Subsidiaries				
Parco Del Mottarone S,R,L,	6,000	31,260	544,324	
Italian Heritage S,R,L,	6,000			
Associates				
Scuola Sci Stella Alpina Mottarone S,t,p S,r,l,	4,336		166	
Companies indirectly controlled by the Parent Company				
Vigilo Re S,r,l,	42,510			
Achernar S,r,l,	250			
Alnair S,r,l,	1,667			
Alnilam S,r,l,	250			
Alnitak S,r,l,	7,500			
B-Tech Ventures S,r,l,	83			
Delfino S,r,l,	417		222,364	



KALEON

HERITAGE MANAGEMENT

Joint-stock company

Registered office Via Privata Maria Teresa, 4 20123 Milano (MI)

Fully-paid up quota capital euro 2.118.750,00

Milan, Monza, Brianza, Lodi Company Registration and tax code n. 07040700150

Milan REA n. 1132883

**Consolidated financial statements
as at 31 December 2025
of the “KALEON” Group**

Amounts expressed in Euro

BALANCE SHEET		31-dic-2025	31-dic-2024
<u>ATTIVO</u>			
B ASSETS			
I Intangible fixed assets			
1	Start-up and expansion costs	2,645,000	22,332
3	Industrial patents and intellectual property rights	756,381	142,461
4	Concessions, licences, trademarks and similar rights	1,209,499	1,285,957
5	Goodwill	33,371	61,618
6	Assets under development and advances	2,359,491	1,744,369
7	Other	9,937,341	9,633,352
	Total intangible fixed assets (I)	16,941,083	11,148,216
II Tangible fixed assets			
1	Land and buildings	132,702	138,420
2	Plant and machinery	4,618,981	4,353,369
3	Commercial and industrial equipment	686,674	1,015,545
4	Other assets	4,273,960	3,036,693
5	Assets under construction and advances	237,135	1,205,582
	Total tangible fixed assets (II)	9,949,452	11,491,481
III Financial fixed assets			
1	Equity investments in:		
	a) non-consolidated subsidiaries	30,000	20,000
	b) Associates	5,000	5,000
	Total investments (1)	35,000	25,000
2	Receivables:		
	b) From associates		
	- due after one year	45,000	50,000
	Total receivables (2)	45,000	50,000
	Total financial fixed assets (III)	80,000	75,000
	TOTAL FIXED ASSETS	26,970,535	22,714,697
C CURRENT ASSETS			
I Inventory:			
1	Finished products and goods	353,200	518,126
5	Advances	78,903	0
	Total inventory (I)	432,103	518,126
II Receivables			
1	Trade receivables:		
	- due within one year	129,106	359,266
2	From subsidiaries:		
	- due within one year	10,980	0
3	From associates:		
	- esigibili entro l'esercizio successivo	3,953	278
5bis	Tax receivables:		
	- due within one year	2,611	51,375
5ter	Deferred tax assets:		
	- due within one year	456,864	516,839
5quater	Other receivables:		
	- due within one year	487,548	63,532
	Total receivables (II)	1,091,062	991,290
IV Cash and cash equivalents			
1	Bank and postal deposits	7,993,016	51,446
3	Cash-in-hand and cash equivalents	39,400	34,476
	Total Cash and cash equivalents (IV)	8,032,416	85,922
	TOTAL CURRENT ASSETS	9,555,581	1,595,338
D ACCRUALS AND DEFERRALS			
	Other Accrued income and prepaid expenses	697,271	770,035
	TOTAL ACCRUALS AND DEFERRALS	697,271	770,035
	TOTAL ASSETS	37,223,387	25,080,070

LIABILITIES	31-dic-2025	31-dic-2024
A SHAREHOLDERS' EQUITY		
I Share capital	2,118,750	1,500,000
II Share premium reserve	17,381,250	1,500,000
III Revaluation reserve	1,556,104	1,556,104
IV Legal reserve	300,000	300,000
VII Other reserves:		
- Capital contributions	2,000,000	0
- Merger surplus reserve	104,291	104,291
- Reserve for suspension of amortisation (2020)	1,019,373	1,019,373
- Rounding reserve	0	4
VIII Retained earnings (losses) carried forward	259,206	(1,278,021)
IX Profit (loss) for the year	1,555,396	1,537,227
Total equity attributable to the Group	26,294,370	6,238,978
C EMPLOYEES' SEVERANCE INDEMNITY	1,310,872	1,323,029
D PAYABLES		
3 Payables to shareholders for loans:		
- due after one year	0	6,010,400
4 Bank loans:		
- due within one year	2,168,641	4,224,533
- due after one year	2,676,611	2,550,011
6 Payments on account::		
- due within one year	232,423	103,338
- due after one year		
7 Trade payables:		
- due within one year	2,606,796	2,761,363
9 Payables to subsidiaries:		
- due within one year	10,000	0
12 Tax payables:		
- due within one year	369,909	508,725
- due after one year		
13 Social security charges payable:		
- due within one year	569,960	243,980
14 Other payables:		
- due within one year	852,911	892,473
TOTAL PAYABLES	9,487,251	17,294,823
E ACCRUALS AND DEFERRALS		
Accrued expenses and deferred income	130,894	223,240
TOTAL ACCRUALS AND DEFERRALS	130,894	223,240
TOTAL LIABILITIES	37,223,387	25,080,070

INCOME STATEMENT	2025	2024
A VALUE OF PRODUCTION		
1 Revenues from sales and services	23,172,756	21,688,038
5 Other income and revenues:		
- Other	594,818	55,350
- Grants	53,433	48,300
Total other income and revenues	648,251	103,650
TOTAL VALUE OF PRODUCTION (A)	23,821,007	21,791,688
B COSTS OF PRODUCTION		
6 Raw materials, ancillary materials, consumables and goods	1,513,332	1,271,541
7 Services	5,161,586	4,922,226
8 Use of third-party assets	1,750,535	1,696,644
9 Personnel costs:		
a) Wages and salaries	6,161,321	5,492,953
b) Social security contributions	1,870,614	1,706,733
c) Employees' severance indemnity	418,846	392,470
e) Other personnel costs	58,921	108,314
<i>total personnel costs</i>	<i>8,509,702</i>	<i>7,700,470</i>
10 Depreciation and amortisation:		
a) Amortisation of intangible fixed assets	1,861,028	971,173
b) Depreciation of tangible fixed assets	1,668,289	1,444,261

c) Write-down of fixed assets	28,361	0
d) Write-down of receivables included in current assets and cash and cash equivalents	800	1,382
<i>Total depreciation and amortisation</i>	<i>3,558,478</i>	<i>2,416,816</i>
11 Changes in inventories of raw materials, ancillary	164,926	159,984
14 Other operating expenses	532,716	527,157
TOTAL COSTS OF PRODUCTION (B)	21,191,275	18,694,838
DIFFERENCE BETWEEN VALUE AND COSTS OF PRODUCTION (A - B)	2,629,732	3,096,850
C FINANCIAL INCOME AND EXPENSES		
16 Other financial income		
d) other income not included above		
- from subsidiaries	10,000	0
- from other entities	3,376	1,378
Total other financial income	13,376	1,378
17 Interest and other financial expenses::		
- on other borrowings	206,369	214,832
Total interest and other financial expenses	206,369	214,832
TOTAL FINANCIAL INCOME AND EXPENSES C (15+16-17±17bis)	(192,993)	(213,454)
D ADJUSTMENTS TO THE VALUE OF FINANCIAL ASSETS		
19 Impairment losses:		
a) equity investments	35,000	155,000
Total impairment losses	35,000	155,000
TOTAL ADJUSTMENTS TO THE VALUE OF FINANCIAL ASSETS D (18-19)	(35,000)	(155,000)
PROFIT BEFORE TAXES (A-B±C±D±E)	2,401,739	2,728,396
22 INCOME TAXES FOR THE YEAR		
Current income taxes	(781,576)	(759,631)
Deferred tax assets	(59,974)	(430,594)
Taxes relating to prior years	(4,793)	(944)
TOTAL INCOME TAXES FOR THE YEAR	(846,343)	(1,191,169)
23 Profit (Loss) for the year before non-controlling interests	1,555,396	1,537,227
Result for the year attributable to non-controlling interests	0	0
Profit (Loss) for the year attributable to the Group	1,555,396	1,537,227

CASH FLOW STATEMENT	2025	2024
A) Cash flows from operating activities (indirect method)		
Profit (loss) for the year	1,555,396	1,537,227
Income taxes	846,343	1,191,169
Interest expense / (income)	192,993	213,454
1) Profit (loss) before income taxes, interest, dividends and gains/(losses) on disposals	2,594,732	2,941,850
Adjustments for non-cash items not affecting net working capital		
Provisions	800	1,382
Depreciation and amortisation of fixed assets	3,529,317	2,415,434
Other increases/(decreases) for non-cash items	453,846	392,470
Total adjustments for non-cash items not affecting net working capital	3,983,963	2,809,286
2) Cash flow before changes in net working capital	6,578,695	5,751,136
Changes in net working capital		
Decrease/(increase) in inventories	86,023	159,984
Decrease/(increase) in trade receivables	229,360	(61,874)
Increase/(decrease) in trade payables	(154,567)	1,439,380
Decrease/(increase) in accrued income and prepaid expenses	72,764	(118,666)
Increase/(decrease) in accrued expenses and deferred income	(92,346)	(122,910)
Other decreases/(increases) in net working capital	(13,172)	134,661
Total changes in net working capital	128,062	1,430,575
3) Cash flow after changes in net working capital	6,706,757	7,181,711
Other adjustments		
Interest received/(paid)	(192,993)	(213,454)
(Income taxes paid)	(876,420)	(634,673)
Other receipts/(payments)	(431,003)	(301,274)
Total other adjustments	(1,500,416)	(1,149,401)
Cash flow from operating activities (A)	5,206,341	6,032,310
B) Cash flows from investing activities		
Tangible fixed assets		
(Investments)	(126,260)	(3,660,141)
Intangible fixed assets		
(Investments)	(7,653,895)	(1,206,012)
Financial fixed assets		
(Investments)	(40,000)	72,000
Cash flow from investing activities (B)	(7,820,155)	(4,794,153)
C) Cash flows from financing activities		
Third-party funds		
Increase/(decrease) in short-term bank borrowings	(1,929,292)	(1,202,873)
(Repayment of shareholders' loans)		
Third-party funds	(4,010,400)	0
Equity		
Paid-in capital increase	16,500,000	0
Cash flow from financing activities (C)	10,560,308	(1,202,873)
Increase/(decrease) in cash and cash equivalents (A +/- B +/- C)	7,946,494	35,284
Exchange rate effects on cash and cash equivalents		
Cash and cash equivalents at the beginning of the year		
Bank and postal deposits	51,446	24,040
Cash-in-hand and cash equivalents	34,476	26,598
Total cash and cash equivalents at the beginning of the year	85,922	50,638
Cash and cash equivalents at the end of the year		
Bank and postal deposits	7,993,016	51,446
Cash-in-hand and cash equivalents	39,400	34,476
Total cash and cash equivalents at the end of the year	8,032,416	85,922
Movement	7,946,494	35,284

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

Dear Shareholders,

the consolidated financial statements of the Kaleon Group (hereinafter also the “Group”) relate to the financial year ended 31 December 2025 and consist of the Consolidated Balance Sheet, Consolidated Income Statement, Consolidated Cash Flow Statement and these Notes. They have been prepared in accordance with the provisions of the Italian Civil Code and Legislative Decree no. 127 of 9 April 1991, as interpreted and supplemented by the accounting standards issued by the Italian Accounting Standards Board (OIC).

It should be noted that, by resolution of the Shareholders’ Meeting held on 9 July 2025, the parent company Kaleon S.p.A. (hereinafter also “Kaleon” or the “Parent Company”) changed its name to “Kaleon S.r.l.” (formerly SAG S.r.l.), and subsequently became “Kaleon S.p.A.” again following the transformation from a limited liability company into a joint-stock company resolved by the Extraordinary Shareholders’ Meeting on 20 October 2025.

The Group mainly operates in the management of tourist flows visiting the Borromeo palaces and gardens located on Isola Bella and Isola Madre on Lake Maggiore, as well as Villa Pallavicino and Rocca di Angera.

These properties and gardens are characterised by rare animals, plants and exotic flowers, as well as exhibitions of significant artistic and cultural value, including collections of paintings, furniture, dolls and porcelain.

The properties, together with part of the collections displayed to the public, are largely subject to protection by the Italian Ministry for Cultural and Environmental Heritage pursuant to laws governing the preservation of assets of historical, artistic and cultural interest.

In addition, the Group operates, secondarily and at different times of the year, the following business units:

- Ski facilities and related activities, this business unit includes the operation and management of ski lift facilities, ski slopes for alpine skiing and winter sports, and the sale of related equipment.
- Rental business, this includes the rental of bicycles, mountain bikes, skis, ski boots and related sports equipment, as well as chairs and deckchairs.
- Adventure park, this includes the operation of an adventure park with aerial routes consisting of suspended paths at various heights above the ground, allowing safe movement between trees using lianas, Tibetan bridges, zip lines, nets and walkways.
- Restaurant – Bar – Lodge, this includes bar services, cafeterias, catering and restaurant services with on-site consumption.

The formats used for the preparation of the consolidated financial statements are those set out in Articles 2424 and 2425 of the Italian Civil Code, supplemented in accordance with Article 32 of Legislative Decree No. 127/91, as amended following the Italian Corporate Law Reform (Legislative Decree No. 6 of 17 January 2003), effective as of 1 January 2004.

This Explanatory Notes, containing all the information required by Article 2427 of the Italian Civil Code and by the other articles referring thereto, provides all the additional information necessary to ensure a clear, true and fair view of the Group’s financial position and results of operations.

The Explanatory Notes are intended to provide a description, analysis and, where necessary, an integration of the financial statement data and include the information required by Article 38 of Legislative Decree No. 127/91. It should be noted that no exceptional circumstances occurred that would have required the application of the derogations provided for under Article 29, paragraphs 4 and 5, of Legislative Decree No. 127/91.

Items with a zero balance in both the current and the previous year have been omitted from the Statement of Financial Position and the Income Statement.

The amounts shown in the Statement of Financial Position and in the Income Statement, as well as in these Explanatory Notes, are expressed in Euro units.

The consolidated financial statements as at 31 December 2025 report a net profit for the year of Euro 1,555,396, entirely attributable to the Group, after depreciation, amortisation and Write-down of Euro 3,558,478 and income taxes for the year of Euro 846,343.

SCOPE OF CONSOLIDATION

The consolidated financial statements of Kaleon S.p.A. include the financial statements of the parent company and of the wholly-owned subsidiary “Parco del Mottarone S.r.l.”, with registered office in Milan, Via Borromei 1/A, share capital of Euro 165,000, tax code, VAT number and Companies’ Register number 02445510031, consolidated on a line-by-line basis.

It should be noted that the wholly-owned investment in the newly incorporated company “Italian Heritage S.r.l.”, with registered office in Stresa (VB), share capital of Euro 10,000, tax code, VAT number and Companies’ Register number 02789030034, has not been consolidated, as such company has not yet commenced its operations and, therefore, also pursuant to Article 28, paragraph 2 of Legislative Decree No. 127/91, it has been excluded from the scope of consolidation as its inclusion would be immaterial for the purpose of providing a true and fair view of the Group’s financial position and results of operations.

Furthermore, it should be noted that Vigilo RE S.r.l., with registered office in Milan, share capital of Euro 50,000, tax code, VAT number and Companies’ Register number 13812410960, in accordance with what was already specified in the 2025 interim financial statements, was disposed of on 29 July 2025 and, therefore, has not been considered for consolidation purposes, as it was consistently classified as held for sale (subsequently completed) and also because it carried out activities that were significantly different from the core business of the Kaleon Group.

REFERENCE DATE OF THE CONSOLIDATED FINANCIAL STATEMENTS

The reference date of the consolidated financial statements is 31 December 2025, which coincides with the reporting date of both the parent company and the subsidiary included in the scope of consolidation.

FINANCIAL STATEMENTS USED FOR CONSOLIDATION

The financial statements used for consolidation are those prepared by the companies as at the reference date of the consolidated financial statements and approved by their respective shareholders’ meetings.

CONSOLIDATION PRINCIPLES

The accounting principles adopted for the preparation of the consolidated financial statements are those applied by the Parent Company in preparing its separate financial statements, or those adopted by the consolidated entity.

Assets and liabilities with identical or similar designation and content, included in the financial statements of the Group companies and intended to be combined in the same line items of the consolidated financial statements, are measured using uniform criteria.

The consolidated financial statements provide for the consolidation of the assets, liabilities, costs, revenues and cash flows of subsidiaries directly and indirectly controlled by the Parent Company, using the line-by-line consolidation method.

The line-by-line consolidation process is carried out through the following steps:

- adjustments to align with the Group’s accounting principles, as well as any other adjustments necessary for consolidation purposes, such as reclassifications;
- aggregation of the financial statements or financial information to be consolidated, regardless of the percentage of ownership. The income statements of companies acquired or disposed of during the year are included based on the period of ownership by the Group;
- elimination of the carrying amount of investments in consolidated companies against the corresponding portion of the subsidiary’s equity attributable to the Group at the acquisition date.

Any positive consolidation difference is allocated, where possible, to each identifiable asset acquired, within the limit of its fair value and, in any case, not exceeding its recoverable amount, as well as to each identifiable liability assumed, including related tax effects.

Where a positive consolidation difference cannot be fully allocated to separately identifiable assets and liabilities, the residual amount is recognised under “Goodwill/Consolidation difference” within intangible assets, unless it should be recognised, in whole or in part, in the income statement. The allocation of the residual consolidation difference to goodwill is made provided that the recognition criteria set out in the relevant accounting standard are met.

Any negative consolidation difference is allocated, where possible, as a reduction of assets recognised at amounts exceeding their recoverable amount and of liabilities recognised at amounts lower than their settlement amount, net of the related tax effect. Any remaining negative difference, if not attributable to expected future losses but rather to a bargain purchase, is recognised in equity under the specific reserve “Consolidation reserve”.

There are no non-controlling interests.

GENERAL PRINCIPLES FOR THE PREPARATION OF THE FINANCIAL STATEMENTS

The valuation of the items included in these financial statements has been carried out in accordance with the general principles of prudence and accrual basis, under the going concern assumption; the recognition and presentation of items have been made taking into account the substance of the transaction or contract, where compatible with the provisions of the Italian Civil Code and the OIC accounting standards. The principles of consistency of valuation criteria, materiality and comparability of information have also been observed.

In applying the above-mentioned principles:

- the valuation of the individual components of each asset or liability item has been carried out separately, in order to avoid that unrealised gains on certain items offset unrealised losses on others. In particular, profits have been recognised only if realised by the reporting date, while risks and losses relating to the period have been taken into account, even if identified after the reporting date;
- income and expenses have been recognised on an accrual basis, irrespective of the date of receipt or payment. Accrual accounting is the time-based criterion under which income and expenses are recognised in the income statement for the purpose of determining the result for the period;
- the administrative body has carried out a forward-looking assessment of the Company's ability to continue as a going concern, i.e. as an operating economic entity capable of generating income for a foreseeable future period of at least twelve months from the reporting date. This assessment did not identify any significant uncertainties in this regard;
- the identification of rights, obligations and conditions has been based on the contractual terms of the transactions and their comparison with the provisions of the applicable accounting standards, in order to ensure the correct recognition or derecognition of assets and liabilities. The materiality of the individual items included in the consolidated financial statements has been assessed within the overall context of the financial statements. Both qualitative and quantitative factors have been considered in assessing materiality;
- in application of the materiality principle pursuant to Article 2423, paragraph 4, of the Italian Civil Code, the Consolidated Notes do not include comments on items presented in the financial statements, even where specifically required by Article 2427 of the Italian Civil Code or by other provisions, where both the amounts and the related disclosures are immaterial for the purpose of providing a true and fair view of the Group's financial position and results of operations;
- for each item in the Group's Statement of Financial Position, Income Statement and Cash Flow Statement, the corresponding figures for the consolidated financial statements as at 31 December 2024 are presented. Where items are not comparable, those relating to the previous year have been adjusted and, where relevant, appropriate disclosures have been provided in the Explanatory Notes;
- the valuation criteria have not been changed compared to the previous year, in order to ensure consistency in the measurement of the Group's results over time. During the year, no exceptional circumstances occurred that would have required the application of the derogation from the valuation criteria provided for by Article 2423, paragraph 5, of the Italian Civil Code, as such derogation would have been incompatible with a true and fair view of the Group's financial position and results of operations. No revaluations of assets pursuant to specific laws were carried out during the year.

ACCOUNTING POLICIES

The accounting policies adopted in preparing the financial statements are as follows:

Intangible fixed assets

Intangible fixed assets are recognised, subject where required to the approval of the Board of Statutory Auditors, at purchase or production cost and are stated net of accumulated amortisation and any impairment losses.

Intangible fixed assets are amortised on a straight-line basis over their estimated useful life. They consist of costs having multi-year utility, which are amortised over the contractual term of the related asset and/or over a period that can be estimated with reasonable certainty so as to ensure the recoverability of the related costs.

Goodwill is recognised under assets only if it has been acquired for consideration, has a measurable value, originates from costs and expenses with deferred utility over time capable of generating future economic benefits, and provided that the recoverability of the related cost is ensured. This item mainly refers to costs incurred for adaptation works, extraordinary maintenance, improvements and expenses incurred to comply with safety regulations relating to properties and movable assets owned by third parties and used under lease agreements for the purposes of the Company's business. These costs are amortised on a straight-line basis as follows:

Category of asset	Amortisation rates
Start-up and expansion costs	20%
Concessions, licences, trademarks and similar rights	20%
Patent rights	12,50%
Goodwill	20%
Other	20% - 14,29% - 12,50% - 10% - 6,67% - 5% - 4,17%

It should be noted that, starting from the 2018 financial year, the Parent Company revised the amortisation policy for “leasehold improvements on third-party assets” and “deferred charges”; in particular, in accordance with OIC 24, the useful life of such costs has been estimated with greater reasonable certainty and in line with the prudence principle, resulting in an alignment of the asset’s useful life with its expected duration. This new approach is considered more appropriate in light of the contractual duration of leased properties, and more consistent with the current economic profile of the investments and their ability to contribute to the Company’s results through the generation of income flows.

Grants, defined as amounts or tax credits recognised by a public entity for the implementation of initiatives and projects relating to intangible assets, are recognised when there is reasonable assurance that the conditions for their recognition have been met and that the grants will be received, i.e. when they are substantially vested.

They are recognised in the income statement on a systematic basis over the useful life of the related intangible asset using the direct method, under which grants are deducted from the carrying amount of the intangible assets to which they relate. Under this method, depreciation and amortisation are recognised in the income statement based on the net carrying amount of the intangible assets.

It should also be noted that, in the 2020 financial year, the Parent Company applied the option provided for by Law No. 126/2020, which converted Law Decree No. 104/2020 (the so-called “August Decree”), revaluing exclusively trademarks. The revaluation of trademarks was accounted for by increasing their historical cost and was recognised in equity under the specific item “Revaluation reserve pursuant to Law Decree No. 104/2020”, recorded net of the substitute tax due for the tax recognition of the higher value of the trademarks, as the Company opted to apply the revaluation for both statutory and tax purposes. The related equity reserve arising from the revaluation surplus (net of the substitute tax liability due for tax recognition of the higher value of the trademarks) constitutes a reserve subject to tax suspension. The higher values attributable to the revaluation are recognised for tax purposes starting from the 2021 financial year.

The higher value attributed to trademarks, amounting to Euro 1,600,000, is amortised on a straight-line basis over 20 years for statutory purposes and over 50 years for tax purposes.

Tangible fixed assets

Tangible fixed assets are initially recognised at the date on which the risks and rewards of ownership are transferred and are recorded at purchase or production cost, adjusted for accumulated depreciation and any impairment losses. The carrying amount includes ancillary costs and all costs incurred to bring the asset into use, while significant trade discounts and cash discounts are deducted from the cost.

Depreciation charges, recognised in the income statement, are calculated based on the use, intended purpose and economic-technical useful life of the assets, according to the residual useful life criterion, which is considered to be adequately represented by the following depreciation rates, reduced by half in the year the asset is first brought into use.

The depreciation rates applied during the year are set out below:

Asset category	Depreciation rate
Light constructions	3%
Industrial and commercial equipment	12%
Plant and machinery	10% - 15%
Other assets:	
<i>Transport vehicles</i>	25% - 8%
<i>Motor vehicles</i>	25%
<i>Office equipment</i>	10%
<i>Furniture and fittings</i>	10%
<i>Low-value assets (not exceeding Euro 516.46)</i>	100%

It should be noted that, starting from the 2018 financial year, the Parent Company revised the useful life of “plant and equipment” relating to lighting, intrusion detection, surveillance and irrigation systems, to which a new depreciation rate of 10% is applied instead of the previously applied 15%, and of “office machinery and related equipment”, to which a new depreciation rate of 10% is applied instead of the previously applied 20%. The rationale for this change is mainly attributable to changes in the original conditions, specifically due to technical and functional considerations, as the assets concerned are able to provide greater utility as a result of the continuous and significant maintenance and improvement works carried out in recent years.

It should also be noted that the Parent Company has leased from the subsidiary Parco del Mottarone S.r.l. the following distinct business units:

- the *Ski lifts and related activities* business unit, relating to the operation and management of ski lift facilities, ski slopes for alpine skiing and winter sports, and the sale of related equipment;
- the *Rental* business unit, relating to the rental of bicycles, mountain bikes, as well as skis, boots and related sports equipment, chairs and deckchairs;
- the *Adventure Park* business unit, relating to the operation of an adventure park with suspended routes, consisting of amusement park activities with aerial paths at various heights above the ground which, with the aid of lianas, Tibetan bridges, cables (zip lines), nets and walkways, allow movement between trees in complete safety;
- the *Restaurant – Bar – Lodge* business unit, relating to bar, café, refreshment and catering activities.

The leased business units also include all tangible assets pertaining to each unit; therefore, as no derogation from Article 2561 of the Italian Civil Code applies, the Company, as lessee, is required to maintain the efficiency of the leased assets and bears the costs related to their economic and technical depreciation and obsolescence. Accordingly, the Company recognises depreciation charges over the duration of the lease agreements through provisions to a restoration provision for tangible fixed assets relating to such business units, which, as at 31 December 2025, amounts to Euro 947,114 and includes the provision for the 2025 financial year of Euro 170,454.

Furthermore, as provided for in the relevant agreements, the Parent Company is entitled to deduct for tax purposes the depreciation charges relating to the tangible assets included in the leased business units pursuant to Article 102, paragraph 8, of the Italian Income Tax Code (TUIR). At consolidated level, these intragroup transactions have been appropriately eliminated.

Equity investments

Equity investments intended to be held on a long-term basis, due to management's intention and the Group's actual ability to retain them for an extended period, are classified as financial fixed assets. Otherwise, they are recognised under current assets.

Any change in classification between non-current and current assets, or vice versa, is accounted for in accordance with the valuation criteria applicable to the portfolio of origin.

Equity investments are measured at cost. They are initially recognised at purchase or incorporation cost, including any directly attributable transaction costs. Such costs include, for example, banking and financial intermediation fees, commissions, expenses and taxes. The carrying amount of equity investments is increased by capital contributions made against payment or by waivers of shareholder loans. Bonus share issues do not affect the carrying amount of equity investments.

Where, at the reporting date, equity investments have suffered impairment losses deemed to be permanent, their carrying amount is reduced to the lower recoverable amount, down to zero if necessary. In cases where the Parent Company is required to cover losses incurred by its investees, a provision may be recognised among liabilities to cover, for the relevant portion, the investees' equity deficit. If, in subsequent financial years, the reasons for the impairment no longer exist, the carrying amount of the investment is reinstated, up to a maximum of its original cost.

Inventories

Inventories are measured at the lower of purchase cost (including ancillary costs) and the corresponding net realisable value based on market conditions; in particular, inventories, mainly consisting of publications and various goods sold in museums, have been valued, taking into account market value, on the basis of average purchase prices.

Receivables

Receivables recognised in the financial statements represent rights to receive, at a specified or determinable date, fixed or determinable amounts of cash from customers or other parties. They are measured using the amortised cost method.

The amortised cost method is not applied where its effects are immaterial, generally in the case of short-term receivables or where transaction costs, fees paid between the parties and any difference between the initial value and the maturity value of the receivable are insignificant.

Such receivables are initially recognised at nominal value, net of premiums, discounts, allowances contractually agreed or otherwise granted, and are subsequently measured at nominal value plus interest calculated at the nominal interest rate, less collections received for principal and interest, and net of estimated impairment losses and bad debt write-downs recognised to adjust the receivable to its estimated realisable value.

The Group companies have not applied the amortised cost method in the current financial year, as its effect is considered immaterial at the reporting date.

The adjustment of the nominal value of receivables to their estimated realisable value is made through an allowance for doubtful accounts, taking into account general economic conditions, industry conditions and the specific counterparty.

Receivables of a financing nature are presented in the statement of financial position under financial fixed assets.

Payables

Payables are liabilities of a defined nature and certain existence that represent obligations to pay fixed or determinable amounts of cash to lenders, suppliers and other parties.

Payables arising from the purchase of goods are recognised when the significant risks and rewards of ownership have been transferred, taking the transfer of risks and benefits as the reference point. Payables relating to services are recognised when the services are received, i.e. when the service has been rendered. Financial payables and those arising for reasons other than the acquisition of goods and services are recognised when the Group's obligation to pay the counterparty arises.

Payables are recognised in the financial statements using the amortised cost method, taking into account the time value of money.

The amortised cost method is not applied where its effects are immaterial, generally in the case of short-term payables or where transaction costs, fees paid between the parties and any difference between the initial value and the maturity value of the payable are insignificant.

The Group companies have not applied the amortised cost method in the current financial year, as its effect is considered immaterial at the reporting date.

Trade payables with a maturity exceeding 12 months from initial recognition, bearing no interest or interest at rates significantly different from market rates, together with the related costs, are initially recognised at a value determined by discounting future cash flows at the market interest rate. The difference between the initial carrying amount of the payable thus determined and its nominal value at maturity is recognised in the income statement as a finance cost over the term of the payable using the effective interest rate method.

In the case of financial liabilities, the difference between the cash received and the present value of future cash flows, determined using the market interest rate, is recognised in the income statement as financial income or expense at initial recognition, unless the substance of the transaction or contract requires such component to be classified differently and therefore accounted for accordingly.

Payables are derecognised, in whole or in part, when the contractual and/or legal obligation is extinguished, fulfilled or otherwise transferred.

Cash and cash equivalents

They are recognised at their actual amount as at the reporting date.

Accruals and deferrals

Accruals and deferrals, both assets and liabilities, have been determined on an accrual basis and reflect income, revenues, costs and expenses attributable to periods spanning more than one financial year.

Provisions for risks and charges

Provisions for risks and charges are intended to cover losses or liabilities of a defined nature, which are certain or probable, but for which, at the reporting date, the exact amount or timing cannot be determined. In measuring such provisions, the general principles of prudence and accrual have been applied, and no general provisions lacking economic justification have been recognised. Contingent liabilities have been recognised in the financial statements and included in provisions where they are considered probable and the related amount can be reasonably estimated.

Provisions for risks and charges are recognised in the income statement under the items relating to the operating activity to which they refer, in accordance with the nature of the related costs.

The amount of provisions is determined based on the best estimate of costs, including legal expenses, at each reporting date and is not discounted. Where a range of possible outcomes exists, the provision reflects the best estimate within the range between the minimum and maximum values.

Subsequent use of provisions is made directly and only for those expenses and liabilities for which the provisions were originally recognised. Any negative differences or excess amounts compared to the actual costs incurred are recognised in the income statement consistently with the original provision.

The provisions reflect the best possible estimate based on the information available.

Employee severance indemnity (TFR)

The employee severance indemnity (TFR) represents the actual liability accrued in favour of employees, in accordance with applicable laws and employment contracts, taking into account all forms of continuous remuneration. This liability corresponds to the total amount of individual entitlements accrued up to 31 December 2025 in favour of the employees of the Group companies at the reporting date, net of advances paid, and is equal to the amount that would have been payable to employees in the event of termination of employment at that date.

Revenues and costs

Revenues from the sale of goods and the provision of services, relating to both core and ancillary activities, are recognised in accordance with the accounting model introduced by OIC 34, which is structured in the following phases:

- a) determination of the overall transaction price;
- b) identification of the unit of account;

- c) allocation of the transaction price to the units of account; and
- d) recognition of revenues.

The total contract price is determined based on contractual terms. Discounts, rebates, penalties and returns are accounted for as reductions of revenue based on the best estimate of the consideration, taking into account historical experience and/or statistical analyses.

In determining the total contract price, amounts payable to customers that are similar to discounts are also considered and therefore accounted for as reductions of the transaction price. Conversely, amounts payable to customers relating to services received, included within the same contract, are recognised as costs.

The Group analyses sales contracts in order to identify the distinct performance obligations, i.e. whether a single contract gives rise to multiple rights and obligations that must be accounted for separately in relation to individual goods, services or other promised performance.

Performance obligations are not separated when the goods and services provided under the contract are integrated or interdependent, when the services provided do not fall within the core activities, when each of the services under the contract is performed within the same financial year, and when, in the case of contracts that are not particularly complex, the separation of performance obligations would not have a material impact on total revenues.

Production costs are recognised net of returns, discounts, rebates and bonuses. Costs arising from the purchase of goods are recognised on an accrual basis when the significant risks and rewards have been transferred. Costs arising from the purchase of services are recognised based on the stage of completion of the services received, if the contract provides that the obligation to pay arises progressively as the service is rendered and the related cost can be reliably measured. If these conditions are not met, the cost is recognised when the service has been completed.

Operating grants due either by law or under contractual arrangements are recognised on an accrual basis in the financial year in which the right to receive them arises with reasonable certainty.

Income taxes

Income taxes (IRES and IRAP) and any other taxes and duties have been recognised on the basis of the estimated tax charge for the year and are presented in the statement of financial position net of advance payments, withholding taxes suffered and tax credits offset at the time of payment.

Deferred tax assets and deferred tax liabilities have also been recognised, respectively, for taxes attributable to future periods but relating to the current year (deferred tax assets) and for taxes attributable to the current year but payable in future periods (deferred tax liabilities). The recognition of deferred tax assets and liabilities reflects temporary differences between the carrying amount of income and expense items determined in accordance with statutory accounting principles and their corresponding tax values, measured on the basis of tax rates reasonably expected to apply in future periods.

Deferred tax assets not offset against deferred tax liabilities are included under “tax receivables” within current assets, provided that there is reasonable certainty of their future recovery based on expected taxable income. It is also noted that no deferred tax assets have been recognised directly in equity.

In the income statement, the item “current income taxes” includes provisions for IRES and IRAP relating to the taxable income for the year, while the item “change in deferred tax assets” includes the net amount of deferred tax assets recognised during the year and those arising in prior years and reversed in the current year.

Events after the reporting date

Events occurring after the reporting date that provide evidence of conditions existing at the reporting date and that require adjustments to the carrying amounts of assets and liabilities, in accordance with the applicable accounting standards, are recognised in the financial statements, in line with the accrual principle, in order to reflect their effect on the financial position and results of operations as at the reporting date.

Events occurring after the reporting date that are indicative of conditions arising after the reporting date, and which do not require adjustments to the amounts recognised in the financial statements in accordance with the applicable accounting standards, as they relate to the subsequent financial year, are not recognised in the financial statements but are disclosed in the Explanatory Notes, where considered relevant for a better understanding of the Company’s situation.

The cut-off date for considering such events is the date on which the draft financial statements are prepared by the Board of Directors.

* . * . * . * . * . * . *

BALANCE SHEET

ASSETS

B) FIXED ASSETS

I. Intangible fixed assets

Intangible fixed assets as at 31 December 2025 amount to Euro 16,941,083. The table below shows the movements for the year:

Intangible fixed assets	Net book value at 31.12.2024	Increases/(Decreases)	Amortisation for the year	Net book value at 31.12.2025
Industrial patents and intellectual property rights	22,332	3,306,250	(683,582)	2,645,000
Start-up and expansion costs	142,461	829,367	(215,447)	756,381
Concessions, licences, trademarks and similar rights	1,285,957	5,747	(82,205)	1,209,499
Goodwill	61,618	0	(28,246)	33,371
Assets under development and advances	1,744,369	615,122	0	2,359,491
other	9,633,351	1,155,538	(851,548)	9,937,341
Total	12,890,088	5,912,024	(1,861,028)	16,941,083

The item “Start-up and expansion costs” includes all costs incurred for expansion and growth relating to the listing process described above and is shown net of amortisation and of the non-repayable grant allocated to the Parent Company, namely the “Quota Lombardia” contribution supporting Lombardy SMEs aiming at capital strengthening and growth through listing, amounting to Euro 300,000.

The item “Industrial patent rights and intellectual property rights” mainly refers to the costs incurred for the implementation of the new ERP system and the interfaces connected with other management and monitoring systems (such as treasury, logistics, order collection, sales planning and management control).

The item “Concessions, licences, trademarks and similar rights” mainly relates to software licences and trademarks, which were subject to optional revaluation in the 2020 financial year pursuant to Law No. 126/2020 (which converted Law Decree No. 104/2020). Trademarks are amortised on a straight-line basis over 20 and 5 years.

The item “Goodwill” mainly arises from business unit acquisitions carried out by the subsidiary Parco del Mottarone S.r.l. and amounts to Euro 33,371.

“Assets under construction and advances” relate to works or activities in progress not yet completed as at 31 December 2025, mainly referring to extraordinary maintenance costs and refurbishment works in progress at the various tourist sites in which the Group operates.

The item “Other” mainly refers to the capitalisation of extraordinary maintenance, improvements and costs incurred to comply with safety regulations relating to properties and movable assets owned by third parties and held under lease for the purposes of carrying out the Group’s operations.

II. Tangible fixed assets

Tangible fixed assets as at 31 December 2025 amount to Euro 9,949,452. The table below shows the movements for the year:

Tangible fixed assets	Net book value at 31.12.2024	Increases/(Decreases)	Amortisation for the year	Net book value at 31.12.2025
Land and buildings	138,420	0	(5,718)	132,702
Plant and machinery	4,353,369	1,083,171	(817,559)	4,618,981
Commercial and industrial equipment	1,015,545	(189,346)	(139,525)	686,674
Other assets	3,036,693	1,942,754	(705,487)	4,273,960
Assets under construction and advances	1,205,582	(968,447)	0	237,135
Total	9,749,609	1,868,132	(1,668,289)	9,949,452

Increases in tangible fixed assets mainly relate to new purchases of plant, machinery and other assets used by the Parent Company in carrying out its core business, as well as to assets under construction consisting of assets acquired from third parties for long-term use and still in progress at the reporting date.

More specifically, additions during the year mainly concern the category “Plant and machinery”, which includes all operational equipment located at the various tourist sites where the Parent Company operates. Notable additions include the purchase of two new systems aimed at improving lighting and fire prevention systems at Isola Bella, as well as installations at the new tourist site Castelli di Cannero, which became operational in June 2025. Furthermore, during the year, two new vessels for the transport of tourists to Castelli di Cannero were completed and became operational; these had previously been recognised under “assets under construction”.

III. Financial fixed assets

They amount to Euro 20,000, and the movements are detailed below:

	31.12.2025	31.12.2024	Changes
Equity investments in non-consolidated subsidiaries	30,000	20,000	10,000
Total	30,000	20,000	10,000

The item relates exclusively to the investment in the company “Italian Heritage S.r.l.”, with registered office in Stresa (VB), share capital of Euro 10,000, tax code, VAT number and Companies’ Register number 02789030034, corresponding to a nominal amount of Euro 10,000 representing 100% of the share capital, recognised in the financial statements at Euro 10,000, equal to the subscription cost. As already stated above, the company has not yet commenced its operations and has therefore not been consolidated.

It should also be noted that the Company did not receive any dividends from the investee during the financial year.

Equity investments in associates

They amount to Euro 5,000 and relate to the following:

- an investment with a nominal value of Euro 2,000, representing 33.33% of the share capital of “Scuola Sci Stella Alpina Mottarone S.t.p. S.r.l.”, with registered office in Stresa (VB) and share capital of Euro 6,000, recognised in the financial statements at Euro 2,000, equal to the subscription cost of Euro 2,000, adjusted for the net difference between additional funding and waivers of receivables granted to the company, amounting to Euro 190,000, and presented net of impairment losses recognised during the current and previous financial years, equal to the amount of such waivers. Based on the latest draft financial statements as at 30 June 2025 approved by the shareholders’ meeting, the investee’s equity amounts to negative Euro 27,292, including a loss for the year of Euro 34,920.
- an investment with a nominal value of Euro 3,000, representing 30% of the share capital of “Tutto Bene S.r.l.”, with registered office in Milan and share capital of Euro 10,000, recognised in the financial statements at Euro 3,000, equal to the subscription cost. Based on the latest draft financial statements as at 31 December 2024 approved by the administrative body, the investee’s equity amounts to Euro 7,440, including a loss for the year of Euro 2,560.

No income was derived from the above investments during the financial year.

Receivables from associates

They amount to Euro 45,000 and relate to an interest-free loan, maturing on 30 June 2026, granted to the associate Scuola Sci Stella Alpina Mottarone S.t.p. S.r.l., which was adjusted during the year following a waiver of Euro 35,000 and an additional loan of Euro 30,000.

CURRENT ASSETS

I. Inventory

Inventories at the end of the financial year amount to Euro 432,103 (Euro 518,126 as at 31 December 2024), showing an overall decrease of Euro 86,023 compared to the previous financial year, as detailed below:

Inventories	31.12.2025	31.12.2024	Changes
Finished goods and merchandise	353,200	518,126	(164,926)
Advances	78,903	0	78,903
Total	432,103	518,126	(86,023)

II. Receivables

Receivables as at 31 December 2025 amount to Euro 1,091,062.

Before analysing the individual items, the table below shows the composition and comparison of current assets for the two financial years under review:

	31.12.2025	31.12.2024	Changes
Trade receivables	129,106	359,266	(230,160)
Receivables from subsidiaries	10,980	0	10,980
Receivables from associates	3,953	278	3,675
Tax receivables	2,611	51,375	(48,764)
Deferred tax assets	456,864	516,839	(59,975)
Other receivables	487,548	63,532	424,016
Total	1,091,062	991,290	99,772

All receivables are due within the following financial year.

“Trade receivables”, all falling due within the next financial year, also include receivables for invoices to be issued amounting to Euro 7,883 and are presented net of the allowance for doubtful accounts of Euro 8,917 (Euro 8,118 as at 31 December 2024).

“Receivables from subsidiaries” relate to trade receivables due from the non-consolidated subsidiary Italian Heritage S.r.l.

“Receivables from associated companies” relate to trade receivables due from Scuola Sci Stella Alpina Mottarone S.t.p. S.r.l.

“Tax receivables” refer to the IRES tax credit, already stated net of current income taxes for the year.

“Deferred tax assets” include assets arising from temporary differences originating in the current and previous financial years which, based on a specific assessment, have been recognised in accordance with the provisions of OIC 25. In particular, they mainly relate to prior tax losses of the subsidiary Parco del Mottarone S.r.l. and to the misalignment between statutory and tax amortisation of goodwill and of the revalued trademark of Kaleon S.p.A.

“Other receivables” mainly include security deposits, receivables from employees, receivables from INAIL and advances to suppliers.

Receivables from foreign customers amount to Euro 50,118, of which Euro 7,268 relate to EU counterparties and Euro 42,850 to non-EU counterparties, while the remaining balance relates to Italian counterparties.

IV. Cash and cash equivalents

Cash and cash equivalents amounting to Euro 8,032,416 consist of balances held in current accounts with the banks used by the Group (Euro 7,993,016) and cash on hand (Euro 39,400).

For further information on the items that affected cash movements compared to the previous financial year, reference should be made to the cash flow statement included in the financial statements.

D) PREPAYMENTS AND ACCRUED INCOME

Prepayments and accrued income represent income and expenses whose recognition is either deferred or accrued compared to the related cash or documentary transaction; they are recorded independently of the date of payment or collection of the related income and expenses, which relate to two or more financial years and are allocated on a time basis.

As at 31 December 2025, there are no accruals and deferrals with a duration exceeding five years.

They amount to Euro 697,271 as at 31 December 2025 and relate to accrued income for interest and operating grants, as well as prepaid expenses mainly referring to rent expenses, insurance, advertising costs and service/maintenance fees.

..*.*.*.*.*.*

LIABILITIES

A) SHAREHOLDERS' EQUITY

The accounting shareholders' equity consists of the following items, which have undergone the changes indicated:

	31.12.2025	31.12.2024	Changes
Share capital	2,118,750	1,500,000	618,750
Share premium reserve	17,381,250	1,500,000	15,881,250
Revaluation reserve	1,556,104	1,556,104	0
Legal reserve	300,000	300,000	0
Rounding reserve	0	4	(4)
Capital contributions	2,000,000	0	2,000,000
Merger surplus reserve	104,291	104,291	0
Reserve for suspension of amortisation	1,019,373	1,019,373	0
Retained earnings (losses) carried forward	259,206	(1,278,021)	1,537,227
Profit (loss) for the year	1,555,396	1,537,227	18,169
Total	26,294,370	6,238,978	20,055,392

The table below shows the movements in shareholders' equity compared to the previous financial year:

Description	Share capital	Share premium reserve	Revaluation reserve	Legal reserve	Capital contributions	Merger surplus reserve	Rounding reserve	Reserve for suspension of amortisation	Retained earnings (losses carried forward)	Profit (loss) for the year	Total
Equity as at 31 December 2023	1,500,000	1,500,000	1,556,104	300,000	0	104,291	3	0	(3,153,478)	2,894,830	4,701,750
Allocation of 2023 result	0	0	0	0	0	0	0	1,019,373	1,875,457	(2,894,830)	0
Other changes	0	0	0	0	0	0	1	0	0	0	1
Result for the year ended 31 December 2024	0	0	0	0	0	0	0	0	0	1,537,227	1,537,227
Equity as at 31 December 2024	1,500,000	1,500,000	1,556,104	300,000	0	104,291	4	1,019,373	(1,278,021)	1,537,227	6,238,978
Allocation of 2024 result	0	0	0	0	0	0	0	0	1,537,227	(1,537,227)	0
Other changes	618,750	15,881,250	0	0	2,000,000	0	(4)	0	0	0	18,499,996
Result for the year ended 31 December 2025	0	0	0	0	0	0	0	0	0	1,555,396	1,555,396

Share Capital

The share capital of the Parent Company amounts, at the end of the financial year, to Euro 2,118,750, fully subscribed and paid in, and is divided into shares in accordance with the law. It should be noted that on 31 October 2025 the extraordinary shareholders' meeting resolved paid-in share capital increases, fully subscribed and paid, for a total amount of Euro 16,500,000, allocated for Euro 618,750 to share capital and for Euro 15,881,250 to the share premium reserve, through the issuance of 4,125,000 new ordinary shares with no nominal value, at a price of Euro 4.00 per share, of which Euro 0.15 to share capital and Euro 3.85 as share premium. As a result, the Company's share capital amounts to Euro 2,118,750 and is divided into 14,125,000 ordinary shares with no nominal value.

The reconciliation between the shareholders' equity and the net result of the Parent Company KALEON S.p.A. and the corresponding consolidated figures as at 31 December 2025 is summarised in the table below:

Description	Shareholders' equity	Profit (loss) for the year
Shareholders' equity and profit (loss) for the year of the Parent Company	27,705,441	1,323,494
Elimination of the carrying amount of investments in subsidiaries	0	0
Results of consolidated investees	603,041	231,902
Consolidation difference from previous years	(2,014,113)	0
	(1,411,072)	231,902
Shareholders' equity and profit (loss) for the year attributable to the Group	26,294,369	1,555,396
Shareholders' equity and profit (loss) for the year attributable to non-controlling interests	0	0
Patrimonio Total shareholders' equity and profit (loss) for the year	26,294,369	1,555,396

C) EMPLOYEES' SEVERANCE INDEMNITY

The employee severance indemnity (TFR) changed as follows:

	31.12.2024	Accruals	Utilisations	31.12.2025
TFR	1,323,029	418,846	(431,003)	1,310,872

The provision for employee severance indemnities (TFR) represents the actual liability accrued towards employees in accordance with applicable laws and current employment agreements, taking into account all forms of remuneration with a continuing nature. The TFR corresponds to the total of individual entitlements accrued up to 31 December 2025 in favour of employees at the reporting date, net of advances paid, and represents the amount that would have been payable to employees in the event of termination of employment at that date.

The TFR does not include entitlements accrued from 1 January 2007 onwards, which are allocated to supplementary pension schemes pursuant to Legislative Decree No. 252 of 5 December 2005 (or transferred to the INPS Treasury Fund) and are recognised directly in the income statement.

D) PAYABLES

Payables as at 31 December 2025 amount to Euro 9,487,251.

Before analysing the individual items, the table below shows the composition and comparison of payables for the two financial years under review:

	31.12.2025	31.12.2024	Changes
Due to shareholders for loans	0	6,010,400	(6,010,400)
Bank payables	4,845,252	6,774,544	(1,929,292)
Advances	232,423	103,338	129,085
Trade payables	2,606,796	2,761,363	(154,567)
Payables to subsidiaries	10,000	0	10,000
Tax payables	369,909	508,725	(138,816)
Social security payables	569,960	243,980	325,980
Other payables	852,911	892,473	(39,562)
Total	9,487,251	17,294,823	(7,807,572)

All payables are due within the following financial year, except for payables to banks as detailed below.

“Payables to shareholders” were partly repaid and partly waived, with the waived portion reclassified under capital contributions.

“Payables to banks” relate to temporary overdrafts and three outstanding bank loans, for which there are no delays in instalment payments, as detailed below:

1. Loan entered into in 2020 with a leading credit institution, principal amount Euro 2,300,000, interest rate: 1-month Euribor (360 basis) + spread of 0.834%, maturity date: 16 September 2028, repayable in 96 monthly instalments in arrears, first instalment due on 16 October 2020, of which the first 46 instalments were interest-only. As at 31.12.2025, the outstanding balance amounts to Euro 1,267,518, of which Euro 807,316 is due beyond the following financial year;
2. Loan entered into in 2021 with a leading credit institution, principal amount Euro 5,000,000, interest rate: 1.10%, maturity date: 30 September 2027, repayable in 25 quarterly instalments in arrears, first instalment due on 30 September 2021, of which the first 7 instalments were interest-only. As at 31.12.2025, the outstanding balance amounts to Euro 1,973,866, of which Euro 850,591 is due beyond the following financial year;
3. Loan entered into in 2025 with a leading credit institution, principal amount Euro 1,500,000, interest rate: 1.75%, maturity date: 30 December 2028, repayable in 13 quarterly instalments in arrears, first instalment due on 31 December 2025, of which the first instalment was interest-only. As at 31.12.2025, the outstanding balance amounts to Euro 1,500,000, of which Euro 1,018,704 is due beyond the following financial year. It should also be noted that this loan includes a covenant providing for the subordination of the repayment of shareholder loans to the bank financing.

The change compared to the previous financial year relates to the difference between instalments paid during the current year and the drawdown of the new loan described above.

“Advances” relate to advances received from customers for visits and events.

“Trade payables” include the balance of invoices to be received and are stated net of credit notes to be received.

“Tax payables” relate to liabilities for withholding taxes (IRPEF), regional and municipal surtaxes, virtual stamp duties on revenues and IRAP payable for the year, already shown net of advances paid.

“Payables to social security institutions” relate to contributions due in respect of employees and similar personnel (INPS, INAIL, CAU, ENPAIA, etc.).

“Other payables” mainly include amounts due to employees (salaries, accrued holidays and leave, etc.), withholdings, credit cards and other items.

Payables to foreign suppliers amount to Euro 23,657, of which Euro 23,637 relate to EU counterparties and Euro 20 to non-EU counterparties, while the remaining balance relates to Italian counterparties.

E) ACCRUALS AND DEFERRED INCOME

Accruals and deferred income represent income and expenses whose recognition is either deferred or accrued compared to the related cash or documentary transaction; they are recorded independently of the date of payment or collection of the related income and expenses, which relate to two or more financial years and are allocated on a time basis.

As at 31 December 2025, there are no accruals and deferrals with a duration exceeding five years.

They amount to Euro 130,894 as at 31 December 2025 and relate to accrued expenses mainly consisting of interest and bank charges, insurance and contributions, as well as deferred income mainly relating to revenues pertaining to the following financial year.

..*.*.*.*.*

INCOME STATEMENT

The main items of the income statement are analysed below, taking into account what has already been commented on above with reference to the balance sheet items.

A) VALUE OF PRODUCTION

The item is composed as follows:

	2025	2024	Changes
Revenues from sales and services	23,172,756	21,688,038	1,484,718
Other	594,818	55,350	539,468
Grants	53,433	48,300	5,133
Total	23,821,007	21,791,688	2,029,319

Revenue from sales and services

For a description of the nature and trend of revenue, reference should be made to the management report.

Other income

Other income includes reimbursements, other operating income and various other revenues.

Grants

Grants received and allocated to the Parent Company during the financial year relate to contributions received for the ski season. For further information, reference should be made to the section "Information pursuant to Article 1, paragraph 125, Law No. 124 of 4 August 2017".

B) COSTS OF PRODUCTION

The item is composed as follows:

	2025	2024	Changes
Raw materials, ancillary materials, consumables and goods	1,513,332	1,271,541	241,791
Services	5,161,586	4,922,226	239,360
Use of third-party assets	1,750,535	1,696,644	53,891
Personnel costs	8,509,702	7,700,470	809,232
Depreciation and amortisation	3,558,478	2,416,816	1,141,662
Changes in inventories of raw materials, ancillary	164,926	159,984	4,942
Other operating expenses	532,716	527,157	5,559
Total	21,191,275	18,694,838	2,496,437

Costs for raw materials

Raw materials costs relate to beverages and food required for catering services, to supplies necessary for the welfare of fauna and flora present on the islands, and to general materials used for on-site administrative services.

Costs for services

This item includes costs incurred by the Group companies to obtain the services necessary to carry out their core business activities. It includes costs for professional services, fees of the statutory auditors responsible for the legal audit of the accounts, as well as costs for telephone services, electricity, advertising, transportation and other services related to ordinary operations.

Costs for the use of third-party assets

Costs for the use of third-party assets mainly relate to lease/rental payments for properties used in the Company's operations, leases of business units and various rental agreements.

Personnel costs

This item includes the total cost of employees, including merit increases, promotions, cost-of-living adjustments, the cost of accrued but unused vacation, and provisions required by law and collective agreements. In the 2025 financial year, it also includes bonuses of Euro 384 thousand granted to employees following the completion of the admission process of the Company's ordinary shares to trading on Euronext Growth Milan ("EGM") and Euronext Growth Paris ("EGP"), multilateral trading facilities operated respectively by Borsa Italiana S.p.A. and Euronext Paris S.A.

Other operating expenses

This item includes various taxes and duties (Chamber of Commerce fees, government concession taxes, etc.), other non-recurring expenses, capital losses, representation expenses, penalties and fines, and other miscellaneous costs.

C) FINANCIAL INCOME AND EXPENSES

Financial income and expenses, negative for Euro 192,993, relate to bank interest income for Euro 3,376, to the capital gain arising from the disposal of the investment in Vigili RE S.r.l. for Euro 10,000, and to bank interest expenses and similar charges for Euro 206,369.

D) VALUE ADJUSTMENTS OF FINANCIAL ASSETS

This item, negative for Euro 35,000, relates to the partial impairment recorded during the current financial year in respect of the associate Scuola Sci Stella Alpina Mottarone S.t.p. S.r.l.

INCOME TAXES FOR THE YEAR (CURRENT, DEFERRED AND PREPAID)

Income taxes for the year amount to Euro 846,343 and consist of Euro 781,576 in current IRES/IRAP taxes, Euro 59,974 relating to the reversal of deferred tax assets, and Euro 4,793 relating to taxes from previous financial years.

..*.*.*.*.*

POST-BALANCE SHEET EVENTS

It should be noted that, to date, no events have occurred after 31 December 2025 that would make the current financial position and results of operations materially different from those presented in the Statement of Financial Position and the Income Statement as at that date, or that would require further adjustments or additional disclosures to the financial statements. For further information, reference should be made to the management report.

TRANSACTIONS WITH SUBSIDIARIES, ASSOCIATES, PARENT COMPANIES, ENTITIES UNDER COMMON CONTROL OF THE PARENT COMPANY AND OTHER RELATED PARTIES

During the current financial year, the Group companies had transactions with the parent company, with subsidiaries and associates, and with entities indirectly controlled by the majority shareholder.

For further details, reference should be made to the information provided in the management report.

OTHER INFORMATION**Off-balance sheet agreements**

Pursuant to Article 2427, paragraph 22-ter, of the Italian Civil Code, it is hereby stated that the Group has not entered into any agreements or other arrangements, including related agreements, whose effects are not reflected in the statement of financial position but which may expose the Group to risks or generate significant benefits, the disclosure of which is necessary for a proper understanding of the Group's financial position and results of operations.

Commitments, guarantees and contingent liabilities not recognised in the balance sheet

As at 31 December 2025, the Company has in place two guarantees granted in favour of the subsidiary Parco del Mottarone S.r.l. for a total amount of Euro 124,500.

It should also be noted that the Parent Company has leased from the subsidiary Parco del Mottarone S.r.l. the following distinct business units: the Ski lifts and related activities business unit, the Rental business unit, the Adventure Park business unit and the Restaurant – Bar – Lodge business unit, which include all tangible assets pertaining to each business unit, as well as concessions, contractual relationships (both assets and liabilities) and lease agreements relating thereto.

Finance lease transactions

During the financial year, the Group did not enter into any finance lease transactions.

Information pursuant to Article 1, paragraph 125, of Law no. 124 of 4 August 2017

With reference to the disclosure requirements relating to grants, contributions, remunerated assignments and other economic advantages pursuant to Law no. 124/2017, Article 1, paragraph 125, it is noted that during the financial year 2025 the Group received and/or was granted the following contributions:

Contribution	amount	Financial statement item
Regional Law no. 2/2009 grant – contributions for the ski season	53,431	Other income and revenues – Grants
Lombardy contribution for SME listing	300,000	Reduction of intangible assets

For further information on State aid received, reference should be made to the website www.rna.gov.it.

Workforce data

The Group's workforce, broken down by category, has undergone the following changes compared to the previous financial year.

Organico	31/12/2024	increase	decreases	31/12/2025	Changes	Average number
Directors	4	0	0	4	0	4
Executives	4	0	0	4	0	4
Middle management	5	1	0	6	0	6
Permanent employees and workers	74	7	(4)	77	3	76
Seasonal employees and workers	0	140	(140)	0	0	0
Total	87	148	(144)	91	3	89

It should be noted that, as illustrated above, staff movements are influenced by the seasonal nature of employment contracts, as the Group's business is mainly concentrated in the period from March to October; consequently, following the opening of most tourist sites during this period, hiring is correspondingly concentrated in such months.

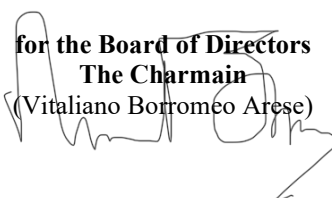
Furthermore, it should be noted that increases and decreases also include the conversion of fixed-term contracts into permanent contracts.

CONCLUSIONS

These consolidated financial statements, comprising the Consolidated Balance Sheet, the Consolidated Income Statement, the Consolidated Cash Flow Statement and the Consolidated Explanatory Notes, give a true and fair view of the consolidated financial position and of the consolidated results of operations for the year and are consistent with the underlying accounting records.

Milan, 30 March 2026

for the Board of Directors
The Charmain
 (Vitaliano Borromeo Arese)



G,B, Par S,r,l,	6,667			
Immobiliare Del Cavallo Rampante S,r,l,	9,736			
Immobiliare Del Limone S,r,l,	500			
Immobiliare La Tisecco S,r,l,	2,177			
Immobiliare Porta Volta S,r,l,	10,917			
L-Ventures S,r,l,	83			
Mantika S,r,l,	2,000			
Milano 1919 S,r,l,	1,667			
Old Brick S,r,l,	102			
Shareholder of the Parent Company				
Vitaliano Borromeo			1,198,229	

QUOTAS/SHARES OF PARENT COMPANIES

It should be noted that, pursuant to article 2428, points 3) and 4) of the Italian Civil Code, there are no treasury shares or quotas, nor shares in parent companies held by the Company either through a fiduciary company or by interposed person, and that during the year the Company neither purchased nor sold treasury shares or quotas, nor shares or quotas in parent companies, either directly or through a fiduciary company or by interposed person.

INFORMATION RELATING TO PERSONNEL AND THE ENVIRONMENT

The growth and professional development of people, as a determining factor in the evolution and development of the Group's activities, remains one of the Group's primary objectives. The high level of skills and knowledge acquired, together with commitment, flexibility, dedication and the pursuit of excellence in work, are valuable assets that the Group intends to preserve and, where possible, enhance. During the year there were no workplace accidents for which corporate liability was ascertained, and the Group received no claims regarding occupational diseases involving employees or former employees, nor claims relating to mobbing. The Group's Company has not been found guilty and has not been called upon to answer any allegations in relation to environmental damage.

SECONDARY OFFICES

The Group companies do not have secondary offices.

CONCLUSIONS

We thank you for the trust placed in us and invite you to take note of the consolidated financial statements as at 31 December 2025 as presented.

Milan, 30 March 2026

**for the Board of Directors
the Chairman**
(Vitaliano Borromeo Arese)