



Consolidated financial statements at 31 December 2025

Registered office in Ariccia (RM) - VIA CANCELLIERA, 59

Share capital Euro 32,000,000 fully paid-up

Registration number in the Companies Register in Rome and tax code 00491530580

REA No. 00266475 of Rome

BALANCE SHEET - ASSETS	31.12.2025	31.12.2024
B) FIXED ASSETS		
I) Intangible assets		
1) Start-up and expansion costs	3.629.996	402.721
2) Development costs	1.600.283	874.742
3) Industrial patent and intellectual property rights	611.934	667.795
4) Concessions, licenses, trademarks and similar rights	669.981	564.594
5) Goodwill	23.291.377	20.987.878
6) Assets in progress and advances	351.160	214.120
7) Other intangible assets	3.186.275	2.192.118
Total intangible assets	33.341.006	25.903.968
II) Tangible assets		
1) Land and buildings	6.627.959	6.442.288
2) Plant and machinery	14.033.545	12.051.099
3) Industrial and commercial equipment	18.728.453	18.349.206
4) Other assets	3.234.254	2.277.294
Total tangible assets	42.624.211	39.119.887
III) Financial assets		
1) Investments in:		
a) subsidiaries	4.195	4.195
b) associated companies	314.492	310.052
d-bis) other companies	763.766	50.699
Total equity investments	1.082.453	364.946
2) Receivables:		
d bis) from Others		
due within one year	5.668	-
due beyond one year	1.098.971	1.434.208
Total from others	1.104.639	1.434.208
Total receivables	1.104.639	1.434.208
4) Derivative financial instruments receivable	11.949	173.823
Total financial assets	2.199.041	1.972.977
TOTAL FIXED ASSETS	78.164.258	66.996.832
C) CURRENT ASSETS		
I) Inventories		
1) Raw and ancillary materials and consumables	12.004.099	9.926.338
4) Finished products and goods	3.633.875	3.579.622
Total inventories	15.637.974	13.505.960
II) Receivables:		
1) from Customers		
due within one year	13.296.787	9.825.253
Total Receivables from Customers	13.296.787	9.825.253
3) from associated companies		
due within one year	-	89.837
Total Receivables from associated companies	-	89.837
5-bis) Tax receivables		
due within one year	1.747.789	2.582.367
due beyond one year	491.384	941.257
Total tax receivables	2.239.173	3.523.624
5-ter) Deferred tax assets	3.508.482	3.138.335
5-quater) from others		
due within one year	1.735.636	1.004.338
due beyond one year	10.960	10.960
Total receivables from others	1.746.596	1.015.298
Total receivables	20.791.038	17.592.347
III) Financial assets not held as fixed assets		
4) Other equity investments	3.715	1.235
6) Other securities	46.000	46.000
Total financial assets not held as fixed assets	49.715	47.235
IV) Cash and cash equivalents		
1) Bank and postal deposits	3.998.625	2.429.605
3) Cash and cash equivalents	3.912.835	2.438.824
Total Cash and cash equivalents	7.911.460	4.868.429
TOTAL CURRENT ASSETS	44.390.187	36.013.971
D) ACCRUALS AND DEFERRALS	1.382.507	1.039.715
TOTAL ASSETS	123.936.952	104.050.518

BALANCE SHEET - LIABILITIES		31.12.2025	31.12.2024
A) SHAREHOLDERS' EQUITY			
I) Capital		32.000.000	31.000.000
II) Share premium reserve		9.004.280	-
IV) Legal reserve		2.214.702	350.000
V) Statutory reserve		-	1.814.702
VI) Other reserves, indicated separately:			
Reserve from share capital reduction	-	4.872.744	4.872.744
Sundry other reserves		7.820.724	7.820.724
Rounding reserve		2	2
Total other reserves:		2.947.983	2.947.982
VII) Reserves for hedging of expected cash flows		9.081	132.104
VIII) Profits (losses) carried forward	-	901.197	3.062.526
IX) Profit (loss) for the year		1.798.024	2.206.070
TOTAL GROUP SHAREHOLDERS' EQUITY		47.072.872	35.388.332
MINORITIES CAPITAL AND RESERVES		37.500	-
MINORITIES' PROFIT (LOSS)	-	1.576	-
TOTAL MINORITIES' EQUITY		35.925	-
TOTAL SHAREHOLDERS' EQUITY		47.108.796	-
B) PROVISIONS FOR RISKS AND CHARGES			
2) for taxes, including deferred		102.868	141.717
TOTAL PROVISIONS FOR RISKS AND CHARGES		102.868	141.717
C) EMPLOYEE SEVERANCE INDEMNITY (TFR)		8.293.533	7.445.326
D) PAYABLES			
1) Bonds			
due within one year		-	225.156
due beyond one year		-	4.569.861
Total Bonds		-	4.795.017
4) Payables to banks			
due within one year		13.260.073	15.323.408
due beyond one year		23.267.393	10.660.534
Total Payables to banks		36.527.466	25.983.942
5) Payables to other lenders			
due within one year		290.196	126.151
due beyond one year		-	-
Total Payables to other lenders		290.196	126.151
6) Advances			
due within one year		151.735	55.684
due beyond one year		-	-
Total advances		151.735	55.684
7) Payables to suppliers			
due within one year		19.092.890	19.416.507
due beyond one year		-	-
Total payables to suppliers		19.092.890	19.416.507
12) Tax payables			
due within one year		1.510.287	2.022.736
due beyond one year		264.568	634.460
Total tax payables		1.774.855	2.657.196
13) Payables to pension and social security institutions			
due within one year		1.139.759	804.422
due beyond one year		-	-
Total payables to pension and social security institutions		1.139.759	804.422
14) Other payables			
due within one year		3.506.614	3.390.294
due beyond one year		270.000	570.000
Total other payables		3.776.614	3.960.294
TOTAL PAYABLES		62.753.515	57.799.213
E) ACCRUALS AND DEFERRALS		5.678.240	3.275.930
TOTAL LIABILITIES		123.936.952	104.050.518

INCOME STATEMENT	31.12.2025	31.12.2024
A) PRODUCTION VALUE		
1) Revenues from sales and services	109.930.183	113.454.512
2) Change in inventories of work in progress, semi-finished and fir -	569.696	7.202
4) Increases in fixed assets for internal work	3.484.665	3.083.153
5) Other revenues and income		
a) Contributions in the year	66.492	118.125
b) Other revenues and income	2.431.334	2.009.702
5 TOTAL Other revenues and income	2.497.826	2.127.827
TOTAL PRODUCTION VALUE	115.342.978	118.672.694
B) PRODUCTION COSTS		
6) raw and ancillary materials, consumables and goods	29.404.097	32.284.718
7) for services	16.086.544	17.953.114
8) for rents and leases	23.839.469	21.795.134
9) for personnel:		
A) wages and salaries	21.819.617	19.737.568
B) social security charges	5.536.211	4.941.048
C) employee severance indemnity (TFR)	1.319.873	1.211.541
e) other costs	394.203	258.937
Total personnel costs	29.069.904	26.149.094
10) amortisation, depreciation and write-downs		
a) amortisation of intangible assets	4.502.352	3.198.091
b) depreciation of tangible assets	7.579.705	6.691.202
Total amortisation, depreciation and write-downs	12.082.057	9.889.293
11) Changes in inventories of raw and ancillary materials, consum -	2.687.180	1.640.069
14) other operating expenses	3.602.640	3.758.287
TOTAL PRODUCTION COSTS	111.397.531	113.469.709
A-B TOTAL DIFFERENCE BETWEEN PRODUCTION VALUE AND I	3.945.447	5.202.985
C) FINANCIAL INCOME AND EXPENSES:		
16) Other financial income:		
D) other income		
5) others	88.760	256.640
Total Other financial income	88.760	256.640
17) interest and other financial expenses:		
e) other interest and financial expenses	1.616.871	2.278.895
Total interest and other financial expenses	1.616.871	2.278.895
17-bis) Exchange rate gains and losses		
a) exchange rate gains	17.811	22.238
b) exchange rate losses	- 58.037 -	29.354
Total exchange rate gains and losses	- 40.226 -	7.116
15+16-17±17BIS TOTAL FINANCIAL INCOME AND EXPENSES	- 1.568.337 -	2.029.371
D) VALUE ADJUSTMENTS OF FINANCIAL ASSETS AND LIABILITIES		
18) Revaluations:		
a) of equity investments	-	-
b) of financial assets not investments	-	-
d) of derivative financial instruments	-	-
TOTAL Revaluations:	-	-
19) Write-downs:		
a) of equity investments	-	-
b) of financial assets not held as investments	-	75.450
d) of derivative financial instruments	-	-
TOTAL Write-downs:	-	75.450
18-19 Total value adjustments financial assets	- -	75.450
A-B±C±D Total pre-tax profit	2.377.110	3.098.164
20) Income taxes for the year, current and deferred tax liabilities and assets		
a) current taxes	634.986	564.325
b) taxes relating to previous years	-	62.034
c) deferred taxes	-	-
d) (deferred tax assets)	- 54.324	265.735
e) (Income (expenses) from tax consolidation and tax transparency)	-	-
Total income taxes for the year, current, deferred, anticipated	580.662	892.094
21) Profit (loss) for the year	1.796.448	2.206.070
Profit (loss) of the year attributable to minorities	- 1.576	-
Profit (loss) of the year attributable to the Group	1.798.024	-

CASH FLOW STATEMENT	31.12.2025	31.12.2024
A. CASH FLOWS FROM OPERATIONS (INDIRECT METHOD)		
Profit (loss) for the year	1.796.448	2.206.070
Income taxes	580.662	892.094
Interest expense/(interest income)	1.528.111	2.022.255
(Gains)/losses from disposal of assets	575.818	578.566
1. Profit for the year before taxes on income, interest, dividends and gains/losses from disposals	4.481.039	5.698.985
<i>Adjustments for non-monetary items that had no balancing entry in net working capital</i>		
Allocations to provisions	1.319.873	1.211.541
Amortisation and depreciation of fixed assets	12.082.057	9.889.293
Write-downs for impairment losses	-	75.450
Total adjustments for non-monetary elements	13.401.930	11.176.284
2. Cash flow before changes in net working capital	17.882.969	16.875.269
Change in net working capital:		
Decrease/(increase) in inventories	-2.132.014	1.653.387
Decrease/(increase) in receivables from customers	-3.471.534	-2.351.080
Increase/(decrease) in payables to suppliers	-323.617	5.295.431
Decrease/(increase) in accrued and deferred assets	-342.792	-145.823
Increase/(decrease) in accrued and deferred liabilities	2.402.310	788.710
Other changes in net working capital	819.302	-1.517.002
Total change in net working capital	-3.048.345	3.723.623
3. Cash flow after changes in NWC	14.834.623	20.598.892
Other adjustments		
Interest collected/(paid)	-201.147	79.953
(Income taxes paid)	-878.676	-671.612
(Use of provisions)	-471.666	-719.780
Total other adjustments	-1.551.489	-1.311.439
CASH FLOW FROM OPERATIONS (A)	13.283.134	19.287.453
B. CASH FLOWS FROM INVESTMENTS		
Tangible assets		
(Investments)	-11.764.406	-10.808.150
Disinvestments	436.294	409.290
Intangible assets		
(Investments)	-12.300.099	-2.094.062
Disinvestments	275.904	-
Financial assets (equity investments)		
(Investments)	-719.987	-39.195
Disinvestments	-	-
Current financial assets		
(Investments)	-2.480	-
Disinvestments	-	-
(Cash flow from the payment of business units)	-1.120.000	-636.710
(Increase)/decrease in financial receivables	329.569	-564.614
(Increase)/decrease in other financial assets	-	-
CASH FLOW FROM INVESTMENTS (B)	-24.865.205	-13.733.441
C. CASH FLOWS FROM FINANCING		
MINORITIES' EQUITY		
Increase (decrease) in short-term payables to banks	-962.468	3.321.846
Increase/(decrease) in short-term payables to other lenders	161.769	22.445
New loans	29.893.946	550.000
Repayment of loans	-19.244.908	-10.826.589
New (repayment) bonds	-5.265.017	-470.000
EQUITY		
Paid capital increase	10.041.780	-
(Dividends and interim dividends paid)	-	-
CASH FLOWS FROM FINANCING (C)	14.625.102	-7.402.298
Increase/(decrease) in cash and cash equivalents (A ± B ± C)	3.043.031	-1.848.285
Cash and cash equivalents - opening balance	4.868.429	6.716.714
of which: bank and postal deposits	2.429.605	4.145.730
cash and cash equivalents	2.438.824	2.570.984
Cash and cash equivalents - closing balance	7.911.460	4.868.429
of which: bank and postal deposits	3.998.625	2.429.605
cash and cash equivalents	3.912.835	2.438.824

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2025**INTRODUCTION**

The Consolidated Financial Statements for the year ended 31 December 2025 have been prepared in accordance with the provisions of Legislative Decree no. 127/1991 and the Civil Code, as amended by Legislative Decree no. 139/2015 (the "Decree"), interpreted and supplemented by the Italian accounting standards issued by the Italian Accounting Body ("OIC") in force for financial statements with a financial year beginning on or after 1 January 2016.

The Consolidated Financial Statements consist of the Balance Sheet (prepared in accordance with the format of articles 2424 and 2424 bis of the Civil Code), the Income Statement (prepared in accordance with the format of articles 2425 and 2425 bis of the Civil Code), the Cash Flow Statement (the contents of which comply with article 2425-ter of the Civil Code are presented in accordance with the provisions of the OIC 10 Accounting Standard) and these Notes, as set forth in article 38 of Legislative Decree no. 127/1991.

The following Notes analyse and integrate the figures of the financial statements with the additional information deemed necessary for a true and correct representation of the figures illustrated, taking into account that no exemptions were made pursuant to art. 29 of Legislative Decree no. 127/1991.

To this end, the Notes are also supplemented by the statement of reconciliation between the result for the year of the Parent Company and the consolidated result for the year and between the equity of the Parent Company and consolidated equity, the statement of changes in consolidated equity items and the list of companies included in the scope of consolidation.

The items not specifically reported in the Balance Sheet and Income Statement, provided by articles 2424 and 2425 of the Civil Code and in the Cash Flow Statement presented in accordance with accounting standard OIC 10, have a zero balance. The right not to indicate such items shall be understood as referring only to the case in which they have an amount equal to zero both in the current year and in the previous year.

As regards the additional information on the Group's situation and on the performance and results of operations, with particular regard to costs, revenues and investments, as well as for a description of the main risks and uncertainties to which the Group is exposed, reference is made to as indicated in the Board of Directors' Management Report.

SCOPE OF CONSOLIDATION

Subsidiaries are consolidated as defined by article 26 of Legislative Decree no. 127/1991. The list of companies included in the scope of consolidation is shown in the following table:

Company Name	Type	Country	HQ	Share capital	Currency	% Ownership	Consolidation
DEDEM S.p.A.	Parent Company	Italy	Ariccia (RM)	32.000.000	Euro	=====	Line-by-line
LEISURE GROUP ITALIA Srl	Subsidiary	Italy	Rome	14.000.000	Euro	100%	Line-by-line
TRUST TECHNOLOGY SERVICES S.r.l.	Subsidiary	Italy	Rome	6.000.000	Euro	100%	Line-by-line
TECNOTRON S.A.U.	Subsidiary	Spain	Madrid	3.544.303	Euro	100%	Line-by-line
WAPPY BRIANZA S.r.l	Subsidiary	Italy	Brescia	10.000	Euro	100%	Line-by-line
WAPPY LIVORNO S.r.l	Subsidiary	Italy	Brescia	10.000	Euro	100%	Line-by-line
WAPPY SIRACUSA S.r.l	Subsidiary	Italy	Brescia	10.000	Euro	100%	Line-by-line
IMAGINATION S.r.l	Subsidiary	Italy	Ariccia (RM)	100.000	Euro	75%	Line-by-line

During the year, the scope of consolidation changed due to the acquisition by the parent company Dedem S.p.A. of 75% of the share capital of Imagination S.r.l. on 29 July 2025.

On the same date, the subsidiary Leisure Group Italia S.r.l. acquired 100% of the capital of the companies Wappy Brianza S.r.l., Wappy Livorno S.r.l. and Wappy Siracusa S.r.l.

It should also be noted that during the year, the subsidiary Tecnotron S.A.U. merged the companies Sicher Ocio Y Diversion S.L. and MCI Diversiones S.L.U. by incorporation. The accounting and tax effects of this merger took effect retroactively on 1 January 2025.

Subsidiaries and associated companies that are not relevant in terms of the significance of their respective economic and equity balances have not been consolidated. In this regard, it should be noted that, in accordance with the provisions of Article 27, paragraph 3-bis, of Legislative Decree 127/1991, Leisure Group Czech S.r.o., given the irrelevance of the economic and equity values, was not subject to consolidation.

All subsidiaries included in the scope of consolidation close their financial statements at 31 December of each financial year.

CONSOLIDATION METHOD

For all companies included in the scope of consolidation, the line-by-line method has been applied. This method includes the full inclusion of assets and liabilities and of the costs and revenues of the companies belonging to the scope of consolidation, regardless of the shareholding percentage of the consolidating company.

Subsidiaries are consolidated on a line-by-line basis starting from the acquisition date, i.e. from the date when the Group takes control, and they cease to be consolidated on the date when control is transferred outside the Group.

The consolidated Balance Sheet and Income Statement show all items of the parent company and other companies included in the consolidation net of the adjustments shown below.

The book value of investments in subsidiaries is derecognised against the corresponding fractions of equity; this consists in replacing the value of the corresponding item of the financial statements with the assets and liabilities of each of the consolidated companies.

The difference between the purchase price of the investments and the equity at the date on which control of the company has been acquired is recognised, where possible, to each identifiable asset acquired, within the limit of the current value of said assets and however, for values not higher than their recoverable amount, as well as to each identifiable liability undertaken, including deferred tax assets and liabilities to be recognised in respect of the gains/losses allocated to the assets and liabilities of the consolidated companies.

Any surplus remaining from this allocation process:

- if positive, is recorded in an asset item called "goodwill", provided that it meets the requirements for recognition, in accordance with the provisions of the national accounting standard OIC 24 "Intangible assets" (otherwise, if the surplus, partially or in full, does not correspond to a higher value of the investee, it is charged to the Income Statement under item B14 "other operating expenses");
- if negative, it is recorded in an equity item called "consolidation reserve" unless it relates, in whole or in part, to the forecast of unfavourable economic results (in this case a special "Consolidation provision for future risks and charges" is recorded among the consolidated equity liabilities).

In addition, the financial statements of the parent company and its subsidiaries have been adjusted by eliminating intra-group balances and transactions.

These transactions modified the respective operating results and consequently the respective equity of the companies included in the scope of consolidation. The financial statements thus adjusted were used for the preparation of the Consolidated Financial Statements.

The share of the result for the year attributable to minority interests and the value of the shareholders' equity attributable to them were also shown.

Finally, it should be noted that there are no financial statements of companies included in the scope of consolidation expressed in a currency other than the Euro.

STRUCTURE AND CONTENT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to Article 2423 of the Italian Civil Code, the consolidated financial statements consist of the Balance Sheet, the Income Statement, the Cash Flow Statement and these Explanatory Notes, accompanied by the Consolidated Management Report.

In addition to the information required by Article 2427 of the Italian Civil Code and other laws, the Notes also contain all other supplementary information deemed necessary to provide a true and fair view of the Group's equity and financial position, the economic result and the cash flows for the year, even if not provided for by specific legal provisions.

The Cash Flow Statement provides information, for 2025 and the previous year, on the amount and composition of cash and cash equivalents at the beginning and end of the year and on the cash flows for the year deriving from operating, investment and financing activities. It is drawn up in scalar form according to the indirect method.

The purpose of these Notes is to illustrate the items contained in the Balance Sheet and Income Statement, supplementing their summary-quantitative data and providing further information useful for the correct interpretation of the financial statements.

Also provided is additional information deemed necessary for the purpose of providing a true and fair representation of the Group's equity, economic and financial situation, even if not required by specific provisions of law.

The consolidated financial statements are prepared with amounts expressed in Euro. In particular, pursuant to Article 2423, paragraph 6, of the Italian Civil Code, the Balance Sheet, Income Statement and Cash Flow Statement are prepared in units of Euro. The transition from account balances, expressed in Euro cents, to the financial statement balances, expressed in Euro, was made by rounding up or down in accordance with the provisions of EC Regulation 1103/97 of 17 June 1997.

The balancing of the financial statements is ensured by summarising the differences in the Balance Sheet in a special "Reserve for rounding in units of Euro", which can be entered under item A.VI Other reserves, and those in the Income Statement, alternatively depending on the sign, in A.5.b) Other income or in B14) Other operating expenses.

The figures shown in these Notes are expressed in units of Euro. Therefore, the following statements and tables have been integrated for the purpose of balancing the balances, highlighting any necessary rounding.

As required by Article 2423-ter, paragraph 5, of the Italian Civil Code, for each item in the Balance Sheet and Income Statement, the amount of the corresponding item for the previous year is indicated. If the items are not comparable, those relating to the previous year have been adjusted, providing the relative comments in the Notes. Also with regard to the provisions of Article 2423-ter, it should be noted that:

- the financial statement items preceded by Arabic numbers are not further broken down, nor have they been grouped;
- it was not necessary to add items additional to those envisaged by the Civil Code;
- the nature of the business carried out did not make it necessary to adjust any item of the financial statements;
- the amounts of the items in these financial statements are accompanied by the corresponding amounts relating to the previous year.

For a better representation of the equity, financial and economic situation of the Group, the Balance Sheet and Income Statement have been prepared in summary form, together with the Consolidated Management Report.

It should also be noted that during the year there were no exceptional cases that would have forced resort to exceptions to the provisions of the Italian Civil Code, pursuant to Articles 2423, paragraph 5 and 2423 *bis*, paragraph 2 of the Civil Code.

In specific cases, certain items in the financial statements have been reclassified with respect to the relative classification of the previous financial statements and, consequently, for a better representation, the comparative balance has been adjusted.

During the year, no correction of material errors was necessary.

This introductory section of the Notes illustrates the accounting principles adopted, in line with the general principles referred to in Articles 2423 *bis* and 2426 of the Italian Civil Code, which set out the criteria followed in the valuation of the various financial statement items.

POSTULATES AND PRINCIPLES FOR PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

In compliance with the provisions of Article 2423 of the Civil Code, the Financial Statements were prepared in accordance with the general postulates of clarity and true and fair view of the financial position of the Group and the economic result for the year.

The recognition, valuation, presentation and disclosure of items may differ from the provisions of the law on financial statements in cases where non-compliance therewith has irrelevant effect on the true and fair representation of the Group's financial position and economic result for the year. For this purpose, information is considered relevant on the basis of qualitative and/or quantitative aspects when the omission or incorrect indication thereof could reasonably affect the decisions taken by users on the basis of the company's financial statements.

Further specific criteria adopted to outline the concept of irrelevance are indicated in correspondence with each item of the financial statements when concerned with their application. The relevance of individual items is considered in the context of other similar items.

They also comply with the principles of article 2423-bis of the Civil Code as illustrated below.

The assessment of items of the financial statements was made based on prudence and on a going concern basis, as well as taking into account the substance of the transaction or contract. For each transaction or fact, and in any case for each business event, the substance of the same was identified, whatever its origin, and the possible interdependence of several contracts that were part of complex transactions was assessed.

Profits were included in the Financial Statements only if realized at the closing date of the year.

Income and expenses indicated are those for the year, regardless of the date of collection or payment.

Account was taken of the risks and losses of the year, even if known after the closing date thereof.

Heterogeneous elements included in the individual items were valued and recognised separately.

These Notes form an integral part of the financial statements pursuant to Article 2423, paragraph 1, of the Italian Civil Code and present the information of the balance sheet and income statement items according to the order in which the relative items are indicated in the respective financial statements pursuant to Article 2427, paragraph 2, of the Italian Civil Code.

BUSINESS CONTINUITY

These consolidated financial statements have been prepared on a going concern basis. The company management, in fact, has assessed that the Group has the reasonable expectation of continuing to constitute a functioning economic complex destined to produce income in the foreseeable future (at least 12 months), as there are no significant uncertainties about business continuity.

VALUATION CRITERIA

The criteria applied in the valuation of financial statement items and value adjustments comply with those provided for in Article 2426 of the Civil Code, interpreted and supplemented by the national accounting standards issued by the OIC, in compliance with the principle of prudence and on a going concern basis. Furthermore, the recognition and presentation of the items are made taking into account the substance of the transaction or contract.

The valuation criteria adopted for the preparation of the Consolidated Financial Statements are the same as those used in the financial statements of the Parent Company.

The financial statement postulates also include continuity with the previous year in the application of the valuation criteria adopted for the preparation of the financial statements.

The most significant valuation principles and criteria are illustrated below.

Intangible assets

Intangible assets are recorded at purchase cost, inclusive of ancillary charges, or at production cost, inclusive of all directly attributable costs and indirect costs for the portion reasonably attributable relating to the manufacturing period and are shown net of the amortisation during the years.

The cost as previously defined is written down in the event of impairment losses and restored (reduced by amortisation only) if all or part of the assumptions underlying the write-downs are no longer valid.

The value of fixed assets is adjusted for amortisation. Amortisation is calculated on a straight-line basis and is charged to each financial year on the basis of the residual possibility of use, which is functional to the correlation of the expected benefits.

Deferred charges have been recorded in the Balance Sheet assets since the following conditions have been met:

- their future utility has been demonstrated;
- there is an objective connection with the related future benefits for the Group;
- their recoverability can be estimated with reasonable certainty, which has been determined taking into account the principle of prudence.

Development costs are capitalised when they are related to a clearly defined product or process, as well as when they meet the criteria of identifiability and measurability. Moreover, such capitalisations are recognised when they refer to a feasible, i.e. technically feasible, project for which the Company has or can have the necessary resources. In this sense, the feasibility analysis of the project is, as a rule, the result of an estimation process that demonstrates the technical feasibility of the product or process and is connected to management's intention to produce and market the product or use or exploit the process.

Likewise, development costs are recognised following a recoverability analysis aimed at verifying the existence of income prospects such as to show that the revenues expected to be achieved from the project are at least sufficient to cover the costs incurred for the study of the same, after deducting all other development costs, production and sales costs that will be incurred for the marketing of the product.

Goodwill, acquired for consideration, was recorded under assets with the consent of the Board of Statutory Auditors for an amount equal to the difference between the merger deficits relating to the mergers carried out in 2017 in relation to the MBO operation, the merger carried out in 2018 with reference to Photo.Plus as well as the merger carried out in 2019 with reference to M.P. Group and the value of the same deficits attributed to the assets. During the year, goodwill arising from the merger into Tecnotron S.A.U. of Sicher Ocio Y Diversion S.L. and its subsidiary MCI Diversione S.L.U. was also recognised.

Further goodwill, acquired for consideration, was generated by the purchase of the “*Selltek*”, “*Prototek*”, “*Arcadia*”, “*Open1*” business units as well as those deriving from the transactions concluded in 2020, 2022 and 2023 relating to the “leisure” sector.

Consolidation goodwill includes the positive difference resulting from the elimination of the carrying amount of investments in consolidated companies not allocated to each identifiable asset or liability acquired on first consolidation. During the 2025 financial year, goodwill was also added as deriving from the first consolidation of the companies Wappy Brianza S.r.l., Wappy Livorno S.r.l., Wappy Siracusa S.r.l. and Imagination S.r.l.

If indicators of impairment loss are found, the value of goodwill is subjected to an impairment test (so called Impairment Test).

The choice of the amortisation period of goodwill was made by the administrative body in application of accounting standard OIC 24, taking into account the characteristics of the asset to which the goodwill refers, which make it possible to assess that its useful life is certainly longer than five years.

Intangible assets have been recorded in the balance sheet as the following conditions are met:

- they are non-monetary assets;
- they are individually identifiable;
- they have no physical substance;
- they are represented by legally protected rights;
- the power to take advantage of the future economic benefits deriving from the assets themselves and to limit access to third parties to such benefits is acquired;
- the cost can be estimated with sufficient reliability.

The cost of intangible assets is systematically amortised over their useful life. The systematic nature of amortisation is defined, for each category, in accordance with the following plan:

Amortisation of intangible assets	Useful life (years)	Rate (%)
Start-up and expansion costs	5	20
Development costs	5	20
Industrial patents and intellectual property rights	18-20	5.56 - 5
Trademark	Based on duration of contracts and within limits of law	
Goodwill	10-18-20	10-5.5-5
Leasehold improvements	Lower between useful life and duration of the contract	

If, regardless of accumulated amortisation, there is an impairment loss, the asset is written down accordingly.

In the financial year in which the reasons that justified the write-down no longer exist, the value is restored to the extent that the asset would have had in the absence of the write-down.

Tangible assets

Tangible assets are recognised at purchase or production cost.

The purchase cost includes ancillary costs (consultancy costs, notary fees, transport costs, import duties, etc.) and any other expenses that the company had to incur in order for the fixed asset to be used (design costs, assembly and installation costs, testing, etc.).

The production cost includes direct costs (materials, direct labour, design expenses, etc.) and general manufacturing costs for the portion reasonably attributable to the asset and incurred in the period of its manufacture.

The incremental expenses have been calculated, within the limit of the recoverable value, on the purchase cost of the asset to which they refer in cases where the incurrence of such costs has produced a significant and measurable increase in the capacity, productivity or safety of the assets or of extension of the useful life.

Ordinary maintenance costs are fully expensed to the Income Statement in the year they are incurred. Incremental maintenance costs are attributed to the assets to which they relate and within the limits of the recoverable amount of the asset and are amortised on a unitary basis with reference to the new book value of the asset, taking into account its residual useful life.

The value of the assets was adjusted by the depreciation carried out systematically over the years and calculated on the basis of the method of the residual possibility of use.

The economic duration assumed for the various categories resulted in the application of the following rates, unchanged with respect to the previous year and reduced by half in the year in which the asset enters service:

Depreciation of tangible assets	Useful life (years)	Rate (%)
Buildings	33	3
Specific plants	5-7	15-20
Industrial equipment	7	15
Miscellaneous and minor equipment	7	15
Electronic office equipment	5	20
Office furniture and furnishings	8 and 4 months	12

The maximum limit of the valuations made is the value in use of the asset, objectively determined.

If, regardless of accumulated amortisation, there is an impairment loss, the asset is written down accordingly.

At each reporting date, the Group assesses the presence of indicators of impairment losses and, if such indicators exist, it estimates the recoverable value of the asset.

Regardless of previously recorded depreciation, should an impairment loss occur, the fixed asset is written down accordingly. The difference is recorded in the Income Statement as an impairment loss and is recorded under item B10c). If in future years the reasons for the impairment no longer apply, the original value is restored.

Capital goods with a modest unit cost of less than Euro 516.46 and a short useful life are fully expensed in the year of acquisition.

Investments

Investments intended to remain in the Group's portfolio over the long term are recorded under financial assets. These items are recorded at purchase or establishment cost, including ancillary costs. Investments in subsidiaries, associates and joint ventures are valued at purchase cost.

If there is an impairment loss, the investments are written down accordingly. When, in one or more subsequent years, the causes that led to the write-down no longer exist, the value is totally or partially restored up to the maximum of the original value.

Investments that do not represent a long-term investment are recorded under current assets. These items are valued at specific cost.

Derivative financial instruments

Derivative financial instruments, even if embedded in other financial instruments, are recorded at fair value. For the definition of a derivative financial instrument and fair value, reference is made to the provisions of the international accounting standards adopted by the European Union, in particular by IFRS 13 and IFRS 9.

Changes in fair value are recognised in the income statement or, if the instrument hedges the risk of changes in the expected cash flows of another financial instrument or a planned transaction, directly in a specific equity reserve, positive or negative.

Receivables (including those classified as financial assets)

Receivables are recognised in the financial statements according to the amortised cost method, taking into account the time factor and the estimated realisable value.

In particular, the initial recognition value is represented by the nominal value of the receivable, net of all premiums, discounts and rebates, and inclusive of any costs directly attributable to the transaction that generated the receivable.

Transaction costs, any commission income and expenses and any difference between initial value and nominal value at the due date are included in the calculation of the amortised cost using the effective interest method.

Where the application of the amortised cost method is irrelevant, in accordance with the provisions of the national accounting standards OIC 15, the receivables have been valued at their presumed realisable value at the closing date of the financial year, without prejudice to discounting at the market interest rate, if significantly different from the effective interest rate.

A specific bad debts provision has been established for possible insolvency risks, the adequacy of which with regard to doubtful accounts is verified periodically and, in any case, at the end of each year, taking into account both situations of non-collection already manifested or considered probable, and general, sector and country risk economic conditions.

Receivables for which collection is expected after twelve months, even if recorded under current assets, are mentioned in the comments on the individual Balance Sheet items and in the related detailed statements.

Securities

Securities intended to remain permanently in the company's assets are recorded under financial assets.

Investment securities are recognised in the financial statements using the amortised cost method, where applicable. In the event that it is not possible to apply the amortised cost method, as it cannot be determined or the effects are not significant, the securities are recorded at purchase cost including ancillary costs.

If there is an impairment loss, the securities are written down accordingly. When, in one or more subsequent years, the causes that led to the write-down cease to exist, the value of the security is restored within the limits of the amortised cost determined in the absence of the write-down previously made.

Securities that do not represent a long-term investment are recorded under current assets. These securities are recorded at the lower of the purchase cost and the realisation value inferable from the market trend.

For listed securities, the market value is the quoted value at the end of the financial year of the Milan Stock Exchange. For unlisted securities, the market value is instead the listing of similar securities by issuer affinity, duration and coupon.

Inventories

Inventories are recorded at the lower cost between the acquisition or production cost and the estimated value based on market prices. The cost is determined on the basis of the weighted average cost (unit cost for moving average).

The purchase cost also includes ancillary costs and any other charges that the company had to incur to bring the asset to its current location and condition.

The production cost includes direct costs and general costs incurred during production and necessary to bring the inventories to their current conditions and place, for the portion reasonably attributable to the product relating to the manufacturing period.

Cash and cash equivalents

Cash and cash equivalents are valued according to the following criteria: bank deposits, postal deposits and cheques (current account, bank drafts and similar) are valued on the basis of their estimated realisable value; cash and cash equivalents are valued at face value.

Cash and cash equivalents in a foreign currency are recognised at the exchange rate existing at the reporting date.

Accrued and deferred assets and liabilities

Accruals and deferrals recorded in the financial statements refer to revenues and costs, the competence of which is anticipated or deferred with respect to the financial event. They are

calculated on an accrual basis, by allocating the costs and revenues common to two or more years over time.

Provisions for risks and charges

Provisions for risks and charges are represented by provisions aimed at covering losses or debts whose existence is certain or probable, but whose total amount or date of actual occurrence are still undetermined at the end of the financial year.

The provisions are quantified on the basis of estimates that take into account all the elements available, in compliance with the principles of competence and prudence. These elements also include the time horizon, when there is a certain obligation on the reporting date under a contractual or statutory restriction, the disbursement of which can be estimated reliably and the date of occurrence, reasonably determinable, is sufficiently far in time to make the present value of the obligation at the reporting date significantly different from the value estimated at the time of disbursement.

There was no establishment of generic risk provisions without economic justification.

Contingent liabilities, if present, are recognised in the financial statements and recorded in the provisions only if deemed probable and if the amount of the related expense can be reasonably estimated. Therefore, account was not taken of risks of a remote nature, while in the case of contingent liabilities considered possible, although not probable, additional information was disclosed in the notes on the uncertainty situation where relevant, which would give rise to the loss, the estimated amount or the indication that the same cannot be determined, other possible effects if not obvious, indication of the opinion of the company's management and of its legal consultants and other experts, where available.

With regard to the classification, provisions for risks and charges are recognised primarily under income statement cost items of the relevant classes (B, C or D) according to their nature. In cases where the correlation between the nature of the provision and one of the items to the above classes is not immediately feasible, provisions for risks and charges are recognised under B12 and B13 of the Income Statement.

Employee severance indemnity (TFR)

Employee severance indemnity (TFR) is recorded in compliance with the provisions of article 2120 Civil Code and includes the annual instalments accrued and the revaluations made on the basis of the ISTAT coefficients, net of the advances paid, any transfers to the category pension funds and the INPS Treasury Fund and the quotas used for terminations of employment occurred during the year.

The employee severance indemnity thus determined represents the effective payable of the Group towards employees at the reporting date.

Payables

Payables are recognised in the financial statements according to the amortised cost method, taking into account the time factor and the estimated realisable value. In particular, the initial recognition value is represented by the nominal value of the payable, net of transaction costs and all premiums, discounts and rebates directly deriving from the transaction that generated the payable. Transaction costs, any commission income and expenses and any difference between initial value and nominal value at the due date are included in the calculation of the amortised cost using the effective interest method.

The effective interest rate is calculated at the time of initial recognition of the payable and corresponds to the internal rate of return.

If the interest rate of the transaction is not significantly different from the market rate, the payable is initially recorded at a value equal to the nominal value net of all transaction costs and all bonuses, discounts and rebates directly deriving from the transaction that generated the payable. Such transaction costs, as ancillary expenses to obtain loans, any commission income and expenses and any difference between initial value and nominal value at the due date are allocated over the term of the payable using the effective interest method.

If instead the interest rate of the transaction deriving from the contractual conditions is significantly different from the market rate, the payable (and the corresponding cost in the case of commercial transactions) is initially recorded at a value equal to the present value of future cash flows and taking into account any transaction costs. The rate used to discount future flows is the market rate.

Where the application of the amortised cost method is irrelevant, in accordance with the provisions of the national accounting standards OIC 19, the payables have been valued at nominal value, without prejudice to discounting at the market interest rate, if significantly different from the effective interest rate.

The Group considers the effects deriving from the application of amortised cost and discounting as not significant when the due date of the payables is within 12 months, also taking into account all the contractual and substantial considerations in place at the time of recognition of the receivable, and transaction costs and any difference between initial value and nominal value at the due date are of insignificant amount. In this case, discounting is omitted and interest is calculated at nominal value and transaction costs are recognised under deferrals and amortised on a straight-line basis over the term of the payable to adjust the nominal interest expense.

Payables originally expressed in foreign currencies, recorded at the exchange rates prevailing at the date on which they arose, are adjusted to current exchange rates at year-end.

In particular, liabilities are recorded at the spot exchange rate at the end of the financial year. Gains and losses arising from the conversion of payables are respectively credited or debited

to the Income Statement under the item 17 bis Exchange rate gains and losses. Any net profit deriving from exchange rate adjustments at year-end in the monetary items in foreign currency contributes to the formation of the result for the year and, during approval of the financial statements and the consequent allocation of profit to legal reserve, is recorded, for the part not absorbed by any losses in the year, in a non-distributable reserve until the time of subsequent realisation.

Revenue recognition

For the purpose of identifying and recognising revenues, in compliance with the provisions of OIC 34, the procedure is as follows:

1. determination of the total price of the contract;
2. identification of the elementary accounting units;
3. valuation of the basic accounting units;
4. recognition of revenues.

As a result of the above, revenues from the sale of goods are recognised on an accrual basis when both of the following conditions are met:

- the production process of the goods or services has been completed;
- the exchange has already taken place, i.e. there was the substantial and informal passage of ownership. In the case of sale of goods, this moment is represented by the shipment or delivery of goods. For the provision of services, the exchange shall be considered at the time when the service is rendered, i.e. the service is provided.

Revenues from provisions of services are recognised on the date when the services have been completed or, for those bound by contracts with periodic fees, at the date of maturity of the fees.

Sales revenues are recognised net of returns, discounts, rebates and premiums, as well as taxes directly related to the sale of products and the provision of services and the revenue adjustments for the financial year are recognised as a direct reduction in the revenue item.

The item "other revenues and income" includes the positive components of income, not financial, arising only from ancillary operations. This item provides a separate indication of operating contributions.

Cost recognition

Purchase costs are recorded on an accrual basis regardless of the date of payment, net of returns, discounts, allowances and bonuses.

Costs for raw and ancillary materials and consumables and goods are inclusive of ancillary purchase costs (transport, insurance, loading and unloading, etc.) if they are included in the purchase price of the goods by the supplier, otherwise they are recognised separately under costs for services based on their nature.

Costs include, not only those of a certain amount but also those not yet documented for which property transfer has already taken place or the service has already been received.

Revenues and income, costs and expenses related to foreign currency transactions have been recorded at the exchange rate prevailing on the date of completion of the relevant transaction, or in the case of advance payments, at the exchange rate prevailing on the day the advance payments were made.

Financial income and expenses

Financial income and expense are recorded on an accrual basis in relation to the portion accrued during the year.

During the year just ended and as in previous years, no financial expenses were charged to the values recorded in the assets of the Balance Sheet.

Income taxes

Taxes are determined according to the accruals principle pursuant to OIC 25, and consist of:

- Current taxes paid or to be paid for the year, determined in accordance with current rates and regulations, by way of IRES and IRAP in addition to the portion of the cost of substitute taxes pertaining to the year;
- Substitute taxes relating to the revaluation of the Group's assets carried out during the year;
- Direct taxes relating to previous years, including the related ancillary costs (interest and penalties);
- Deferred taxes calculated on taxable temporary differences originating in the year and the reversal of the deferred tax provision for taxable temporary differences reversed during the year, by way of IRES and IRAP;
- Deferred tax assets calculated on deductible temporary differences originating in the year and the reversal of prepaid taxes for deductible temporary differences paid during the year, by way of IRES and IRAP.

Deferred tax assets are recorded, on the basis of the principle of prudence, if there is a reasonable certainty of their future recovery.

Other information

Assets and liabilities in foreign currencies, with the exception of fixed assets, are recorded at the spot exchange rate at the end of the financial year. This adjustment led to the recognition in the income statement of the differences (foreign exchange gains and losses) and any net profit was set aside in a specific non-distributable reserve until realised.

Sales and purchases with related parties are made on the basis of terms and conditions equivalent to those prevailing in free transactions. The balances open at the end of the year are not insured, do not generate interest and the adjustment takes place in cash. No guarantees have been provided or received for receivables and payables contracted with related parties.

OTHER INFORMATION PURSUANT TO ARTICLE 2427 OF THE CIVIL CODE

Finally, it should be noted, pursuant to Article 2427 of the Italian Civil Code, that the following cases do not exist:

- trade receivables and payables with a residual duration of more than five years;
- financial expenses charged during the year to the values entered in the Balance Sheet;
- income from investments other than dividends;
- issuance of dividend shares, bonds convertible into shares, similar securities or other financial instruments;
- shareholder loans;
- financial lease transactions of significant value.

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NOTES - ASSETS

FIXED ASSETS - Euro 78,164,258

Intangible assets - Euro 33,341,006

The breakdown of the item and the changes that occurred during the year are shown below.

	Start-up and expansion costs	Development costs	Industrial patent and intellectual property rights	Concessions, licenses, trademarks and similar rights	Goodwill	Intangible assets in progress	Other intangible assets	Total intangible assets
Opening balance								
Balance at 1 January 2025	402.721	874.742	667.795	564.594	20.987.878	214.120	2.192.118	25.903.968
Changes in the year								
Acquisitions	3.929.610	1.267.166	9.895	416.547	4.725.570	137.040	1.814.273	12.300.099
Extraordinary transactions	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-
Reclassifications	-	-	164	164	-	-	-	-
Disposals	-	-	-	-	-	-	275.904	275.904
Amortisation, depreciation and v -	702.335	541.624	65.920	310.996	2.422.071	-	544.211	4.587.156
Total changes	3.227.275	725.541	55.861	105.387	2.303.499	137.040	994.157	7.437.039
Balance at 31 December 2025	3.629.996	1.600.283	611.934	669.981	23.291.377	351.160	3.186.275	33.341.006

Start-up and expansion costs – Euro 3,629,996

Start-up and expansion costs show an increase of Euro 3,227 thousand as a result of the capitalisation, with the consent of the Board of Statutory Auditors as required by accounting standards and applicable legislation, mainly of the following cost components:

- Euro 2,678 thousand relating to costs incurred as part of the Parent Company's listing process (Euronext Growth Milan market) during the year. Specifically, costs relating to legal and advisory expenses were capitalised, as well as costs incurred in relation to the Euronext Growth Advisor and the Joint Global Coordinator. The costs of employees and collaborators who contributed to the management of the various Due Diligence processes were also capitalised, with particular regard to accounting, financial, legal, tax and management control aspects.
- Euro 655 thousand relating to the costs incurred for the completion of the acquisition of Imagination S.r.l., as well as Wappy Brianza S.r.l., Wappy Siracusa S.r.l. and Wappy Livorno S.r.l. These acquisitions were completed in July 2025 and, in addition to requiring the assistance of leading external law firms, involved multiple company departments, including the Finance Department, the Sales Department, the M&A Department and the Budget Department. It should be noted that the incurrence of these costs was instrumental not only in the acquisition of the aforementioned companies, but also in the expansion of the commercial offer, also in terms of new operating configurations, from which the Group will benefit in the short and medium term.
- Euro 480 thousand relating to the costs incurred by the Parent Company for the creation of the Arcade and Vending Division aimed at expanding the portfolio of services dedicated to this activity, with related customer assistance, goods management and spare parts shipping.

In addition to the cost components capitalised during the year, the accounting item in question includes, for Euro 103 thousand, the capitalisations made in previous years by the subsidiary Trust Technology Services S.r.l. and relating to the costs incurred to finalise the acquisition of the business units "Arcadia Technologie S.r.l." (hereinafter also referred to as "Arcadia") and "Open1 S.r.l." (hereinafter also referred to as "Open1") and which are considered instrumental to increasing the company's operating capacity.

The capitalisation of these costs is considered, in compliance with the provisions of OIC 24, instrumental to the increase in the Group's operating capacity and their recognition, of a purely non-recurring nature, was carried out following an analysis of congruence and cause-effect relationship between the costs in question and the benefit (future utility) expected from them.

Expansion costs are amortised over five years and the related portion pertaining to the year is equal to Euro 702 thousand.

Development costs - Euro 1,600,283

During the 2025 reporting period, the Group incurred costs for the development and implementation of the “Digitalisation of processes and services for the VISO customer” project for a total of Euro 1,267 thousand. These costs, capitalised with the consent of the Board of Statutory Auditors, were recorded following an analysis aimed at demonstrating their future usefulness, the objective correlation with the related future benefits and the consequent recoverability with reasonable certainty.

The amortisation charge for the development costs in question is equal to Euro 541 thousand.

Industrial patent and intellectual property rights - Euro 611,934

Industrial patent rights mainly include:

- Euro 250 thousand, relating to the acquisition of the patent from Lorane following the MBO operation;
- Euro 324 thousand relating to the functional patent for the "one touch license" project.

The patent acquired from Lorane is amortised on a straight-line basis over a period of eighteen years, while the second, also on a straight-line basis, over a period of twenty years.

Concessions, licenses and trademarks - Euro 669,981

This item mainly contains the value of software licences and shows an increase of Euro 416 thousand (relating to acquisitions of ERP applications and licences relating to implementations carried out at the Large Leisure Venues), as well as amortisation for the year of Euro 311 thousand.

Goodwill - Euro 23,291,377

Goodwill mainly arises from the residual amount to be amortised of the following components recognised during the current year and previous years. The following detail is provided:

- deficit created in the parent company following the merger operations that took place in 2017 (for an amount equal to Euro 10,864 thousand at 31 December 2025), in 2018 following the incorporation of Photo.Plus S.r.l. (in the amount of Euro 914 thousand at 31 December 2025), as well as in 2019 following the incorporation of M.P. Group S.r.l. (in the amount of Euro 1,309 thousand at 31 December 2025) and the “Selltek” business unit (in the amount of Euro 288 thousand at 31 December 2025);
- goodwill recorded in the financial statements of Trust Technology Services S.r.l. deriving from the acquisition of a “Prototek” business unit equal to Euro 163 thousand, as well as, for Euro 527 thousand, from the goodwill generated as a result of the purchase of the Arcadia business unit and, for Euro 1,157 thousand, from the goodwill generated following the purchase of the business unit from Open1. These purchases took place during the

2023 financial year, on 31 January 2023 and 30 September 2023 respectively;

- goodwill recorded in the financial statements of Leisure Group Italia S.r.l., for a total of Euro 3,519 thousand, deriving from the acquisition of business units made in previous years, as well as the goodwill deriving from the first consolidation of the subsidiary Happy Center Service S.r.l. acquired in November 2018 and subsequently merged by incorporation in 2019. The goodwill recorded in the financial statements of Leisure Group Italia S.r.l. also includes the goodwill recorded following the purchase of the business unit DEDEM Automatica S.r.l. (now DEDEM S.p.A.) in 2012 and the goodwill arising from the transfer, again by DEDEM, of the "Leisure" business unit, which was completed in 2019;
- goodwill recorded in the financial statements of Tecnotron S.A.U. for a total of Euro 1,769 thousand and deriving mainly from the deficit generated as a result of the mergers that took place during the year of Sicher Ocio Y Diversion S.L. and its subsidiary MCI Diverciones S.L.U. The difference between the value of the incorporated investments and the respective value of the acquired shareholders' equity was allocated to goodwill due to the ability of the acquired companies to generate economic benefits in a medium to long-term time horizon through their market positioning;
- differences deriving from the first consolidation, which took place during the year, of the companies Wappy Brianza S.r.l., Wappy Livorno S.r.l. and Wappy Siracusa S.r.l., equal to a total of Euro 2,706 thousand, in addition to the difference from the first consolidation of Imagination S.r.l. equal to Euro 171 thousand. Also in this case, these differences were considered an expression of the prospective ability of the acquired companies to generate positive economic and financial flows in a medium-long term time horizon.

The Group's management decided to amortise the goodwill as follows:

- the goodwill generated by the 2017 MBO mergers, the Photo.Plus merger and the M.P. Group S.r.l. merger over a maximum period of 20 years.
- the goodwill of Leisure Group Italia S.r.l. generated by the sale of the Dedem business unit in 2012 and by the transfer, again by Dedem, of the "Leisure" business unit in 2019, over a maximum period of 18 years;
- the goodwill of Leisure Group Italia S.r.l., deriving from the acquisition of the investment in Happy Center Service S.r.l. as well as from the purchase of business units made in previous years, over a maximum period of 10 years;
- the goodwill deriving from the incorporation of the equity investments in Sicher Ocio Y Diversion S.L. and its subsidiary MCI Diverciones S.L.U. over a maximum period of 10 years;
- the goodwill deriving from the difference in the cancellation of the investments in Wappy Brianza S.r.l., Wappy Livorno S.r.l., Wappy Siracusa S.r.l. and Imagination S.r.l. over a maximum period of 10 years;
- the goodwill of Trust Technologies Services S.r.l. generated by the acquisitions of the

Prototek, Arcadia and Open1 business units, as well as the "Selltek" goodwill recorded in the Parent Company's financial statements, over a maximum period of 10 years;

The choice of the useful life of each goodwill was made taking into account the characteristics of the asset to which each goodwill refers and the duration with which it is estimated that each goodwill will manifest its benefits. These aspects allow us to estimate that the useful life thereof is certainly more than five years.

With particular regard to the recoverability of goodwill, at 31 December 2025 there were no impairment indicators and, therefore, it was not necessary to carry out an impairment test on the recoverability of the accounting item in question.

Intangible assets in progress - Euro 351,160

During the year, the subsidiary Leisure Group Italia S.r.l. capitalised costs of Euro 137 thousand in relation to the costs incurred for the implementation of the "Padel" Project launched during the previous year. The costs in question will be amortised upon completion of the aforementioned project.

Other intangible assets - Euro 3,186,275

Other intangible assets, mainly attributable to work on third-party assets (specifically the various GLL), recorded a net increase of Euro 994 thousand during the year, due to acquisitions for Euro 1,814 thousand net of amortisation of Euro 544 thousand.

The increases for the year refer to the equipment necessary for the set-up of the commercial initiative called "Green Forest - The WoW Side" at the Fiumicino (RM) shopping centre carried out during the year by the subsidiary Imagination S.r.l. as well as the costs incurred by the company acquired during the year in relation to the expenses incurred at the shopping centres in which they operate.

Finally, it should be noted that the item in question includes the costs incurred in relation to the "ICONA Project" and specifically related to the design and construction, carried out in collaboration with Pininfarina S.p.A., of the new layout of the photo booths. The costs subject to capitalisation also refer to the development costs of the related dedicated hardware and software, the creation of industrial designs and prototyping costs.

Tangible assets - Euro 42,624,211

The breakdown of the item and the changes that occurred during the year are shown below:

	Land and buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Total tangible assets
Opening balance					
Balance at 1 January 2025	6.442.288	12.051.099	18.349.206	2.277.294	39.119.887
Changes in the year					
Acquisitions	172.057	5.483.667	3.829.644	2.022.759	11.508.127
Revaluations	-	-	-	-	-
Adjustments	-	-	-	-	-
Reclassifications	256.279	366.822 -	3.000 -	363.822	256.279
Disposals	- -	175.727 -	289.714	29.148 -	436.294
Depreciation	- 242.665 -	3.692.316 -	3.157.683 -	731.125 -	7.823.788
(Write-downs)/Reversals	-	-	-	-	-
Total changes	185.671	1.982.446	379.247	956.960	3.504.324
Balance at 31 December 2025	6.627.959	14.033.545	18.728.453	3.234.254	42.624.211

The analysis of the changes during the year shows the following:

Land and buildings - Euro 6,627,959

The item refers to the buildings owned by the Group companies and, compared to the previous year, increased by Euro 186 thousand mainly due to the costs incurred for energy requalification and insulation activities carried out at the Valenza plant where the subsidiary Trust Technology Services S.r.l. operates.

Plant and machinery - Euro 14,033,545

This item mainly refers to photo booths and kiddie rides and, during the year, shows an increase of Euro 1,982 thousand, deriving from the net effect of increases of Euro 5,484 thousand, depreciation of Euro 3,692 thousand and disposals of Euro 175 thousand.

The increases during the year mainly relate to VISO photo booths, as well as related printers and accessory components. This item also includes the assets and machinery contributed by the companies incorporated by the subsidiary Tecnotron S.A.U. for a total value of Euro 1,982 thousand.

The disposals for the year are related to the scrapping of obsolete photo booth machines.

Industrial and commercial equipment - Euro 18,728,453

The item mainly includes equipment (essentially identifiable in games, kiddie rides, soft toy fishing) at the GLL and playgrounds. The item in question in the year underwent a net increase of Euro 379 thousand, deriving from increases of Euro 3,829 thousand, disposals of Euro 290 thousand and amortisation of Euro 3,158 thousand.

The increases for the year refer to leisure equipment produced internally by the Group, as well as purchases from other operators in the sector. Furthermore, the equipment held by the companies acquired during the year was classified among the increases for the year.

Finally, the divestments are related to scrapping and/or sale of obsolete assets.

Other assets - Euro 3,234,254

The category of other assets mainly includes furniture, office equipment and vehicles. During the year, the accounting item in question shows an increase of Euro 957 thousand, deriving from the combined effect of the increases, equal to Euro 2,023 thousand, of the amortisation for the year equal to Euro 731 thousand and of the disposals equal to Euro 29 thousand. Furthermore, the assets held by the companies acquired during the year were classified among the increases for the year.

Financial lease transactions

Through the subsidiary Leisure Group Italia S.r.l., the Group has a financial lease contract No. 2209890072 stipulated with ICCREA BancaImpresa S.p.A. on 22 December 2020 and concerning a spiral tunnel slide.

The following table provides the information required by paragraph 1, no. 22, Article 2427 of the Civil Code, which is useful for reconstructing the effects connected to the use of the financial method.

Description	Amount
Assets	
a.2) Finance lease assets (acquired in 2020)	43.817
a.3) Accumulated depreciation from the previous year	38.339
a.4) Depreciation expense for the current year	5.477
a.6) Assets under finance leases at the end of the year	-
related accumulated depreciation	43.817
Total (a.6)	-
Liabilities	
c.1) Implicit liabilities at the beginning of the fiscal year	5.334
c.2) Implicit liabilities arising during the fiscal year	-
c.3) Repayment of principal and redemptions during the year	5.334
c.4) Implicit liabilities for finance lease transactions at year-end	-
of which due within the following year	-
of which due beyond the following fiscal year and within 5 years	-
d) Total gross effect at the end of the fiscal year (a.6-c.4)	-
e) Tax effect	-
f) Effect on equity at year-end (d – e)	-

The following table provides information on the effect on the result for the year pursuant to no. 22, Article 2427 of the Italian Civil Code, useful for reconstructing the effects related to the use of the financial method:

Description	Amount
a.1) Reversal of lease payments relating to finance lease transactions	434
a.2) Recognition of finance costs on finance lease transactions	7
a.3) Recognition of depreciation charges on existing contracts	5.477
a.4) Impairment losses/reversals on finance lease assets	-
a) Effect on profit before tax (lower/higher costs)	- 5.036
b) Recognition of the tax effect	1.410
c) Net effect on profit for the year	- 3.626

It should be noted that the contractual duration coincides with the minimum duration identified by Article 102, paragraph 7, of the TUIR, for which the fees are deductible at the same rate as they are charged to the income statement.

Financial fixed assets – Euro 2,199,041

During the year, financial fixed assets showed a change in relation to the movement of fixed assets, as well as the fluctuation of the fair value of derivative financial instruments (IRS), stipulated for the purpose of hedging the fluctuation of interest rates on bank debt, in addition to the movement of equity investments.

Investments – Euro 1,082,453

Below is a breakdown of the composition of the investments and the related changes with respect to the balance at 31 December 2024:

	Investments in subsidiaries	Investments in associates	Investments in other companies	Total equity investments
Opening balance				
Cost	4.195	310.052	50.699	364.946
Write-down provision	-	-	-	-
Balance at 1 January 2025	4.195	310.052	50.699	364.946
Changes in the year				
Increases	-	4.440	713.067	717.507
Reclassifications	-	-	-	-
Decreases	-	-	-	-
Total changes	-	4.440	713.067	717.507
Balance at 31 December 2025	4.195	314.492	763.766	1.082.453

The value of the investments in subsidiaries is related to the establishment of Leisure Group Czech S.r.o. during the previous year, of which the Parent Company holds 51% of the relative share capital. The establishment of the aforementioned company is instrumental to the

development of the “Leisure” business unit in the Czech Republic with a business model similar to that of Leisure Group Italia S.r.l.

Below is a breakdown of the most significant investments in associated companies with the related changes during the year:

Denominazione	Città, se in Italia, o Stato Estero	Capitale in Euro	Quota posseduta in Euro	Quota posseduta in %	Incrementi dell'esercizio	Decrementi dell'esercizio	Svalutazioni dell'esercizio	Valore a bilancio o corrispondente credito
DEDEM OTOMATIK FOTOKABIN	TURCHIA	41.360	20.680	50%	-	-	-	57.052
SIMULACION Y FORMACION S.L.	SPAGNA	181.400	54.791	24,86%	-	-	-	249.000

Investments in associated companies were valued using the cost method and mainly refer to the 50% stake held in DEDEM Otomatik Fotokabin (a company incorporated under Turkish law) and the investment in the Spanish company Simulacion Y Formacion S.L., of which the Group holds 24.86% of the shares.

For illustrative purposes, the comparison between the carrying amount of the aforementioned investment and the related share of equity pertaining to it, as shown in the last financial statements approved by the investee for 2024, is shown in tabular form:

Company Name	City, if in Italy, or foreign country	Capital in Euro	Profit (Loss) last FY in Euro	Equity in Euro	Share held in Euro	Share held in %	Book value	Difference between book value and SE
SIMULACION Y FORMACION S.L.	Spain	181.400	- 80.969	139.428	34.662	24,86%	249.000	- 214.338

With reference to the recoverability of the value of the investment, Company Management considered that the difference with respect to the respective share of Shareholders' Equity does not constitute an impairment indicator, but rather a reasonable estimate of the future benefits that the investee may recognise to the Group.

Finally, the change in the item referred to as “other companies” refers to the purchase by Tecnotron S.A.U. of a stake in the company 3DZ Abcise S.I. on 27 March 2025.

Receivables from others – Euro 1,104,639

The changes in non-current receivables from others are detailed below.

	31-dic-24	Changes in the period	31-dic-25	Portion due beyond one year	Total
Non-current receivables from others	1.434.208	- 329.569	1.104.639	1.098.971	1.104.639
TOTAL	1.434.208	- 329.569	1.104.639	1.098.971	1.104.639

Non-current receivables from others mainly refer to security deposits for rental fees and for the supply of electricity for photo booths.

The breakdown of non-current receivables by geographical area is not reported as it is not significant.

With reference to the closing date, there are no receivables from parties located outside Italy.

WORKING CAPITAL - Euro 44,390,187

Inventories - Euro 15,637,974

The changes of inventories for the year are detailed below.

	31-dic-24	Changes in the period	31-dic-25
Raw and ancillary materials and consumables	9.926.338	2.077.761	12.004.099
Finished products and goods	3.579.622	54.253	3.633.875
Total	13.505.960	2.132.014	15.637.974

The cost of raw materials, supplies and consumables, finished products and goods is valued by applying the weighted average cost method.

Inventories of raw, ancillary and consumable materials mainly refer to:

- spare parts for photo equipment and consumables for the same equipment;
- spare parts used in the performance of maintenance and hardware assistance activities of the ICT business unit;
- software licenses for resale;
- goods located at the Large Premises managed by the leisure business unit within the Shopping Centres;
- components used for the production of Kiddie Rides;
- goods and raw materials located at the warehouses of Valenza and Ariccia used for the sale of 3D printers and prototyping and 3D service activities for third parties.

Inventories of finished products and goods are mainly represented by hardware components marketed following the acquisition of the Arcadia business unit, as well as by Kiddie Rides, 3D printers, internally produced products and components used for production that are purchased externally, such as resins.

There is no encumbrance relating to inventories.

Receivables - Euro 20,791,038

Detailed information on receivables recorded under current assets is provided below. The following table, in particular, shows the analysis of their changes during the year and their due dates:

	Opening balance	Changes in the period	Closing balance	Portion due within one year	Portion due beyond one year	Total
Receivables from customers recorded as current a	9.825.253	3.471.534	13.296.787	13.296.787	-	13.296.787
Receivables from associates recorded as current assets	89.837	89.837	-	-	-	-
Tax receivables recorded as current assets	3.523.624	1.284.451	2.239.173	1.747.789	491.384	2.239.173
Deferred tax assets recorded as current assets	3.138.335	370.147	3.508.482	3.508.482	-	3.508.482
Receivables from others recorded as current assets	1.015.298	731.298	1.746.596	1.735.636	10.960	1.746.596
TOTAL	17.592.347		20.791.038	20.288.694	502.344	20.791.038

The following table shows the details of the changes of the most significant categories of receivables recorded under current assets:

Receivables from customers – Euro 13,296,787

The item relating to receivables from customers essentially refers to trade receivables relating both to amounts invoiced and to economic items pertaining to the year but still to be invoiced. During 2025, the item recorded an increase of Euro 3,471 thousand. The table below shows the detail of the item:

Receivables from customers	31-dic-24	Changes in the period	31-dic-25
Receivables for invoices issued	9.422.217	3.378.988	12.801.205
Invoices to be issued	442.412	91.494	533.906
(Credit notes to be issued)	-	1.052	-
(Provision for bad debts)	-	38.324	38.324
Total	9.825.253	3.471.534	13.296.787

The change from the previous year derives from the higher value of turnover in the last quarter of the 2025 financial year compared to the corresponding period of 2024. For a more detailed description of the year's performance, reference is made to the contents of the Consolidated Management Report.

The provision for bad debts is calculated on the basis of specific analytical assessments, in relation to the age and status of the receivable (ordinary, difficult to recover, etc.). During the year, the aforementioned provision did not change.

Provision for bad debts	Fiscally relevant	Fiscally surplus	Total
Opening balance	-	38.324	38.324
Use of bad debt provision in the year	-	-	-
Releases of the provision in the year	-	-	-
Allocation bad debt provision in the year	-	-	-
Total	-	38.324	38.324

At 31 December 2025, receivables from parties located outside Italy amounted to Euro 247 thousand, in addition to receivables from the Spanish subsidiary Tecnotron S.A.U., amounting to Euro 704 thousand. There are no receivables originally denominated in foreign currency.

Tax receivables recorded under current assets – Euro 2,239,173

The breakdown of tax receivables is as follows:

Tax receivables	31-dic-24	Changes in the period	31-dic-25
VAT credit	600.465 -	499.556	100.909
IRES credit	139.077 -	22.201	116.875
IRAP credit	84.997	20.103	105.100
Tax receivables for pending litigation	104.786 -	20.101	84.685
Credit for investments in capital goods Law 160/2019	1.916.874 -	1.000.453	916.421
Other tax receivables	677.426	237.756	915.182
Total	3.523.624 -	1.284.453	2.239.173

Tax receivables decreased mainly due to the changes in tax receivables for investments in capital goods (Law 160/2019), the balance of which decreased by Euro 1,000 thousand during the year. The item “other tax receivables” in the table above includes tax receivables of a heterogeneous nature, including 110% Superbonus receivables purchased by the Parent Company in the amount of Euro 189 thousand. It should be noted that the portion of tax receivables that can be offset beyond 2025 amounts to Euro 491 thousand and mainly relates to the aforementioned 110% Superbonus receivables and receivables arising from the purchase of 4.0 capital goods.

Deferred tax assets – Euro 3,508,482

Deferred tax assets at 31 December 2025 increased compared to the previous year, mainly in relation to the contribution deriving from deferred tax assets on tax losses of the companies incorporated by the subsidiary Tecnotron S.A.U.

The changes during the year also relate to deductible temporary differences arising from the amortisation of trademarks granted for use, the statutory rate of which is higher than the tax rate (Article 103 of the Italian Consolidated Income Tax Act), and to the higher statutory amortisation rate calculated on unfunded goodwill. During the year, deferred tax assets were also allocated in relation to the elimination, as part of the consolidation process, of the mark-up relating to the intra-group sale of capital goods.

For details of the movements of previous years and the current year, reference is made to the specific section of these Notes dedicated to Income Taxes for the year.

Receivables from others – Euro 1,746,596

Receivables from others at 31 December 2025 show an increase compared to the previous year of Euro 731 thousand; details are shown in the table below:

Receivables from others	31-dic-24	Changes in the period	31-dic-25
Receivables from employees	112.258	774	113.032
Supplier advances	708.761	736.277	1.445.038
Security deposits in cash	28.960	5.176	34.136
Other receivables	165.319 -	10.930	154.389
Total	1.015.298	731.297	1.746.596

The change during the year is mainly attributable to higher advances to suppliers, net of higher receivables from employees and other receivables.

Cash and cash equivalents – Euro 7,911,460

The breakdown of the item is shown below:

Cash and cash equivalents	31-dic-24	Changes in the period	31-dic-25
Bank and postal deposits	2.429.605	1.569.020	3.998.625
Cash and equivalents on hand	2.438.824	1.474.011	3.912.835
Total	4.868.429	3.043.031	7.911.460

Cash and cash equivalents at 31 December 2025 refer to current account deposits of Euro 3,998 thousand, as well as cash and cash equivalents on hand of Euro 3,912 thousand.

The value of cash on hand mainly refers to the cash to be withdrawn from the photo machines or in the leisure machines.

The change during the year is related to flows from ordinary operations. Specifically:

- the cash flow from operating activities generated cash and cash equivalents of Euro 13,283 thousand;
- the cash flow from investment activities absorbed cash and cash equivalents of Euro 24,865 thousand;
- the cash flow from financing activities generated cash and cash equivalents of Euro 14,625 thousand.

ACCRUED AND DEFERRED ASSETS - Euro 1,382,506

The item at 31 December 2025 mainly includes deferred assets relating to insurance premiums, commercial, rental and maintenance fees not pertaining to the year

The content of the accounting item in question and the relative changes compared to the previous year are shown in tabular form.

Accrued and deferred assets	31-dic-24	Changes in the period	31-dic-25
Accrued assets	1.465 -	1.431	34
Deferred assets	1.038.250	344.222	1.382.472
Total	1.039.715	342.791	1.382.506

Breakdown of accrued assets	31-dic-24	Changes in the period	31-dic-25
Interest income	1.465 -	1.431	34
Total	1.465 -	1.431	34

Breakdown of deferred assets	31-dic-24	Changes in the period	31-dic-25
Subscriptions	1.512	402	1.914
Commercial fees	442.547 -	117.855	324.692
Maintenance fees	132.000 -	132.000	-
Royalties for use of leisure equipment logo/brand	1.533	165.831	167.364
RCT, RCO (civil and operator liability) and building insurance	75.010	145.775	220.786
Rental fees and vehicle expenses	100.880	97.610	198.490
Operating software licenses	47.787	14.693	62.479
Non-competent costs for goods not delivered	88.109	5.995	94.104
Other deferred assets	148.872	163.771	312.643
Total	1.038.250	344.222	1.382.472

With reference to the changes in deferred assets for the year, at 31 December 2025, higher insurance premiums, rental fees and royalties not pertaining to the year were recorded, net of lower deferrals for commercial fees and maintenance fees not pertaining to the year.

At the end of the financial year, there were no accruals and deferrals with a duration of more than five years.

NOTES - LIABILITIES AND SHAREHOLDERS' EQUITY

The classification of liability items is mainly based on the nature of the sources of financing, in order to distinguish own funds from those of third parties.

SHAREHOLDERS' EQUITY – Euro 47,072,872

The changes and uses that occurred in previous years and at 31 December 2025 are shown below:

Description	Value at 31 December 2023	Other changes		Result of the year	Value at 31 December 2024	Other changes		Result of the year	Value at 31 December 2025
		Increases 2024	Decreases 2024			Increases 2025	Decreases 2025		
Capital	31.000.000	-	-	-	31.000.000	1.000.000	-	-	32.000.000
Share premium reserve	-	-	-	-	-	9.004.280	-	-	9.004.280
Revaluation reserve	-	-	-	-	-	-	-	-	-
Legal reserve	324.951	25.049	-	-	350.000	1.864.702	-	-	2.214.702
Statutory reserves	1.814.702	-	-	-	1.814.702	-	1.814.702	-	-
Other reserves									
Reduction from share capital reduction	- 4.872.744	-	-	-	- 4.872.744	-	-	-	- 4.872.744
Consolidation reserve	7.820.724	-	-	-	7.820.724	-	-	-	7.820.724
Total other reserves	2.947.980	-	-	-	2.947.980	-	-	-	2.947.980
Rounding	-	2	-	-	2	1	-	-	3
Reserve for hedging of expected cash flows	353.291	-	221.187	-	132.104	-	123.023	-	9.081
Profits (losses) carried forward	- 5.295.472	2.232.946	-	-	3.062.526	2.161.329	-	-	901.197
Profit (loss) of the year	2.257.991	-	2.257.991	2.206.070	2.206.070	-	2.206.070	1.798.023	1.798.023
Total shareholders' equity	33.403.443	2.257.997	2.479.178	2.206.070	35.388.332	14.030.312	4.143.795	1.798.023	47.072.872

On 24 July 2025, the Parent Company completed the listing process, with the admission of the DEDEM share to trading on the Euronext Growth Milan market. Specifically, the funds raised during the listing amounted to Euro 10,004,280 with the issue of 2,067 thousand new shares placed at a price of Euro 4.84 per share.

On 28 July 2025, the Parent Company's Board of Directors resolved that the amount collected in the context of the listing be allocated as follows: Euro 1,000 thousand to increase the share capital and Euro 9,004,280 to the share premium reserve. In the same meeting, it was also resolved to allocate the amount of Euro 1,814,702 to the legal reserve, previously recognised in the shareholders' equity item called "Statutory reserve".

During the 2020 reporting period, the Parent Company availed itself of the option to realign the tax values to the higher statutory values existing at 31 December 2020. In particular, the realignment concerned the following asset items in the financial statements:

- goodwill, for Euro 19,251,689;
- properties, for Euro 3,021,939.

The substitute tax paid on the higher values is equal to Euro 668,209. Pursuant to Article 14, paragraph 2, Law 342/2000 expressly referred to in paragraph 7, Article 110, Legislative Decree 104/2020, for the realignment operation, a tax suspension reserve must be set aside for an amount equal to the higher realigned values net of the substitute tax. Pursuant to Article 10 of Ministerial Decree 162/2001 (implementation of Law 342/2000), the constraint was placed on the Share Capital (following the inadequacy of the reserves) for a total amount of Euro 21,605,419.

Below is the reconciliation table of the shareholders' equity and the result of the Parent Company with respect to the shareholders' equity and the result emerging from the Consolidated Financial Statements:

	Capital and reserves at 31.12.2025	Result 31.12.2025	Total equity 31.12.2025
Shareholders' equity Dedem SpA	36.925.430	1.638.128	38.563.558
PN LGI	19.289.064 -	331.705	18.957.359
PN TTS	4.787.583	231.040	5.018.623
PN TECNOTRON	6.788.335	616.636	7.404.971
PN WAPPY BRIANZA	25.950 -	25.769	181
PN WAPPY SIRACUSA	62.641	11.997	74.638
PN WAPPY LIVORNO	115.403	16.547	131.950
PN IMAGINATION	121.227 -	4.727	116.501
elisione LGI	- 11.911.454	- -	11.911.454
elisione TTS	- 6.168.028	- -	6.168.028
elisione TECNOTRON	- 3.449.301	- -	3.449.301
elisione WAPPY	- 2.910.000	- -	2.910.000
elisione IMAGINATION	- 292.400	- -	292.400
Goodwill TTS	17.906 -	1.377	16.528
Goodwill WAPPY	2.706.011 -	112.750	2.593.261
Goodwill IMAGINATION	171.172 -	7.132	164.040
Reversal of sales margin intra-group assets	- 1.808.136 -	570.610 -	2.378.746
Adjustment depreciation intra-group assets	395.736	242.967	638.703
Net effect advance intra-group margin	407.710	94.781	502.490
Rounding	- 1 -	1 -	1
Total group equity	45.274.848	1.798.024	47.072.872

Changes in reserve for expected cash flow hedge transactions

The following shows the movements in the reserve that includes changes in fair value relating to transactions in derivative financial instruments with the purpose of hedging the risk of changes in the expected cash flows of another financial instrument or a planned transaction:

Reserve for hedging of expected cash flows	
Opening balance	132.104
Changes in the year	
Changes in fair value	- 123.023
Total changes	- 123.023
Balance at 31 December 2025	9.081

It is noted that, due to the extinction of the loans originally held by the Parent Company and Leisure Group Italia S.r.l. and to which the hedging derivative financial instruments (IRS) were linked, the item in question was substantially reabsorbed in the respective equity values to which they were registered. The only outstanding hedging derivative instrument (IRS) is held by the subsidiary Trust Technology Services S.r.l.

PROVISIONS FOR RISKS AND CHARGES – Euro 102,868

The consistency and change of the provisions is summarised below.

	Provision for taxes, including deferred		Total provisions for risks and charges
Opening balance	141.717		141.717
Changes in the year			
Provision in the period	-		-
Use in the period	-		-
Releases in the period	-	38.849	- 38.849
Total changes	-	38.849	- 38.849
Balance at 31 December 2025	102.868		102.868

During the year, the change in the provision for taxes, including deferred taxes, in relation to the change in the fair value of hedging derivative financial instruments was recorded at Euro 39 thousand. This accounting item also includes an allocation to the tax provision in relation to advertising taxes that will probably have to be paid to certain municipal administrations for Euro 100 thousand.

With regard to derivative financial instruments, Article 2426, paragraph 1, 11-bis of the Civil Code, requires derivatives to be recognised in the financial statements at their fair value. In this regard, it should be noted that the subsidiary Trust Technology Services S.r.l. has entered into a derivative hedging financial instrument (IRS) in relation to the following loan:

- Mortgage in the Iccrea BancaImpresa and Banca di Credito Cooperativo dei Colli Albani pool, disbursed on 5 March 2020, maturing on 28 February 2030, with a residual principal debt of Euro 278 thousand, of which Euro 215 thousand beyond the following year.

As at 31 December 2025, the fair value of the aforementioned financial instrument has assumed a positive value, therefore, since it is a financial instrument hedging against fluctuations in the interest rate of long-term loans, the corresponding Mark to Market is recognised in a specific item of fixed assets, with a corresponding entry in the specific equity reserve, which, net of deferred taxes, is equal to Euro 9 thousand.

For more details on the derivative instruments in question, reference is made to the "other information" section of these notes.

EMPLOYEE SEVERANCE INDEMNITY – Euro 8,293,533

The changes during the year are as follows:

	Employee severance indemnity (TFR)
Opening balance	7.445.326
Changes in the year	
Provision in the year	1.320.919
Use	-
Other changes	7.827
Total changes	848.207
Balance at 31 December 2025	8.293.533

The severance indemnity covers all severance indemnities accrued at 31 December 2025 by employees, due pursuant to the law and net of advances granted for loans for the purchase of a first home, advance health expenses and for the reasons permitted by law.

The use is represented by the ordinary movement related to the termination of the employment relationship and the advances for the purchase of a first home or for healthcare expenses.

The item "other changes", with a net amount of Euro 7 thousand, mainly includes the severance indemnity paid to the supplementary social security funds and to the treasury fund established at INPS, as well as other movements due to the contribution of the severance indemnity of the Group companies acquired during the year.

Payables – Euro 62,753,515

Detailed information on the payables recorded in the Balance Sheet liabilities is provided below. The reclassification of payables within and beyond one year is carried out with reference to their contractual due date, also taking into account facts and events provided for in the contract that may have led to a change in the original due date.

	Opening balance	Changes in the period	Closing balance	Portion due within one year	Portion due beyond one year	Total
Bonds	4.795.017	(4.795.017)	-	-	-	-
Payables to banks	25.983.942	10.543.524	36.527.466	13.260.073	23.267.393	36.527.466
Payables to other lenders	126.151	164.045	290.196	290.196	-	290.196
Advances	55.684	96.051	151.735	151.735	-	151.735
Payables to suppliers	19.416.507	-	323.617	19.092.890	-	19.092.890
Tax payables	2.657.196	-	882.341	1.510.287	264.568	1.774.855
Payables to pension and social security institutions	804.422	-	335.337	1.139.759	-	1.139.759
Other payables	3.960.294	-	183.680	3.506.614	270.000	3.776.614
TOTAL	57.799.213	4.954.302	62.753.515	38.951.554	23.801.961	62.753.515

Details of the changes of the most significant categories of payables are shown below.

Payables to banks – Euro 36,527,466

During the year, specifically in November, the Parent Company completed a refinancing operation of its debt exposure that provided for the extinction of the previous existing debt, including the bond loan originally signed in 2023 by Riello Investimenti S.G.R., with the simultaneous activation, as of 31 December 2025, of the following loans and credit lines:

- “TLA1” pool loan granted by Intesa San Paolo S.p.A., BNL S.p.A., Banco BPM S.p.A., BCC dei Colli Albani S.C., ICCREA Banca S.p.A. and Unicredit S.p.A., for a total of Euro 10 million maturing on 31 December 2032 and starting amortisation on 30 September 2026. The book value of this loan, quantified using the amortised cost method in accordance with the provisions of OIC 19, is equal to Euro 9,132 thousand, of which Euro 8,569 thousand beyond the next financial year.
- “TLA2” pool loan granted by Intesa San Paolo S.p.A., BNL S.p.A., Banco BPM S.p.A., BCC dei Colli Albani S.C., ICCREA Banca S.p.A. and Unicredit S.p.A. and guaranteed by SACE, for a total of Euro 15 million maturing on 31 December 2032 and starting amortisation on 30 September 2026. The book value of this loan, quantified using the amortised cost method in accordance with the provisions of OIC 19, is equal to Euro 13,697 thousand, of which Euro 12,853 thousand beyond the next financial year.
- Capex Italia line, granted by Intesa San Paolo S.p.A., BNL S.p.A., Banco BPM S.p.A., BCC dei Colli Albani S.C., ICCREA Banca S.p.A. and Unicredit S.p.A. and guaranteed by SACE for a total of Euro 10 million, used at 31 December 2025 for Euro 1 million. The repayment of this line will take place from 31 March 2028 with quarterly instalments, the last of which is scheduled for 31 December 2031.
- Capex Estero line, granted on by Intesa San Paolo S.p.A., BNL S.p.A., Banco BPM S.p.A., BCC dei Colli Albani S.C., ICCREA Banca S.p.A. and Unicredit S.p.A. and guaranteed by SACE for a total of Euro 5 million, used at 31 December 2025 for Euro 500 thousand. The repayment of this line will take place from 31 March 2028 with quarterly instalments, the last of which is scheduled for 31 December 2031.

In addition to the aforementioned loans, payables to banks include:

- MPS loan, totalling Euro 2,500 thousand, granted on 15 December 2025 and due on 15 June 2026;
- Unicredit revolving loan, totalling Euro 2,000 thousand, granted on 20 December 2024 and for an indefinite period;
- Deutsche Bank loan disbursed on 1 December 2025 with maturity on 26 November 2026 with a residual principal debt of Euro 1 million;
- a loan in the Iccrea BancalImpresa and Banca di Credito Cooperativo dei Colli Albani pool, disbursed on 5 March 2020, maturing on 28 February 2030, with a residual principal debt of Euro 278 thousand, of which Euro 215 thousand beyond the next financial year;
- current account overdrafts and advance accounts in the amount of Euro 3,241 thousand granted to the subsidiary Trust Technology Services S.r.l. for the management of working capital;

- bank loans granted to the subsidiary Tecnotron S.A.U. for Euro 1,958 thousand and Euro 1,221 thousand relating to current account overdrafts, invoice advance accounts and short-term loans to other credit institutions.

Payables to other lenders – Euro 290,196

Payables to other lenders refer to debt positions relating to the use of company credit cards.

Advances – Euro 151,735

Advances mainly refer to provisions received in relation to services to be provided relating to 3D printing activities as well as for sales of Kiddie.

Payables to suppliers – Euro 19,092,890

The following table shows the composition of payables to suppliers at 31 December 2025 with the values of the previous year in comparison.

Payables to suppliers	31-dic-24	Changes in the period	31-dic-25
Vendors of goods and services	16.254.104	663.476	16.917.580
Invoices to be received	3.706.940 -	921.489	2.785.451
(Credit notes to be received)	- 544.537 -	65.604 -	610.141
Total	19.416.507 -	323.616	19.092.890

The item, recorded net of trade discounts, includes trade payables relating to normal and ordinary business activities and, during the year, shows a decrease of Euro 323 thousand. This change is attributable to the normal operations of the Group.

For a more detailed description of the Group's performance, reference is made to the contents of the Consolidated Management Report.

The breakdown of payables by geographical area is not shown as it is not significant.

With reference to the closing date of the financial year, in addition to the trade payables of the subsidiary Tecnotron S.A.U. amounting to Euro 1,759 thousand, payables to parties located outside Italy amounted to Euro 1,302 thousand.

Tax payables – Euro 1,774,855

The breakdown is as follows:

Tax payables	31-dic-24	Changes in the period	31-dic-25
Payables for Foreign taxes	-	130.029	130.029
Payables for IRES and IRAP balance	65.256	1.861	67.117
Withholdings made on self-employed and employee compensation	474.095 -	39.011	435.084
Payable for VAT to be paid	381.357 -	139.096	242.261
Others	1.736.488 -	836.123	900.365
Total	2.657.196 -	882.340	1.774.855

The change in tax payables during the year is mainly attributable to the components relating to withholding taxes on self-employed and employee remuneration, VAT for the period, as well as IRES and IRAP taxes calculated on taxable income at 31 December 2025.

It should be noted that the item "Other" in the previous table mainly includes, in addition to the payables of the subsidiary Tecnotron S.A.U., amounting to Euro 351 thousand, the taxes relating to previous years and deriving from the settlement in adhesion, pursuant to Article 6 of Legislative Decree 218/97, of a PVC (tax audit) issued to the Parent Company in respect of VAT, IRES and IRAP, with particular regard to the years 2014 to 2018.

Finally, for information purposes, it should be noted that the amortisation plan relating to the payment of taxes for the years 2014 to 2016, including penalties and interest, provides, for IRES and VAT purposes, for the payment of sixteen quarterly instalments, the last of which is scheduled for 30 September 2026, while for IRAP purposes, the payment of the amount due, equal to Euro 46 thousand, is scheduled in eight quarterly instalments, the last of which was paid on 30 September 2025. Taxes relating to the financial years 2017 and 2018, on the other hand, will be paid in twenty quarterly instalments, the last of which is scheduled for 30 April 2028.

Payables to pension and social security institutions – Euro 1,139,759

Payables to social security institutions for Euro 1,139 thousand mainly include payables to INPS recognised on salaries, including deferred employee salaries.

The balance at 31 December 2025 of payables to social security institutions shows an increase compared to the value of the previous year 2024 due to the increase in the number of employees in force at the Group companies.

Other payables – Euro 3,776,614

The breakdown is as follows:

Other payables	31-dic-24	Change in the year	31-dic-25
Payables to personnel for remuneration	1.063.379	181.376	1.244.755
Payables to employees for unused holidays, monthly payments and accrued	863.978 -	180.028	683.950
Payables for instalments on the purchase of companies and business units	1.690.000 -	289.492	1.400.508
Other payables	342.937	104.465	447.402
Total	3.960.294 -	183.680	3.776.614

The item includes the amounts to be paid to employees in respect of salaries and accrued holiday pay, thirteenth and fourteenth months' pay, as well as the instalment relating to the purchase price of the business units acquired by Trust Technology Services S.r.l. in previous years, totalling Euro 570 thousand at 31 December 2025. This item also includes the payables relating to the prices accrued by the subsidiary Tecnotron S.A.U. for the purchases of the investments in Sicher Ocio Y Diversion S.L. and in 3DZ Abcise S.l., totalling Euro 830 thousand at 31 December 2025.

Payables secured by collateral on corporate assets

The following table shows the details of payables secured by collateral on corporate assets.

	Payables secured by collateral		Payables not secured by collateral	Total
	Payables secured by special privileges	Payables secured by collateral		
Payables to banks	-	278.202	36.249.264	36.527.466
Payables to other lenders	-	-	290.196	290.196
Advances	-	-	151.735	151.735
Payables to suppliers	-	-	19.092.890	19.092.890
Tax payables	-	-	1.774.855	1.774.855
Payables to pension and social security institutions	-	-	1.139.759	1.139.759
Other payables	-	-	3.776.614	3.776.614
Total	-	278.202	62.475.313	62.753.515

Payables to banks secured by collateral on corporate assets refer to the syndicated loan from Iccrea Banca and Banca di Credito Cooperativo dei Colli Albani granted to the subsidiary Trust Technology Services S.r.l. It should be noted that due to the early repayment of the bond issued in 2023 by the Parent Company, the pledge on the shares representing the entire share capital of the subsidiary Leisure Group Italia S.r.l. was released.

ACCRUED AND DEFERRED LIABILITIES – Euro 5,678,240

The composition of "Accrued and deferred liabilities" as well as the relative change during the year is shown in the table below.

Accrued and deferred liabilities	31-dic-24	Change in the year	31-dic-25
Accrued liabilities	304.254	104.886	409.140
Deferred liabilities	2.971.676	2.297.423	5.269.099
Total	3.275.930	2.402.310	5.678.240

Accrued liabilities refer to deferred social security contributions relating to charges to be paid to employees, as well as interest expenses not yet charged by credit institutions at 31 December 2025.

Their composition is shown in tabular form:

Breakdown of accrued liabilities	31-dic-24	Change in the year	31-dic-25
Social security contributions on unused holidays and leave	290.367	-	212.550
Interest expenses on loans	13.887	-	-
Commission expenses on loans	-	185.000	185.000
Other accrued expenses	-	11.590	11.590
Total	304.254	104.886	409.140

Deferred liabilities mainly refers to the positive income components relating to tax credits for investments in capital goods, the effect of which on the income statement is deferred in line with the depreciation plans of the assets for which the tax credit in question was recognised.

The remaining deferred liabilities refer to prepaid maintenance fees, with a five-year duration,

not pertaining to the year and to the Capital Contribution received from the companies acquired during the financial year.

Their composition is shown in tabular form:

Breakdown of deferred liabilities	31-dic-24	Change in the year	31-dic-25
Contr. companies Invest. in capital goods	2.913.487	85.412	2.998.899
Anticipated revenues not in the FY	58.189	2.212.011	2.270.200
Total	2.971.676	2.297.423	5.269.099

The change in deferred liabilities for the year derives from its reversal according to the depreciation of the assets on the purchase or production cost of which the tax credit for so-called "4.0" capital goods has been calculated (Annex A of Law 232/2016).

Deferred income not yet earned primarily relates to capital contributions granted by the companies owning the shopping centers for the development of the activities carried out by the companies acquired during the year. Such contributions are deferred in line with the term of the lease agreements for the relevant premises where these activities are conducted.

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NOTES – INCOME STATEMENT

PRODUCTION VALUE – Euro 115,342,978

Revenues from sales and services – Euro 109,930,183

The item shows an overall decrease of Euro 3,524 thousand compared to 2024; the composition and changes compared to the corresponding values of the previous year are illustrated below.

Revenues from sales and services	31-dic-24	Change	31-dic-25
Automatic photo fees	42.574.108	2.076.383	44.650.491
Entertainment activity fees	33.595.521	4.560.495	38.156.016
Domestic sales of equipment/spare parts/consumables	6.666.254 -	1.817.251	4.849.003
Hardware/Software Sales	16.731.806 -	6.936.634	9.795.172
Foreign sales of equipment/spare parts/consumables	2.533.535 -	59.553	2.473.982
Revenues for services to third parties	3.467.514	568.381	4.035.895
Revenues for license printing service	5.912	2.445	8.357
Revenues for ICT services	7.879.863 -	1.918.596	5.961.267
Total	113.454.512 -	3.524.329	109.930.183

Total turnover decreased by about 3% compared to the corresponding comparative year due to the reduction in revenue components with reduced margins.

Specifically, fees from automatic photos increased by Euro 2,076 thousand (+5%), as did fees from entertainment activities, mainly attributable to the subsidiary Leisure Group Italia S.r.l.

and the companies acquired in 2025, amounting to Euro 38,156 thousand, an increase of about 14% compared to the comparative period.

Compared to the previous year, revenues from domestic and foreign sales of equipment, spare parts and consumables decreased. Similarly, revenues from Hardware and Software sales showed a reduction in relation to the Group's strategy of significantly reducing so-called "volume" sales.

Revenues from ICT and third-party services show a reduction compared to the comparative period due to a better focus on higher value-added activities.

Finally, revenues from the driving licence printing service, following the conclusion of the reference contract, are residual.

Reference is made to the contents of the Consolidated Management Report for a more detailed description of the operating performance for the year.

The following are details of revenues from sales and services.

Geographical breakdown of revenues from sales and services

The breakdown of revenues from sales and services by geographical area is shown below

Description	31-dic-24	Change	31-dic-25
Italy	95.220.628 -	5.549.685	89.670.943
EU countries	16.243.131	3.334.724	19.577.855
Non-EU countries	1.990.753 -	1.309.369	681.383
Total	113.454.512 -	3.524.330	109.930.182

Breakdown of production value by business category

The breakdown of the value of production by business category is as follows:

Description	31-dic-24	Change	31-dic-25
Revenues from sales and services	113.454.512 -	3.524.330	109.930.183
Change in inventories of work in progress, semi-finished and finished goods	7.202 -	576.898 -	569.696
Increases in assets for internal work	3.083.153	401.512	3.484.665
Other revenues and income	2.127.827	369.999	2.497.826
Total	118.672.694 -	3.329.717	115.342.978

Changes in inventories of work in progress, semi-finished and finished products – Euro - 569,969

This item refers to the completion of the production process of finished products available for sale and mainly relating to printers and kiddie rides.

Increases in fixed assets for internal work – Euro 3,484,665

This item refers to the completion of the production process and the simultaneous capitalisation of technical fixed assets relating mainly to photo booths and kiddie rides produced internally and subject to capitalisation, as shown in the comment section on plant and machinery.

Other revenues – Euro 2,497,826

The item other revenues and income is broken down as shown in the following table and shows an increase, compared to the previous year, of Euro 370 thousand:

Other revenues	31-dic-24	Change	31-dic-25
Operating / plant contributions	105.768	79.435	185.203
Rental income (ancillary activity)	38.582	7.685	46.267
Contingent and ordinary assets	747.072	307.406	1.054.478
Ordinary gains	97.893 -	70.596	27.297
Others	211.823	149.143	360.967
Insurance reimbursements	4.557	10.560	15.117
Revenues deriving from the tax credit for capital goods	922.132 -	113.635	808.497
Total	2.127.827	369.999	2.497.826

The value of the ancillary revenue components mainly changes due to the recognition of positive income components relating to the portion pertaining to the year of revenues relating to the recognition of tax credits for the purchase of the so-called "4.0 assets" referred to in Annex A of Law 232/2016.

It should be noted that during the year, the Group received operating grants in relation to the incentives provided by the GSE for the production of electricity from renewable sources for a total of Euro 66 thousand.

PRODUCTION COSTS – Euro 111,397,532

Below is a breakdown of the production costs for the year compared with the values of the previous year.

Production costs	31-dic-24	Change	31-dic-25
For raw and ancillary materials, consumables and goods	32.284.718 -	2.880.621	29.404.098
For services	17.953.114 -	1.866.570	16.086.544
For rents and leases	21.795.134	2.044.335	23.839.469
For personnel	26.149.094	2.920.810	29.069.904
Amortisation, depreciation and write-downs	9.889.293	2.192.764	12.082.057
Changes in inventories of raw and ancillary materials, consumables and goods	1.640.069 -	4.327.249 -	2.687.180
Other operating expenses	3.758.287 -	155.647	3.602.640
Total	113.469.709 -	2.072.178	111.397.532

Costs for raw and ancillary materials, consumables and goods – Euro 29,404,097

The item recorded a decrease of Euro 2,881 thousand; the details and changes compared to the previous year are shown in the following table:

Cost of raw, ancillary and consumable materials	31-dic-24	Change	31-dic-25
Raw materials purchases	24.503.861 -	4.736.531	19.767.330
Finished products purchases	5.424.374	360.951	5.785.325
Software purchases	1.378.109	1.441.924	2.820.033
Various purchases	29.983	35.799	65.782
Stationery	10.274	2.655	12.929
Car fuels and lubricants	702.140	457	702.597
Ancillary expenses on purchases	86.136 -	29.803	56.333
Other costs	80.550	27.850	108.400
(Discounts, rebates, premiums on purchases)	-	20.308	3.391 -
Packaging purchases	53.064 -	1.252	51.812
Purchase of goods for personnel	36.535	13.938	50.473
Total	32.284.718 -	2.880.621	29.404.097

Compared to the comparative year, during 2025, there was a decrease in costs for purchases of raw materials. The aforementioned change mainly refers to the lower purchases of technical equipment and spare materials which, as reported in the section on revenues from sales and services, during the previous year was instrumental to so-called "volume" sales operations. The increase in software purchases refers to licences resold by the subsidiary Trust Technology Services s.r.l.

For a more detailed description of the Group's operations during the year, reference is made to the contents of the Consolidated Management Report.

Costs for services – Euro 16,086,544

At 31 December 2025, the item amounted to Euro 16,086 thousand; the details and changes compared to the previous year are shown in the following table:

Costs for services	31-dic-24	Change	31-dic-25
Transport and shipping	1.604.313	63.089	1.667.402
External work	5.148.092 -	823.378	4.324.713
Electricity	1.442.490	93.440	1.535.930
Costs for ICT services	658.426 -	455.447	202.979
Land line charges	352.607 -	41.156	311.451
Legal fees and other professional consultancy	1.825.639 -	171.094	1.654.545
Travel (rail, air, car, etc.)	281.612	40.452	322.065
Accommodation (hotel, restaurant, bar, etc.)	1.054.266	155.557	1.209.823
Kilometre reimbursements	230.382 -	26.655	203.727
Directors' fees	543.622	132.072	675.694
Auditors and statutory auditors' fees	32.083	5.021	37.105
Other insurance	370.438	52.676	423.114
Banking services expenses	585.723	8.588	594.311
Software update and maintenance expenses	598.879 -	322.208	276.670
Marketing services	508.929 -	148.944	359.985
Counting services	60.760	16.992	77.752
Administrative formalities	128.006	41.972	169.978
Exhibitions and fairs	207.658 -	74.990	132.668
Miscellaneous expenses	890.710 -	264.295	626.415
Cleaning services	204.796	14.744	219.540
Other costs for services	1.223.684 -	163.007	1.060.677
Total	17.953.114 -	1.866.569	16.086.544

In line with the revenue trend, service costs decreased by Euro 1,867 thousand, mainly due to lower costs for external processing, professional legal advice, ICT services, marketing, software maintenance and various costs of a heterogeneous nature.

For a more detailed description of the Group's operations during the year, reference is made to the contents of the Consolidated Management Report.

Costs for rents and leases – Euro 23,839,469

At 31 December 2025, the item amounted to Euro 23,839 thousand; the details and changes compared to the previous year are shown in the following table:

Costs for rents and leases	31-dic-24	Change	31-dic-25
Rents and leases payables	18.325.833	1.972.689	20.298.522
Condominium expenses on leased properties	24.093	76.142	100.235
Rentals	2.078.965	190.949	2.269.914
Car rentals	691.698	64.145	755.842
Royalties, copyrights and patents	596.171 -	194.492	401.679
Other costs for rents and leases	78.373 -	65.097	13.276
Total	21.795.134	2.044.335	23.839.469

The amount of costs for rents and leases, even if of a fixed nature and with a periodic frequency, shows an increase mainly due to higher rentals and passive rents due to the acquisition of new spaces.

For a more detailed description of the Group's operations during the year, reference is made to the contents of the Consolidated Management Report.

Personnel costs – Euro 29,069,904

At 31 December 2025, the item amounted to Euro 29,069 thousand; the details and changes compared to the previous year are shown in the following table:

Personnel costs	31-dic-24	Change	31-dic-25
Salaries	19.737.568	2.082.049	21.819.617
Social security expenses	4.941.048	595.163	5.536.211
Allocation to TFR	1.211.541	108.332	1.319.873
Other personnel costs	258.937	135.265	394.203
Total	26.149.094	2.920.809	29.069.904

Personnel costs at 31 December 2025 show an increase of Euro 2,921 thousand compared to the previous year. This effect is mainly attributable to the increase in the Group's workforce.

Amortisation, depreciation and write-downs – Euro 12,082,057

At 31 December 2025, the item amounted to Euro 12,082 thousand; the details and changes compared to the previous year are shown in the following table:

Amortisation, depreciation and write-downs	31-dic-24	Change	31-dic-25
Amortisation of start-up and expansion costs	102.007	580.134	682.141
Amortisation of development costs	218.686	322.573	541.258
Amortisation of industrial patent and intellectual property rights	68.340 -	5.182	63.158
Amortisation of concessions, licenses, trademarks and similar	253.488	58.633	312.121
Amortisation of goodwill	2.178.962	243.108	2.422.071
Amortisation of other intangible assets	376.608	104.994	481.603
Depreciation of land and buildings	234.094	8.571	242.665
Depreciation of plant and machinery	3.466.325	183.418	3.649.743
Depreciation of industrial and commercial equipment	2.607.981	403.848	3.011.829
Depreciation of other tangible assets	382.802	292.667	675.469
Total	9.889.293	2.192.764	12.082.057

The value of amortisation and depreciation at 31 December 2025 shows an increase compared to the previous year 2024. The most significant changes in amount are related to the category of start-up and expansion and development costs due to the capitalisations made during the year.

There was an increase in the amortisation of goodwill due to the change in the related balance sheet item resulting from the acquisition and consolidation of the companies acquired during the year.

The increase in the depreciation of plant and machinery, equipment and other assets derives

from the new installations made during the year, as well as from the fixed assets deriving from the companies acquired during the year.

Change in inventories of raw materials – Euro 2,687,180

The item recorded a change of Euro 4,327 thousand, related to a different composition of the raw materials inventory for the year compared to the comparative figures for 2024, taking into account the different dynamics of purchases for the year.

Other operating expenses – Euro 3,602,640

At 31 December 2025, the item amounted to Euro 3,602 thousand; the details and changes compared to the previous year are shown in the following table:

Other operating expenses	31-dic-24	Change	31-dic-25
Revenue stamps	168	62	230
Stamp duty	116.992 -	4.006	112.986
Other taxes and fees	1.970.007 -	503.591	1.466.416
Other non-deductible taxes and fees	4.728 -	4.728	-
IMU (Municipal Property Tax)	79.996	-	79.996
Chamber of Commerce annual fee	10.226	1.078	11.304
Losses on receivables, not covered by specific provision	37.163 -	36.844	319
Contributions to trade unions and associations	4.155	1.195	5.350
Rounding expenses	1.682 -	2.173 -	492
Contingent and ordinary liabilities	179.363	450.613	629.976
Subscriptions, books, magazines, newspapers	4.218 -	253	3.965
Donations	3.500	25.150	28.650
Fines and sanctions	59.175	114.620	173.794
Ordinary losses	676.459 -	73.344	603.115
Other	610.454 -	123.424	487.030
Total	3.758.287 -	155.647	3.602.640

The item shows a decrease of Euro 156 thousand compared to the comparative year. The most significant cost components, in addition to ordinary contingent liabilities, refer to the items referred to in "other taxes and fees", which include non-deductible VAT on purchases of the subsidiary Leisure Group Italia S.r.l., flat-rate VAT, entertainment tax and TOSAP charges.

FINANCIAL INCOME AND EXPENSES – Euro -1,568,337

The detail of the item is as follows:

Financial income and expenses	31-dic-24	Change	31-dic-25
FINANCIAL INCOME			
Other financial income	256.640 -	167.880	88.759
Total financial income	256.640 -	167.880	88.759
FINANCIAL EXPENSES			
Interest and other expenses on bank accounts	- 1.686.948	428.033 -	1.258.915
Interest expense on leasing	- -	1.094 -	1.094
Other financial expenses	- 591.947	235.086 -	356.861
Total financial expenses	- 2.278.895	662.024 -	1.616.871
Exchange rate gains (losses)	- 7.116 -	33.110 -	40.226
Total financial income and expenses	- 2.029.371	461.034 -	1.568.337

The change in the year is due to the different composition of financial debt and changes in the cost of debt for the year. The positive income components relating to financial income refer to the adjustment of positive differentials on hedging derivative financial instruments.

INCOME TAXES FOR THE YEAR, CURRENT, AND DEFERRED TAX ASSETS AND LIABILITIES

At 31 December 2025, the Group companies produced taxable income for both IRAP and IRES, with the exception of Leisure Group Italia S.r.l. and Trust Technology Services S.r.l., which generated taxable income for IRAP purposes only. For information purposes, the reference data at 31 December 2025 of current and deferred tax assets are shown in tabular form, compared with the respective comparative values of the previous financial year 2024.

	31-dic-24	Change	31-dic-25
CURRENT TAXES			
IRES	74.263	62.745	137.008
IRAP	259.036	27.532	286.568
Foreign taxes	231.026 -	19.616	211.410
Total current taxes	564.325	70.661	634.986
DEFERRED TAX ASSETS AND LIABILITIES			
Net deferred tax assets	265.735 -	320.059 -	54.324
Total deferred tax assets and liabilities	265.735 -	320.059 -	54.324
Taxes from previous years	62.033 -	62.033	-
Total taxes of the year	892.093 -	249.398	580.662

At 31 December 2025, current taxes on taxable income for IRES purposes amounted to Euro 137 thousand and Euro 286 thousand for IRAP purposes, while income taxes for the subsidiary Tecnotron S.A.U. amounted to Euro 211 thousand. The value of net deferred tax assets for the year was Euro -54 thousand compared to Euro 266 thousand of the comparative year.

Recognition of deferred tax liabilities and assets and consequent effects

The following table shows the details of the deductible and taxable temporary differences that led to the recognition of deferred tax assets and liabilities.

Deferred tax assets	Differences 2024	Increases 2025	(Decreases 2025)	IRES effect	IRAP effect
Brand amortisation	96.249	1.175 -	14.018	20.018	3.253
Amortisation Selltek goodwill	136.730	34.181	-	41.019	6.666
Tecnotron tax loss	169.624	1.211.872	-	345.374	-
Tax losses tax year 2020 DEDEM	2.793.428	- -	2.793.428	-	-
Tax losses tax year 2021 DEDEM	2.978.924	- -	1.637.252	322.001	-
Tax losses tax year 2022 DEDEM	1.884.627	- -	830.273	253.045	-
Amortisation of goodwill	-	4.151.342	-	996.322	161.902
Provisions for risks	100.000	-	-	24.000	3.900
Elimination mark-up intra-group asset sales	1.411.418	570.610 -	242.222	417.553	84.937
Amortisation goodwill TTS	210.721	119.183	-	79.177	15.901
ACE carry forward TTS	168.221	- -	98.858	16.647	-
Brand amortisation	-	16.533	-	3.968	797
Amortisation goodwill LGI	700.433	179.886	-	211.277	42.431
Directors' fees TTS unpaid	-	24.500	-	5.880	-
Directors' fees LGI unpaid	-	6.000	-	1.440	-
Credit valuation	17.680	-	-	4.243	-
Tax losses TTS	1.215.944	- -	395.347	196.943	-
Tax losses LGI	661.087	379.697	-	249.788	-
TOTAL RECEIVABLE FOR DEFERRED TAX ASSETS	12.545.087	6.694.980 -	6.011.398	3.188.695	319.787

Provision for deferred taxes	Differences 2024	Increases 2025	(Decreases 2025)	IRES effect	IRAP effect
Deferred tax liabilities derivatives TTS	17.127	- -	5.178	2.868	-
Deferred tax liabilities derivatives LGI	47.630	- -	47.630	-	-
Deferred tax liabilities derivatives DEDEM	109.066	- -	109.066	-	-
TOTAL PROVISION FOR DEFERRED TAXES	173.823	- -	161.874	2.868	-

Deferred tax assets have been recognised to the extent that there is a reasonable degree of certainty of economic realisation, i.e. equal to the tax savings that can be realised in subsequent years as a result of the permanent decreases that will be made to total income and that will cancel out the aforementioned temporary increases recognised during the year.

The change in deferred tax assets during the year mainly relates to the reversal of deferred tax assets on previous tax losses of the Parent Company and Trust Technology Services S.r.l. and the related provision for the tax loss for the year of Leisure Group Italia S.r.l. Deferred tax assets on tax losses of the companies incorporated by the subsidiary Tecnotron S.A.U. were also recognised.

As shown in the table above, during the year, the amortisation rates of the goodwill temporarily non-deductible in previous years for the Parent Company were recalculated, with a consequent change in the value of previous tax losses. This restatement had a positive net economic effect of Euro 210 thousand.

In addition, deferred tax assets have been allocated in relation to the elimination, as part of the consolidation process, of the mark-up relating to the intra-group sale of capital goods. Finally,

the remaining changes for the year refer to the reversal of deferred tax assets calculated on unpaid directors' fees as well as the allocation of deferred tax assets on temporarily non-deductible amortisation rates.

During the year, deferred tax liabilities changed as part of the change in the fair value of hedging derivatives (IRS and interest rate options) relating to existing loan contracts. Since these are hedging instruments, the effect of deferred taxation has been offset by the specific equity reserve. For the Parent Company and for Leisure Group Italia S.r.l., the value of the aforementioned deferred tax was zeroed due to the settlement of the loans against which the related hedging derivative financial instruments had been subscribed.

Information on the use of tax losses

In previous years, following an assessment of the prospective ability to produce, with reasonable certainty, sufficient future taxable income to utilise tax losses, the Group decided to recognise deferred tax assets on tax losses recorded in 2020, 2021 and 2022 by the Parent Company, in addition to tax losses generated by the subsidiaries Trust Technology Services S.r.l., Leisure Group Italia S.r.l. and Tecnotron S.A.U.

As part of the determination of the taxable results of the Group companies at 31 December 2025, these deferred tax assets were partially absorbed in relation to the determination of the tax burden for IRES purposes of the Parent Company and Trust Technology Services S.r.l.

As a result of the above, deferred tax assets on tax losses were recorded for a total amount of Euro 1,367 thousand.

Concluding comment: income taxes

The reconciliation between the tax expense from the financial statements and the theoretical IRES and IRAP tax expense is shown below:

Pre-tax result	2.377.110
Theoretical rate	28,82%
Theoretical tax	685.083
Changes DTA temporary differences Mark-up intra-group sales	- 94.781
Net permanent changes	- 285.323
IRAP	271.377
Rate difference foreign companies	8.273
Effective tax	580.662
Effective rate	24%

OTHER INFORMATION

Information other than that which can be inferred from the accounting statement is detailed below. Specific information that is believed to be relevant will be detailed.

Employment figures

The average number of employees during the year, broken down by category, is shown in the following table.

	Average number
Executives	9
Managers	42
Office workers	197
Workers	348
Apprentices	121
Total employees	717

The CCNL (contracts for collective national labour) applied by the Group companies are as follows:

- Trade and Tertiary Sector;
- Public Establishments;
- Metalworking Industry.

Fees, advances and receivables granted to Directors and Auditors and commitments undertaken on their behalf

The following table shows the fees, advances and receivables granted to directors and statutory auditors of Group companies:

Directors' fees	519.842
Auditors' fees	37.105
Independent Auditors' fees	159.672
Total	716.618

It should also be noted that the Group has not granted advances and credits to directors.

Categories of shares issued by the parent company

On 5 June 2025, the Shareholders' Meeting of the Parent Company, in relation to the project to admit the Company's shares to trading on the "Euronext Growth Milan" market, resolved to eliminate the nominal value of the shares (previously equal to Euro 100.00 per share) and to split them at the ratio of 20 new shares for each previously existing share. At that meeting, the Shareholders' Meeting resolved, *inter alia*, to abolish the special classes of shares (classes A, B, C and D), with the consequent attribution to all shares of the status of ordinary shares with equal rights and obligations.

By a subsequent resolution of 23 June 2025, the Shareholders' Meeting of the Parent Company resolved to convert 310,000 ordinary shares of Ribe&Co S.s. into multiple voting shares to which the same rights as ordinary shares are attributed, with the exception of the

voting right, which is ten votes per share. At the same meeting, the Shareholders' Meeting resolved to increase the share capital by payment, on a divisible basis, for a maximum of Euro 15,000,000.00, including share premium, with the exclusion of option rights, by issuing ordinary shares to service the listing operation.

As a result of the resolution, as well as the issue of 2,067,000 new shares as part of the listing process, the total number of shares is 8,267,000, of which 7,957,000 are ordinary shares and 310,000 are multiple voting shares.

For a more detailed representation of the listing operation, reference is made to the information in the Consolidated Management Report.

Independent auditors' fees

As required by Article 2427, paragraph 1, number 16-bis), the total amount of fees due to the statutory auditors for the statutory audit of the annual accounts and the total amount of fees due for other services performed are indicated.

Independent Auditors' fees	
Statutory audit of annual accounts	159.672
Other non-audit services	45.500
Total	205.172

It should be noted that the amount of the fees provided for other services other than the audit refers to the fee due for the limited audit of the half-year consolidated financial statements at 30 June 2025 as well as, for Euro 8 thousand, the fees recognised for the procedures for verifying compliance with the covenants at 31 December 2024 of the bond loan.

Commitments, guarantees and contingent liabilities not resulting from the balance sheet

There are no commitments and contingent liabilities not resulting from the Balance Sheet. For guarantees, reference is made to the information in the Consolidated Management Report.

Information on assets and loans allocated to a specific business

During the year, the Group did not pass any resolutions regarding the option granted by letter a) of paragraph 1 of Article 2447-bis of the Italian Civil Code on the establishment of assets allocated for specific business transactions.

During the year, the Group did not enter into any contract for the financing of specific business, a possibility provided for by letter b) of paragraph 1 of Article 2447 *bis* of the Italian Civil Code.

Information on transactions with related parties

The related parties identified at Group level are mainly represented by other related parties (entities controlled by shareholders and/or managers with strategic positions).

Transactions with related parties mainly concern the provision of services; these transactions are part of the ordinary management of the company and are generally regulated at market conditions, i.e. the conditions that would have been applied between two independent parties.

All the transactions carried out were performed in the interest of the Group. The main relationships concern the purchase of services for technical assistance.

Transactions with these parties are regulated under the conditions generally applied to third parties.

The amounts relating to commercial relationships with related parties referring to the person who holds indirect control of the Group and the beneficial owner, Mr. Riccardo Rizzi, are shown below. The trade balances with the associated company Simulacion Y Formacion S.L. are also reported.

Other related parties	Financial payables	Financial receivables	Trade receivables	Trade payables	Sales	Purchases
DITTA RIZZI	-	-	-	94.762	25.977	733.791
SIMULACION Y FORMACION S.L.	-	-	107.289	-	1.138	-
Total	-	-	107.289	94.762	27.115	733.791

It should be noted that commercial relations with the Rizzi Company ceased as of 30 June 2025.

Information on agreements not resulting from the balance sheet

With reference to the disclosure obligation provided for in number 22-ter) of Article 2427 of the Italian Civil Code, introduced by Italian Legislative Decree no. 173/2008 transposing Directive 2006/46/EC and relating to the so-called "off-balance sheet" agreements, it should be noted that the Group has no disclosure obligation as there are no agreements not resulting from the Balance Sheet.

Information on extraordinary costs and revenues

With reference to the disclosure obligation provided for in number 13) of Article 2427 of the Civil Code, it is noted that no costs and revenues of exceptional size or incidence were recorded during the year.

Information on significant events after year-end

With reference to the disclosure obligation provided for by number 22-*quater*) of Article 2427 of the Civil Code, introduced by Legislative Decree no. 139/2015 and relating to the nature and

equity, financial and economic effect of significant events that occurred after the end of the year, it is deemed appropriate to report that on 2 January 2026, the merger by incorporation took effect, by the subsidiary Leisure Group Italia S.r.l. of the companies Wappy Brianza S.r.l., Wappy Siracusa S.r.l. and Wappy Livorno S.r.l.. As a result of these mergers, the Group will be able to extend its portfolio of services offered, with particular reference to the so-called "family entertainment centers", located inside shopping centers and intended for children, teenagers and adults.

For a more extensive representation of the operational aspects that will reasonably characterise the company's operations during the next financial year, reference is made to the contents of the Consolidated Management Report.

Information related to derivative financial instruments pursuant to article 2427-bis of the Civil Code

The Group provides the information required by Article 2427-bis paragraph 1 of the Civil Code for each category of derivative financial instruments. The Group determines the characteristics of derivative financial instruments in order to ensure the best possible information for the reader of the financial statements, taking into account the nature, characteristics and risks of the derivative financial instruments.

Category	Fair Value	Nature of Risks	Valuation technique	Effect on Income Statement	Effect on Shareholders' Equity
Interest Rate Swap	11.949	IRS - Interest rate	Discount Cash Flow Model	-	9.081

The verification of the existence of the eligibility criteria is made on an ongoing basis. At each reporting date, the Group assesses whether the hedging relationship still meets the effectiveness requirements.

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Notes - Final Part

These consolidated financial statements, consisting of the balance sheet, income statement and notes, have been drawn up clearly and represent in a complete, truthful and correct manner the equity and financial situation of the Group as well as the economic result for the year and correspond to the results of the accounting records.

ARICCIA (RM), 26 February 2026

For the Board of Directors

The Chair

Mr. Alberto Rizzi