CONSOLIDATED FINANCIAL STATEMENTS

Fidia Farmaceutici S.p.A.
2025

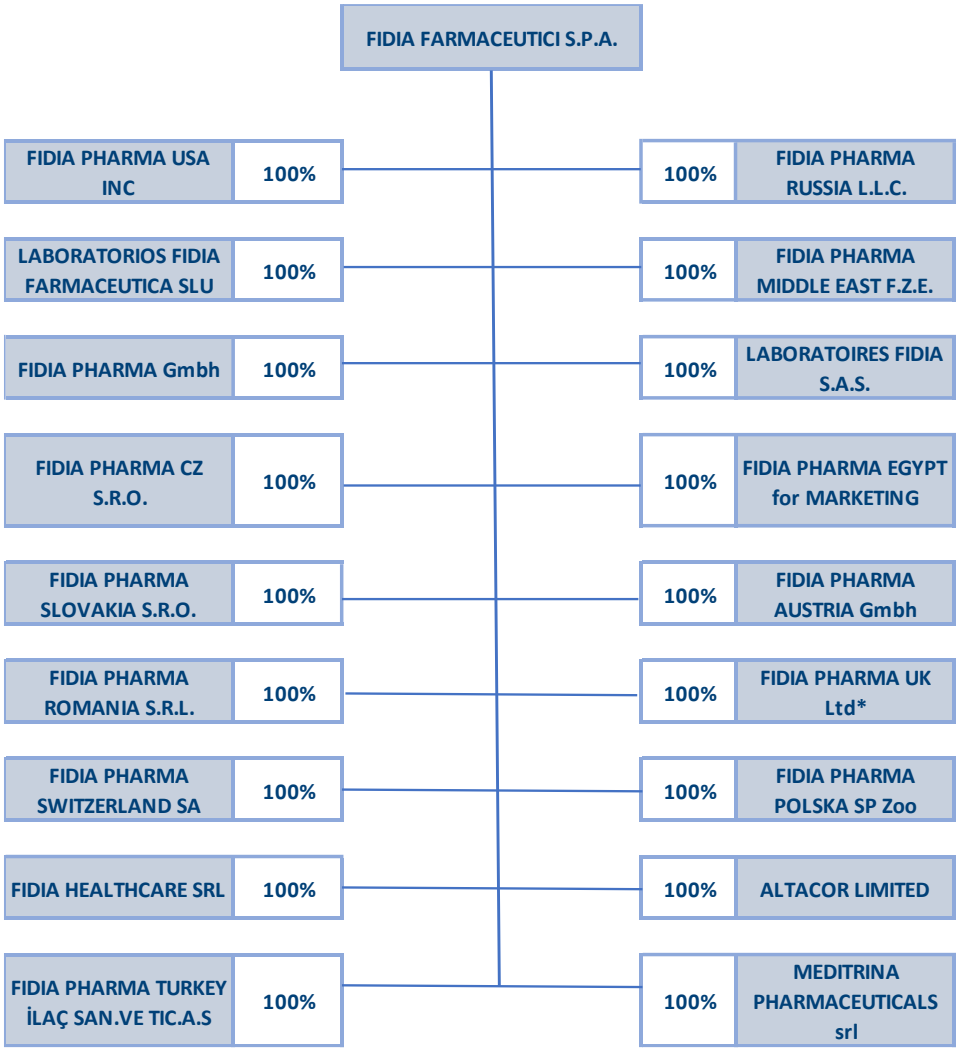
fidia

SUMMARY.

REPORT ON OPERATIONS OF THE FINANCIAL STATEMENTS as at 31 December 2025

- **THE GROUP STRUCTURE**

The chart below shows the consolidation scope as at 31.12.2025: the Parent Company Fidia Farmaceutici S.p.A. is 95.3% controlled by P&R Farmaceutici S.p.A.
The UK company Altacor Limited joined the Group in May, and the Romanian company Meditrina Pharmaceuticals Ltd joined in July; the UK company Fidia Pharma UK continues not to be included in the consolidated accounts as it is not operational, and therefore the corporate structure is as follows:



*Fidia Pharma UK Ltd is not included in the consolidated accounts (as it is not operational)

- COMPANY BODIES

Board of Directors

Carlo Pizzocaro	Chairman
Francesco Pizzocaro	Director
Fiorella Ancione	Director
Claudia Adreani	Director
Giovanni Angela	Director

Board of Statutory Auditors

Mario Canevari	Chairman
Donatello Cecchinato	Standing Auditor
Marina Manna	Standing Auditor
Bruna Gabba	Alternate Auditor
Riccardo Spadaro	Alternate Auditor

Supervisory Body

Professional Governance Overview S.r.l.	SB Member
Franco Cerritelli	SB Member
Andrea De Paulis	SB Member

Independent Auditors

KPMG S.p.A.

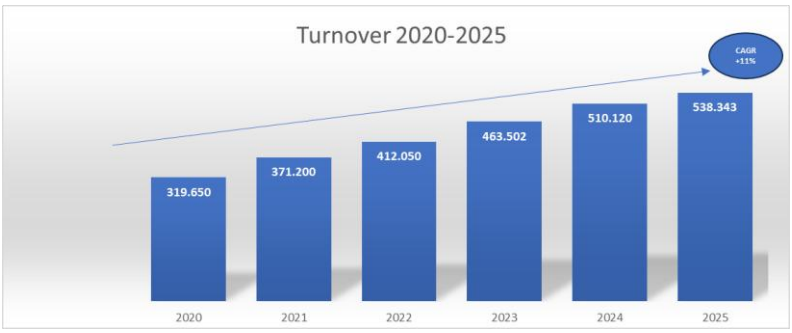
- ## OPERATIONS AND MARKETS

The Parent Company and its subsidiaries manufacture and distribute drugs, medical device, food supplements and active pharmaceutical ingredients. Reference should be made to the section of this report entitled “Overview of the Group’s operations, financial trend and cash flows” for a discussion of the relevant therapeutic areas.

Fidia boasts a leadership position in the hyaluronic acid (HA) market, with approximately 1,500 patents, about 1,250 of which are focused on the production and usage of hyaluronic acid (HA), developed over more than 60 years of experience to provide various pharmaceutical forms and usage opportunities.
To deliver a full spectrum of therapeutic solutions, HA-based products are supported by a range of products featuring diverse active substances, presenting doctors and patients with an all-encompassing offering of solutions mainly in 5 therapeutic fields: Joint Care, Skin Care, Eye Care, Specialty Care and Health & Wellness care.

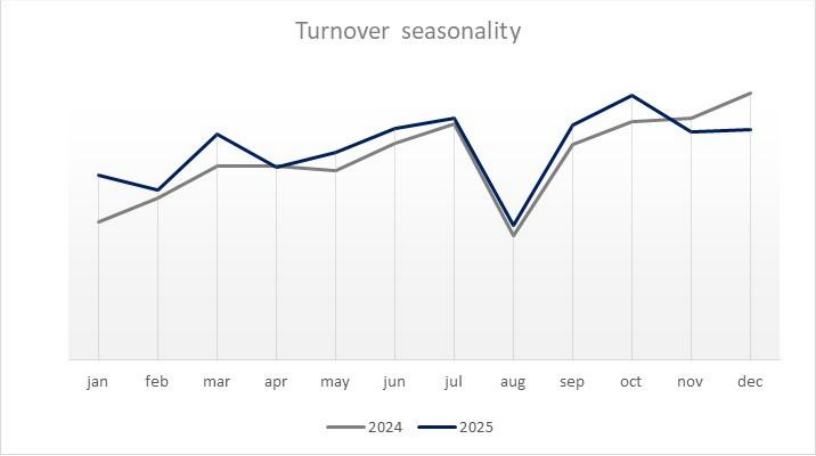
During the financial year, the product portfolio was further expanded through the acquisition, at the end of 2024, of additional specialised gynaecology products distributed in over 34 countries. The geographical areas most covered by sales are represented by the MENA countries (particularly Egypt, Turkey, and Saudi Arabia), Asia (particularly the Philippines), and Europe. Following the acquisition, work began on transferring the relevant marketing authorisations to enable, where possible, direct management of the markets or management through third-party distributors.

The Group’s growth cycle continues, with a CAGR of 11% over the period 2020–2025, as shown in the chart below:



Turnover Seasonality

The past financial year was characterised by a sales performance in line with past trends, but with more pronounced growth in the first half of the year than in the second half.
On the Italian market, the 'destocking' trend for intermediate distribution, which in previous years had seen peak turnover levels, particularly around the end-of-year periods, continued.



Total revenue amounted to EUR 538 million, an increase of 5.5% compared to 2024, driven by the international market, which performed approximately 18% better than in the previous year.

Sales growth is shown in the following table:

Thousands of Euros	2025	%	2024	%	Change	%
National	242.446	45,0	258.453	50,7	(16.006)	(6,2)
International	288.735	53,6	244.848	48,0	43.887	17,9
Total revenues from sales and services	**531.181**	**98,7**	**503.300**	**98,7**	**27.881**	**5,5**
Other revenues	7.162	1,3	6.820	1,3	342	5,0
Total net revenues	**538.343**	**100,0**	**510.120**	**100,0**	**28.223**	**5,5**

Italian market

Throughout 2025, the Italian pharmaceutical market continued its growth trend, driven by both the prescription-only medicines segment and over-the-counter products. According to IQVIA data, in the first few months of the year, total sales increased by 6.4% in value and 2.4% in volume, with cumulative revenue approaching EUR 6 billion and approximately 537 million units sold. Both of the main macro-areas showed positive trends: prescription medicines grew by 6.7% in value and 2.6% in volume; the OTC segment also grew in line with the industry trend.
The overall picture confirms the sector's resilience and its ability to sustain high levels of production and domestic demand, in line with the broader growth trajectory of the national pharmaceutical industry, which is characterised by increasing investment and an increasingly important role in the country's manufacturing sector, as also highlighted by the economic analyses for 2024, which continued into 2025. Overall, 2025 appears to have been a year of balanced expansion for the market, with strong performance in the main therapeutic and commercial categories, despite varying trends across the different segments. Meanwhile, the situation regarding the wholesale distribution sector of the Italian pharmaceutical market is deteriorating, due to the difficult financial climate which has led to the collapse of some companies in this sector, the consolidation of major groups, and a reduction in stock levels within the distribution channel, with a significant impact on companies' ex-factory sales.
Analysing Fidia's data, again with reference to the Sell-Out data (IQVIA), the 2025 result shows a negative figure of -2.87% in value, due to the poor performance of the EYE Care portfolio (-8.79%) and the portfolio of former SANOFI products (-13.49%) acquired in 2021.
The EYE Care product range was adversely affected by the poor performance of the glaucoma product portfolio, which was impacted by a stockout, and by the antibiotics portfolio, which, like the same as the entire class to which it belongs, was affected by new guidelines that restricted its use in favour of other classes.
Another area of the portfolio that suffered particularly from product shortages was corticosteroids, due to stockouts of certain products caused by issues with the contract manufacturer. In contrast, Joint Care products, which account for approximately 16% of the market in Italy, showed slight growth (+1.3%), with core products such as Hyalone and Cartijoint.
Skin care products (with the Connettivina, Hyalosilver and Bionect brands) and Specialty care products (with the Nodigap, Ezevast, Circadin and Hyalo Gin brands) also grew (by 2.2% and 4.7% respectively). On the other hand, the Health & Wellness line (+5.9%) outperformed, including CONTACTA-branded products for ophthalmology, as did the Regenerative Care line (+41%) thanks to sales of Hy-Tissue PRP and Hy-Tissue SVF products.

International markets

The Group maintained its successful expansion into international markets by leveraging coverage through its direct subsidiaries and collaborating with a well-established network of distributors, as well as M&A transactions that expanded its product range and geographical presence. Thanks to this expanded coverage in international markets and a broader product portfolio, international performance increased by 17.9% compared to 2024.

The table below shows sales performance by geographical region:

Thousands of Euros	2025	%	2024	%	Change	%
EUROPE	153.030	53,0	129.990	53,1	23.039	17,7
MENA	28.277	9,8	24.519	10,0	3.758	15,3
USA	67.832	23,5	62.269	25,4	5.564	8,9
RoW	39.596	13,7	28.069	11,5	11.526	41,1
Total	**288.735**	**100,0**	**244.848**	**100,0**	**43.887**	**17,9**

A significant contribution to growth came from the newly acquired gynaecology product portfolio (October 2024), which enabled the Group to enter new markets, particularly in the Middle East and North Africa, which together recorded growth of 15.3%.
Despite some critical situations involving delayed product deliveries, Europe and the ROW region recorded growth of +17.7% and +41.1% respectively, driven by the recent acquisitions of Meditrina Pharmaceuticals Ltd in Romania and Altacor Limited in the United Kingdom. Thanks to these acquisitions, Fidia is strengthening its presence in the uro-gynaecological market in Romania, where it will launch its own product portfolio in addition to the acquired portfolio over the next few years, and is entering the UK market with an Eye Care portfolio through its new subsidiary, which will enable it to expand its range with its own products over the next few years.
Growth in the US was consolidated; following a very positive 2024, the subsidiary closed 2025 with growth of 8.9%. Of particular note is the significant approval obtained for Hymovis ONE, which will enable the company to enter the lucrative single-syringe visco-supplementation market in 2026.
The rest of the world grew primarily thanks to the LATAM region and Indonesia, despite a decline in the Russian market (-22.4%), where the Company has begun to scale back its direct presence, affected by the economic crisis caused by the war with Ukraine and by increasingly restrictive and punitive economic sanctions. In 2026, in that region, the infiltrative business will be outsourced to a third party, allowing the subsidiary to focus on the aesthetics business.

It is worth noting the progress made in the **digital transformation** project for the subsidiaries, which saw the implementation of the new CRM system across Europe completed in 2025 and which is expected to be finalised in the coming years with the roll-out of the new Life Science Cloud platform in Italy and the US.
In addition, in 2025, all the preparatory stages for the implementation of the new SAP S4 HANA platform at all Group subsidiaries were finalised, with the aim of achieving full integration within the next three years.

- **KEY EVENTS**

Corporate events

In January 2025, **Fidia Pharma Turkey Ilac** was incorporated. The new entity is part of the Group's geographical expansion strategy, driven both by the commercialisation of the existing portfolio and the need to manage sourcing and distribution of the new gynaecological product portfolio acquired at the end of 2024.
During the financial year, the first key personnel were recruited to launch the business, offices were identified, and registrations were made to obtain the necessary authorisations required to market the products in the local market.

In September, the Parent Company's Board of Directors authorised the subscription of a new bond issue with a major US pension institution, drawing on the available credit facility line of USD 150 million established earlier in March 2023.
The new disbursement, which adds to the initial issues for an amount of EUR 63 million, thus bringing the line utilization to a total amount of EUR 133 million, was taken out to finance the three-year business plan approved in October. For the drawdown conditions of the loan, please refer to the details provided in the dedicated paragraphs of the Explanatory Notes.

New business acquisition

During the 2025 financial year, the activities related to the transfer of products acquired in 2021 from third parties continued. These initiatives were designed to ensure business continuity by transferring production from Sanofi manufacturing sites – which had ceased operation in accordance with their contractual agreements – to new third-party sites managed by Fidia.
The technology transfer projects for certain dosages of injectable products at the new contract manufacturer have been completed, whilst work is still ongoing for some dosages. As regards oral solid products, the in-house production of formulations in the oral solids department at the Fidia Abano site has been finalised. Meanwhile, regarding the transfer of production to the new contract manufacturer, the technology transfer has been completed with regulatory approval for one dosage, whilst the others are currently under review by the regulatory authorities. Most of the transfers will be completed during the year 2026.
In the financial statements as at 31 December 2025, assets amounting to EUR 6.3 million are recognised under intangible fixed assets in progress.

In May 2025, Fidia acquired **100% of the share capital of Altacor Ltd, a** company engaged in the distribution of ophthalmic products in the UK.
This transaction marks Fidia's direct entry into the UK ophthalmology market and represents a significant step forward in expanding its operational capabilities and strengthening its expertise in a key therapeutic area for the Group.
In July 2025, the acquisition of **100% of Meditrina Pharmaceuticals S.r.l., a company incorporated under Romanian law** with a branch in Moldova, was completed. The company operates as a distributor in Romania and Moldova of pharmaceuticals, medical devices and supplements in the fields of gynaecology, urology and dermatology, owned by third parties and under its own/third-party brands, with a turnover of approximately EUR 9 million and a workforce of more than 40 people.

Evolution of major research projects

Pre-clinical and clinical activities for the renewal of medical devices in accordance with the new EU regulation (MDR) have continued.
In the Joint Care segment, the clinical development of a new HA-based product (Hymovis One) for the US market was completed, with market launch scheduled for December 2025. This product marks the entry of core products into the single-injection market, with significant growth expected over the coming years.
Developments continued in the Oncofid-P projects for the treatment of bladder cancer with a Phase III clinical trial set to conclude in 2026, the Collagenase project for the treatment of Dupuytren's contracture and Peyronie's disease, and the HyCar project for the treatment of rheumatoid arthritis and osteoarthritis.

Patent Box ruling

In September and December 2025, the two rulings for the five-year period 2020–2024 (one for the former company Sooft Spa and the other for Fidia Farmaceutici Spa) pursuant to Italian Law 190 of 23/12/2014 were signed with the Marche and Veneto regional revenue agencies, respectively.
The agreement is based on the 2020 financial statements, according to which the total expected tax benefit amounts to EUR 1.8 million, which has already been recognised in the Parent Company's financial statements as a reduction in current taxes. The amount relating to the subsequent years (2021–2024), estimated at EUR 6.3 million and also recognised as a reduction in current taxes, was the subject of a supplementary application, submitted to the Veneto Regional Revenue Agency in early 2026, to take into account the effects of the merger between Sooft and Fidia Farmaceutici, which took place in 2021 and the related procedure for which will be completed by the tax return filing deadline (October 2026).
Decree-Law No. 146 of 21 October 2021, converted, with amendments, by Law No. 215 of 17 December 2021, as subsequently amended by Law No. 234 of 30 December 2021, introduced an optional tax regime (hereinafter referred to as the "new patent box") for business income holders that provides for a super-deduction, for IRES and IRAP purposes, equal to 110% of the research and development costs incurred in relation to software protected by copyright, industrial patents, designs and models used directly or indirectly in the performance of their business activities. The Provision of the Director of the Revenue Agency of 15 February 2022 subsequently defined the implementing provisions and the ways for exercising the option (ref. Circular AdE 5/E/2023). This option is valid for five years and is irrevocable and renewable.
During the financial year, a reporting activity was initiated in compliance with the legal provisions relating to the new patent box, which resulted in a recovery of the higher taxes paid during the 2024 financial the year in the amount of EUR 2,256 thousand accounted for in contingent assets in the income statement.

Latest developments of medical device payback regulations

During the reporting year, the definition of the regulatory framework for the payback of medical devices, introduced by Article 9-ter of Italian Decree-Law No. 78/2015, was further clarified. The implementing decrees published in 2022 certified the regional overruns for the years 2015-2018, thereby initiating the issuance of regional orders quantifying the amounts owed by supplier companies.
The Company, together with other companies in the sector, had challenged these measures before the Lazio Regional Administrative Court, which referred the matter to the Constitutional Court. In Judgments No. 139 and No. 140 of 22 July 2024, the Constitutional Court upheld the legality of the mechanism for the four-year period 2015-2018, extending the 48% reduction provided for by Decree-Law No. No. 34/2023, which had already been deemed a proportionate and solidarity-based measure, to all companies.
Subsequently, Decree-Law No. 95/2025 ('Economy Decree') introduced an additional facilitated settlement measure, stipulating that the obligations relating to the years 2015-2018 are deemed to be fulfilled upon payment of 25% of

the amounts claimed, with the dispute closed and VAT excluded, in accordance with the provisions of Decree-Law No. 34/2023 and confirmed by the regional notices received by the Company.
In light of the new regulatory framework, the Company has decided to opt for the simplified settlement and to make the payment due for the period 2015-2018. At the same time, the provisions for risks were updated to reflect the changed regulatory environment and the information available at the end of the financial year.

Operating activities

The Parent Company, Fidia Farmaceutici S.p.A., with registered office in Abano Terme (PD), carries out its operations at **5** operating facilities: **Abano Terme (PD)** - Via Ponte della Fabbrica 3/A, **Noto (SR)** - Contrada Pizzuta, **Paderno Dugnano (MI)** - Via Ampere 19/21 and **Monte Giberto (FM)** - Via del Lavoro, 2/4, **Milan** - Via Vegezio 17 representative office.

The Abano Terme plant (PD)

covers an area of 215,000 m² and produces both APIs (mainly hyaluronic acid) and finished products in various pharmaceutical forms (injectable and sterile lyophilised, solid oral, topical, etc.). In particular, the following are produced: vials, small bottles and pre-filled syringes, multi-dose and single-dose eye drops, topical products (creams, gels, ointments, and wet gauze), oral solids (tablets and capsules), active pharmaceutical ingredients (APIs) obtained from tissues and by fermentation. The site has also been producing lyophilised vaccines for third parties for years.
During the financial year, the following were achieved:

- commissioning of a new trigeneration plant, resulting in significant savings on the plant's energy costs;
- Italian Medicines Agency's authorisation of the new vaccine department following an inspection. The transfer process for a second vaccine continued in order to ensure that the department is fully utilised. In order to provide optimal support for the business, a project was launched to upgrade the technology of the support warehouse in the building housing the new vaccine department;
- a new automatic vial inspection system was commissioned in the sterile liquids department as part of a plan to upgrade the machinery fleet with higher-performance and safer technologies;
- validation of the ultra-high-weight HA production process, featuring a more robust process and an improvement in process yields of up to 40% for certain products;
- consolidation of the production of corticosteroid products in the form of creams and tablets following the completion of major projects to upgrade and revamp the production departments.

Paderno Dugnano plant

The Paderno Dugnano (MI) facility, with an area of 7,500 m², produces oral and cutaneous drug delivery systems (impregnated matrices, medicated patches, oral dissolvable films).
The site also features lines for the impregnation/primary packaging of gauzes, for liquid dispensing (solutions, foams and sprays), and for topical use products (creams, cosmetic ointments, patches and plasters, lip balm sticks).
The facility is authorised by AIFA and holds the GMP certification; the quality system is also certified under ISO 9001, ISO 22716 and ISO 13485.
During the financial year, the following were achieved:

- increased production of the main pharmaceutical forms of medicated plasters (medicinal products), disinfectant gauzes (medical devices), creams and ointments (cosmetics);
- increased coating capacity for medicated patches to supplement the existing capacity;
- installation of the new nitrogen distribution and inertisation system for the production of solvent-based medicated plasters;
- completion of works for the preparation of production premises for the introduction of the complete line for the manufacture of lip balm sticks for cosmetic use;
- installation of new production lines as a result of the expansion of the product range to be manufactured at the site.

Noto plant

The plant includes a production plant and a research laboratory covering an area of 6,000 m².
The facility specialises in studying the production processes of new enzymes, proteins and polysaccharides by fermentation or through biotechnological processes, using non-pathogenic strains.

The site has been authorised by the Italian Medicines Agency (AIFA) since 2013 for the production of active pharmaceutical ingredients, with the latest AIFA inspection carried out on 27-29 March 2023.

During the financial year, the following were achieved:

- submission of the Single Environmental Authorisation (AUA) application;
- work commenced on the Development Contract project, which involves the construction of a new department for the production of a sterile biological medicinal product;
- completion of the preliminary phase of the Mini Development Contract, which involves the revamping of the production facilities to include backup systems for API production, and the renovation of the farmhouse to create offices, a canteen, conference rooms and clean rooms to be used as laboratories;
- launch of a new Freeze-Drying department.

Monte Giberto plant

The plant in Monte Giberto (FM) produces medical devices (sterile gauze for periocular cleansing) and performs primary and secondary packaging of food supplements (tablets and soft capsules).
The building has a capacity of 1,800 pallets, where drugs, medical devices and food supplements are stored for later distribution.
The plant is authorised for the wholesale distribution of medicinal products for human use, pursuant to Articles 100 and 108 of Legislative Decree No. 219/2006, as amended, and holds ISO 13485:2016 certification.

During the financial year, the following were achieved:

- receipt and authorisation to produce, in a new area, the soaking solution for our products;
- receipt of authorisation from the Italian Higher Health Institute (ISS) for the production and control of the product Vitreal S;
- award of ISO 14001 certification;
- in-house execution of analytical and microbiological control activities within the new laboratories;
- installation of a cold room for the storage of products requiring temperature-controlled storage;
- installation of climate chambers to enable the in-house performance of product stability tests.

- ## OVERVIEW OF FINANCIAL OPERATIONS AND PERFORMANCE OF THE GROUP

Consolidated net revenues

Consolidated net revenues came to EUR 538,343 thousand in 2025, a growth of 5.5% over 2024 (+5.0% at constant exchange rates).
Net revenues include revenues from the sale of products and services for EUR 531,181 thousand and other revenues for EUR 7,162 thousand mainly referring to miscellaneous income, indemnities and tax credits.
Revenues from products and services broken down by geographical macro-area are shown below:

Consolidated revenues by geographical area

Thousands of Euros	2025	%	2024	%	Change	%
ITALY	242.446	45,6	258.453	51,4	(16.006)	(6,2)
EUROPE	153.030	28,8	129.990	25,8	23.039	17,7
MENA	28.277	5,3	24.519	4,9	3.758	15,3
USA	67.832	12,8	62.269	12,4	5.564	8,9
RoW	39.596	7,5	28.069	5,6	11.526	41,1
Total revenues from sales and services	**531.181**	**100,0**	**503.300**	**100,0**	**27.881**	**5,5**

All of the main international geographical regions showed significant growth. In particular, Europe is being driven both by revenue associated with the new acquisition of gynaecology products and by the growth of the new subsidiary in Romania (Meditrina Pharmaceuticals Ltd).
In the MENA region, growth was driven by both the acquisition of the gynaecology portfolio and the development of the existing portfolio.
In the USA, the increase is purely organic and is attributable to sales of our established Joint Care products and the performance of our regenerative medicine products.
In the RoW region, the main drivers were Indonesia (again, due to the impact of gynaecology products) and the UK, as a result of the acquisition of Altacor Limited (Eye Care range) and the sale of plasters to a major third-party distributor.

Net revenues by therapeutic area are set out below:

Consolidated revenues by therapeutic area

Thousands of Euros	2025	%	2024	%	Change	%
JOINT CARE	156.089	29,4	152.160	30,2	3.929	2,6
EYE CARE	102.115	19,2	114.634	22,8	(12.519)	(10,9)
SKIN CARE	41.324	7,8	39.598	7,9	1.726	4,4
REGENERATIVE CARE	9.948	1,9	9.397	1,9	551	5,9
SPECIALTY CARE	94.455	17,8	75.363	15,0	19.092	25,3
AESTHETIC CARE	4.689	0,9	5.122	1,0	(434)	(8,5)
HEALTH & WELLNESS CARE	47.724	9,0	44.265	8,8	3.458	7,8
MULTICHANNEL TEAM	13.989	2,6	17.538	3,5	(3.549)	(20,2)
CMO & API	57.260	10,8	43.242	8,6	14.018	32,4
FEES / COMPENSATIONS	3.589	0,7	1.981	0,4	1.608	81,2
Total revenues from sales and services	**531.181**	**100,0**	**503.300**	**100,0**	**27.881**	**5,5**

JC sales increased compared to the previous financial year, primarily due to the contribution of the US region, where the new Hymovis One product was launched at the end of the year. In contrast, Eye Care experienced a decline, partly offset by the purchase of products for the UK, primarily due to lower sales in Italy of certain antibiotics whose marketing authorisations are held by third parties.
The Skin Care line also showed growth, partly due to the contribution of product sales through the newly acquired company in Romania, but also thanks to the strong performance of the market in Italy. The Health and Wellness segment also saw sales growth, driven by the contribution of CONNETTIVINA-branded products sold in Italy. Finally, the top performer in absolute terms was the Specialty Care line, which grew by 25.3%, primarily due to the gynaecological products acquired the previous year.

Key consolidated income statement figures

Thousands of Euros	2025	%	2024	%	Change	%
Net revenues	**538.343**	**100,0**	**510.120**	**100,0**	**28.223**	**5,5**
Cost of goods	(215.762)	(40,1)	(200.087)	(39,2)	(15.675)	7,8
Industrial Margin	**322.582**	**59,9**	**310.033**	**60,8**	**12.549**	**4,0**
Commercial	(153.011)	(28,4)	(150.063)	(29,4)	(2.948)	2,0
R&D	(41.733)	(7,8)	(29.285)	(5,7)	(12.448)	42,5
G&A	(69.055)	(12,8)	(63.039)	(12,4)	(6.016)	9,5
Others	1.356	0,3	1.340	0,3	16	1,2
Operative costs	**(262.444)**	**(48,8)**	**(241.047)**	**(47,3)**	**(21.397)**	**8,9**
Ebit	**60.137**	**11,2**	**68.986**	**13,5**	**(8.849)**	**(12,8)**
Net financial income (charges)	(13.728)	(2,5)	(5.299)	(1,0)	(8.429)	159,1
Ebt	**46.410**	**8,6**	**63.687**	**12,5**	**(17.277)**	**(27,1)**
Tax	(6.755)	(1,3)	(21.571)	(4,2)	14.816	(68,7)
Net profit for the year	**39.655**	**7,4**	**42.117**	**8,3**	**(2.462)**	**(5,8)**
Amortisation and depreciation and write-off	(49.986)	(9,3)	(28.527)	(5,6)	(21.459)	75,2
EBITDA	**110.124**	**20,5**	**97.513**	**19,1**	**12.611**	**12,9**

Breakdown of operating and employee costs

Thousands of Euros	2025	%	2024	%	Change	%
Personnel expenses	(126.518)	(23,5)	(121.740)	(23,9)	(4.778)	3,9
Operating costs	(117.802)	(21,9)	(115.511)	(22,6)	(2.291)	2,0
Variable sales costs	(26.215)	(4,9)	(24.784)	(4,9)	(1.431)	5,8
Personnel costs Capitalization	1.868	0,3	2.834	0,6	(966)	(34,1)
Total	**(268.666)**	**(49,9)**	**(259.201)**	**(50,8)**	**(9.465)**	**3,7**

Key consolidated balance sheet figures

Thousands of Euros	2025	2024	Change
Non-current assets	543.390	482.988	60.402
Operating Working capital	171.016	169.882	1.134
Defined benefit plans	(17.370)	(14.000)	(3.370)
Other assets/liabilities	(26.491)	(35.492)	9.001
Net invested capital	**670.545**	**603.378**	**67.167**
Net financial debt	(307.814)	(273.998)	(33.816)
Equity	**362.731**	**329.380**	**33.351**

Breakdown of net financial position

Thousands of Euros	2025	2024	Change
Cash and cash equivalents	37.015	47.655	(10.640)
Long-term financing	(83.455)	(128.153)	44.698
Short-term financing	(64.683)	(64.683)	-
IFRS 16	(9.669)	(8.727)	(942)
Other financial debts	(4.670)	(746)	(3.924)
Bonds	(182.352)	(119.343)	(63.009)
Net financial debt	**(307.814)**	**(273.998)**	**(33.816)**

Breakdown of working capital

Thousands of Euros	2025	2024	Change
Trade receivables and other current assets	141.729	148.997	(7.268)
Inventory	88.484	89.686	(1.202)
Trade payables and other current liabilities	(59.197)	(68.801)	9.604
Operating Working capital	**171.016**	**169.882**	**1.134**
% on revenues	*31,8%*	*33,3%*	
Other assets/liabilities	(26.491)	(35.492)	9.001
Total Net Working capital	**144.525**	**134.390**	**10.135**

Key consolidated financial statement ratios

Index	2025	2024	Change
ROS (1)	11,2%	13,5%	-2,4%
ROI (2)	9,0%	11,4%	-2,5%
ROE (3)	10,9%	12,8%	-1,9%
Inventory turnover (4)	2,4	2,5	(0,1)
Average DSO (5)	99	99	(0)
Average DPO (6)	77	78	(1)
Tax rate (7)	-14,6%	-33,9%	19,3%
Leverage (8)	2,8	2,8	(0,0)

Note: for a description of the indices, see page 14

Condensed consolidated cash flow statement

Thousands of Euros	2025	2024
Net profit for the year	**39.655**	**42.117**
Gross profit for the year (1)	**110.724**	**95.901**
Income taxes and interest paid	(24.858)	(21.724)
Cash flows from changes in net working capital	(11.355)	(32.533)
Cash flows from operating activities (A)	**74.511**	**41.644**
Cash flows used in investing activities (B)	(97.531)	(210.023)
Cash flows from financing activities (C)	12.379	75.606
Cash flow from A+B+C	**(10.640)**	**(92.773)**
Opening cash and cash equivalents	47.655	140.428
Closing cash and cash equivalents	**37.015**	**47.655**

(1) Profit/(Loss) for the year net of depreciation, amortisation and write-downs, provisions, financial expenses (income), taxes and disposal of fixed assets.

- ## OVERVIEW OF FINANCIAL OPERATIONS AND PERFORMANCE OF THE PARENT COMPANY

The data below refer to the financial statements data of the Parent Company Fidia Farmaceutici S.p.A. according to the national accounting OIC standards.

Revenues by type

Thousands of Euros	2025	%	2024	%	Change	%
Revenues from third parties	383.256	83,8	363.039	80,4	20.217	5,6
Revenues from group companies	60.845	13,3	72.178	16,0	(11.333)	(15,7)
Total revenues from sales and services	**444.101**	**97,1**	**435.217**	**96,4**	**8.884**	**2,0**
Other revenues	13.062	2,9	16.241	3,6	(3.179)	(19,6)
Total net revenues	**457.164**	**100,0**	**451.458**	**100,0**	**5.706**	**1,3**

Revenues by geographical area

Thousands of Euros	2025	%	2024	%	Change	%
ITALY	242.660	54,6	252.284	58,0	(9.624)	(3,8)
EUROPE	109.971	24,8	93.198	21,4	16.773	18,0
MENA	28.535	6,4	24.519	5,6	4.016	16,4
USA	29.893	6,7	26.971	6,2	2.922	10,8
RoW	33.042	7,4	38.245	8,8	(5.203)	(13,6)
Total revenues from sales and services	**444.101**	**100,0**	**435.217**	**100,0**	**8.884**	**2,0**

Key income statement figures

Thousands of Euros	2025	%	2024	%	Change	%
Net revenues	**457.164**	**100,0**	**451.458**	**100,0**	**5.706**	**1,3**
Consumption of materials and change in inventc	(149.634)	(32,7)	(149.212)	(33,1)	(422)	0,3
Variable sales costs	(11.726)	(2,6)	(10.134)	(2,2)	(1.592)	15,7
Operating costs	(108.294)	(23,7)	(98.035)	(21,7)	(10.258)	10,5
Personnel expenses	(92.371)	(20,2)	(88.502)	(19,6)	(3.869)	4,4
EBITDA	**95.138**	**20,8**	**105.575**	**23,4**	**(10.436)**	**(9,9)**
Amortisation and depreciation	(47.946)	(10,5)	(41.446)	(9,2)	(6.500)	15,7
EBIT	**47.193**	**10,3**	**64.129**	**14,2**	**(16.936)**	**(26,4)**
Net financial income (charges)	(22.363)	(4,9)	489	0,1	(22.852)	(4.671,2)
EBT	**24.830**	**5,4**	**64.619**	**14,3**	**(39.789)**	**(61,6)**
Tax	(4.137)	(0,9)	(19.051)	(4,2)	14.914	(78,3)
Net profit for the year	**20.693**	**4,5**	**45.568**	**10,1**	**(24.875)**	**(54,6)**

Key balance sheet figures

Thousands of Euros	2025	2024	Change
Non-current assets	488.542	435.486	53.056
Operating Working capital	140.320	159.743	(19.422)
Defined benefit plans	(17.125)	(14.835)	(2.290)
Other assets/liabilities	(7.217)	(17.807)	10.590
Net invested capital	**604.520**	**562.587**	**41.933**
Net financial debt	(294.621)	(269.152)	(25.470)
Equity	**309.899**	**293.435**	**16.464**

Breakdown of net financial position

thousands of Euros	2025	2024	Change
Cash and cash equivalents	27.504	38.162	(10.658)
Current financial assets/liabilities	8.364	4.865	3.499
Long-term financing	(83.455)	(128.153)	44.698
Short-term financing	(64.683)	(64.683)	0
Bonds	(182.352)	(119.343)	(63.009)
Net financial debt	**(294.621)**	**(269.152)**	**(25.469)**

Breakdown of working capital

Thousands of Euros	2025	2024	Change
Trade receivables and other current assets	126.398	149.823	(23.425)
Inventory	77.517	81.579	(4.062)
Trade payables and other current liabilities	(63.595)	(71.659)	8.064
Operating Working capital	**140.320**	**159.743**	**(19.423)**
% on revenues	*30,7%*	*35,4%*	
Other assets/liabilities	(7.217)	(17.807)	10.590
Total Net Working capital	**133.103**	**141.936**	**(8.833)**

Main financial statement ratios

Index	2025	2024	Change
ROS (1)	10,3%	14,2%	-3,9%
ROI (2)	7,8%	11,4%	-3,6%
ROE (3)	6,7%	15,5%	-8,9%
Inventory turnover (4)	1,9	2,1	(0,1)
Average DSO (5)	110	109	2
Average DPO (6)	92	92	(0)
Tax rate (7)	-16,7%	-29,5%	12,8%
Leverage (8)	(3,1)	(2,5)	(0,5)

(1) *"Return on Sales" (ROS) is the ratio of operating profit (loss) to revenues.*
(2) *"Return on Investment" (ROI) is the ratio of operating profit (loss) to Net Invested Capital.*
(3) *"Return on Equity" (ROE) is the ratio of net profit (loss) for the financial year to shareholders' equity.*
(4) *Inventory turnover is the ratio of (i) purchases of raw materials, goods and changes in inventory, to (ii) the average closing inventory of the previous financial year and the closing inventory at the reporting date.*
(5) *DSO is calculated as the ratio of (i) average trade receivables at the end of the previous financial year and trade receivables at the reporting date, to (ii) revenues. This ratio is multiplied by 365.*
(6) *DPO is calculated as the ratio of (i) average trade payables at the previous financial year end and trade payables at the reporting date, to (ii) the sum of purchases of raw materials, consumables and goods plus changes in inventory plus services.*
(7) *The Tax Rate is the ratio of income taxes to pre-tax profit (loss).*
(8) *"Leverage" is calculated as the ratio between (i) Net Financial Position and (ii) EBITDA.*

Condensed cash flow statement

Thousands of Euros	2025	2024
Net profit for the year	**20.693**	**45.568**
Gross profit for the year (1)	**98.405**	**109.791**
Other adjustments	(28.775)	(16.612)
Cash flows from changes in net working capital	8.403	(46.377)
Cash flows from operating activities (A)	**78.034**	**46.801**
Cash flows used in investing activities (B)	(103.003)	(180.446)
Cash flows from financing activities (C)	14.311	75.077
Cash flow from A+B+C	**(10.658)**	**(58.567)**
Opening cash and cash equivalents	38.162	96.730
Closing cash and cash equivalents	**27.504**	**38.162**

(1) Profit for the year net of depreciation, amortisation and write-downs, provisions, financial expenses (income), taxes and disposal of fixed assets

- **HUMAN RESOURCES AND WORKFORCE**

In 2025, global initiatives aimed at organisational change continued, with a particular focus on corporate values and issues of diversity, equity, and inclusion, as well as consolidating the Group's international vocation through the harmonisation of numerous processes and the development of systems.

Recruitment, training and development

In Italy, a total of 169 individuals were hired across the sites in Abano Terme, Noto, Paderno Dugnano, Monte Giberto, and in the Milan Unit.
At the Abano Terme site, 132 people were hired over the course of the year (1 executive, 11 middle managers, 98 white collars, and 22 blue collars), compared to 124 employees who left the company (some of whom departed during the probationary period or resigned due to retirement).
The induction of the new hires involved all corporate areas.
In the other Fidia locations around the world, 111 people were hired (58 in Europe and 53 in the rest of the world, some of whom left during the probationary period).

The development of Fidia's human capital continued with actions aimed at the entire corporate population.

In 2025, Fidia once again offered training for people managers and managers of managers (Master Manager of People and Manager of Managers), targeting colleagues who had not yet participated in 2024, as well as newly appointed managers.
The programme consists of two consecutive 8-hour in-person sessions focused on reflecting on the key competencies of managers in terms of professional skills, management skills, and the development and support of employees, all within the framework of the VOLA corporate culture and incorporating analysis and action strategies in a VUCA world.
A total of 43 people (37 Managers of People and 6 Managers of Managers) took part in the training.

The partnership with CUOA Business School in Vicenza continued, with the first fully English-language edition of the Corporate Programme, which involved 12 colleagues, including staff from overseas branches in Russia, France, Poland, Romania and Egypt.
The same established training structure was maintained, divided into 3 modules (Strategic Thinking, Economics for Decisions, Digital & Innovation Approach), plus a final corporate business case.

During the year, a pilot project called 'Talent Lab' was also carried out in collaboration with UniSmart, the University of Padua's foundation established to promote technology transfer and postgraduate training. The project involved around 30 undergraduates/recent graduates in STEM subjects, who were placed on an IT training programme with a particular focus on the world of AI.
The project, which will run until 2026, aims to identify high-potential staff to join the IT Department in order to support the company's digital transformation journey.

Throughout the year, coaching sessions led by internal coaches continued to be offered to colleagues who requested them.
In July, a training session was also organised for people managers, held concurrently in person and online, focusing on team and group coaching techniques; over 50 people took part.

As part of the far-reaching change management project underway, initiatives continued to engage the entire corporate population, both in Italy and abroad, aimed at creating the new Fidia Organisational Culture and enhancing people development.
In particular, 21 induction sessions for new hires were held, both in Italy and abroad.
In line with the company's digitalisation objective, the new digital training platform, Fidia Learning Lab, was launched in July.
Since November 2025, the induction programmes for new hires have been fully digitalised, tailored to each role and enhanced with new content.

Additionally, for the new recruits, 9 meetings were organised with the CEO (Coffee with CEO), providing an opportunity for individuals to interact with the corporate leadership and share their feedback and first impressions on the company's environment.
Of the total number of meetings, 5 were held in person in Abano, and the remainder were held online for colleagues employed at branches abroad.

In view of the importance of digitalisation and innovation, 53 colleagues from strategic business areas took part in a training programme focused on the responsible development of Generative AI (GenAI) technologies.
The 'Generative AI Playground' programme was divided into 4 modules, totalling 16 hours, and took place between May and July 2025.

During the year, 3 Development Centres were launched, functioning as experiential workshops designed to explore the potential of individuals, with the participation of various employees.

In October, Fidia received formal approval for its application to participate in the 2025 New Skills Fund.
Thanks to this opportunity, a total of 237 people took part in various training courses with a minimum overall duration of 40 hours.
Specifically, 182 individuals were assigned to modular training courses covering the in-depth study and exploration of the topics of wellbeing (through a series of 8 webinars of 1.5 hours each, exploring the areas of physical, psychological and social wellbeing, with a focus on caring for the body at work, psychological and emotional wellbeing, and communication with others), Artificial Intelligence (through access to a self-paced course on an e-learning platform totalling 10 hours), Self-Awareness, Development and Accountability (to learn how to manage one's emotions by fostering an open, mindful and resilient mindset – a course structured around three 8-hour face-to-face sessions + 2 follow-up sessions of 3 hours each), and the Manager of Managers and Manager of People Master's programmes, as described above.

Under the same funding opportunity, 55 colleagues from the Operations division took part in 6 Master's programmes, each lasting 40 hours and tailored to specific needs, such as process efficiency, maintenance, supply chain and logistics, Yellow Belt certification, project management and production.

In November 2025, several teams (People & Culture, Quality Assurance, Quality Control and Communication) took part in the pilot project 'The Game of Performance', which aimed to help individuals continuously improve their performance and accountability by developing the potential of teamwork.
The programme involved 40 people and was completed in February 2026.

Awareness-raising on D&I issues continues, and all new hires, from interns to managers, are offered a 2-hour self-paced online training session on the subject.
In May 2025, to mark World Cultural Diversity Day, the new Inclusive Communication Manifesto was presented to the entire Fidia global workforce.
This document serves as a guide to the values that shape the day-to-day conduct of Fidia People, promoting active listening, respect and, more generally, more mindful and open communication.
The Manifesto represents a tangible commitment to incorporate the principles of fairness, transparency and pluralistic representation into the Company's communications, thereby fostering an internal and external environment that reflects the rich diversity of identities and perspectives that make up our global community.
In line with the company's focus on DEI issues and in full compliance with current legislation, all currently active Fidia corporate websites (with the exception of the website for Russia) have been brought into line with digital accessibility requirements, ensuring compliance with the WCAG (Web Content Accessibility Guidelines) and the provisions of the European and Italian regulatory frameworks.

Lastly, after achieving the gender equality certification, UNI/PDR 125:22, a surveillance audit was conducted as per the established procedure, concluding without any non-conformities and achieving a score of 86.75/100, which is over 4 points higher than the already favourable result obtained in 2024. This signifies for the Company a substantial and challenging commitment to its continued improvement and maintenance in the years to follow.
In 2025, in line with Fidia's internationalisation process, an event on the topic of cultural diversity was organised in collaboration with the D&I Committee.

The growth trend of the Group's resources over the last years is as follows:

Group organic trend

Fidia group's workforce by gender and average age

	Female		Male		Total	
	Workforce	Average age	Workforce	Average age	Workforce	Average age
Italy	653	41,1	638	44,1	1.291	42,6
International	221	43,0	196	43,5	417	43,2
Total	**874**	**41,6**	**834**	**44,0**	**1.708**	**42,8**

The average age remained constant, as did the gender breakdown compared to last year.

Industrial relations

The year 2025 continued the positive trend in industrial relations established in previous years, confirming a climate of open, ongoing and constructive dialogue at all levels of the organisation and at all company sites. Dialogue with trade unions has been a key factor in supporting the Company's development, fostering shared and sustainable solutions.
Throughout the year, the model of collaboration with trade unions was maintained and strengthened, with the aim of building on the provisions already set out in the Company's Supplementary Collective Bargaining Agreement and creating the conditions for development in line with new organisational and social needs. In this context, dedicated joint working groups were established with the aim of developing proposals on issues of strategic importance for the Company and its employees.
Particular attention was paid to issues such as work–life balance, organizational well-being and the sustainability of working arrangements. The discussions held within these working groups laid the foundations for a structured process of analysis and planning, aimed at identifying solutions that combine competitiveness, productivity and quality of working life.
Overall, 2025 confirmed the value of industrial relations as a strategic driver of development, capable of supporting change and promoting an inclusive, responsible work environment focused on continuous improvement.

- ENVIRONMENT

Environmental protection is one of the strategic pillars of the sustainability policies promoted globally by the United Nations and the European Union. In this context, Fidia Farmaceutici S.p.A. recognises the need to contribute to the transition towards an economic model focused on the responsible use of natural resources. The Company is aware of the impacts generated by its activities and of the role it can play in driving positive change.
In line with the evolving EU, national and local environmental legislation, the Group has embarked on a structured path of continuous improvement. Over time, this journey has led to the voluntary adoption of significant tools and initiatives, including:

- The introduction of a dedicated Health, Safety and Environment Policy;
- Participation in Federchimica's Responsible Care programme, which aims to promote sustainable development in the chemical industry;
- The implementation of an Environmental Management System for the Abano Terme and Monte Giberto sites, certified in accordance with the ISO 14001 standard.

These actions reflect the Company's commitment to incorporating environmental considerations into its decision-making processes and to enhancing its sustainability performance over time.

During the recent re-evaluation of the Sustainability Rating conducted via the Ecovadis platform, Fidia Farmaceutici confirmed its Bronze medal award, improving its overall rating **(68 out of 100)** and further strengthening its performance on environmental issues.

More information is available at the following LINK:

Climate change

Fidia Farmaceutici's main climate-damaging emissions arise from the use of natural gas and diesel, which are required to operate the production facilities, as well as to provide lighting and air conditioning for the workspaces at the various plants. In addition to these emissions, there are those generated by the fuel consumption of company cars, which are used primarily by the sales network.
Annual changes in energy consumption and, consequently, in greenhouse gas emissions, are closely linked to production volumes. For this reason, the company uses the emission intensity index relative to turnover as its main metric to assess its contribution to climate change mitigation and to monitor the effectiveness of the measures it takes.

In 2025, the organization committed to purchasing 100% of its electricity from renewable sources covered by Guarantees of Origin and recorded a 20% increase in total emissions (direct + indirect) in terms of tons of CO_2 compared to the previous year and a 16% increase in the Emissions Intensity Index, rising from 37.145 tonCO2/M€ in 2024 to 43.068 tonCO2/M€ in 2025. This increase is primarily attributable to the rise in self-generated energy from the new gas-fired combined heat and power plant.

The tables below provide a comparison with the previous year's data, summarising the direct and indirect energy consumption and greenhouse gas emissions for the four production facilities, calculated in an aggregated manner, in accordance with the new ESRS standards.

ESRS E1-5: Internal direct energy consumption	u.m.	2025	2024
Total direct energy consumption	Gj	396.603	345.598
From non-renewable sources			
Natural gas (diesel oil used in the owned plant)	m3	8.992.979	7.720.247
Diesel oil	l	41.600	47.097
LPG	kg	600	650
From company vehicles			
Petrol	l	50.818	40.704
Diesel oil	l	829.622	838.719
LPG	kg	30	16

ESRS E1-5: Indirect internal energy consumption by source type	u.m.	2025	2024
Total indirect energy consumption	Gj	53.650	76.625
Electricity	kWh	14.902.744	21.284.648
From non-renewable sources	kWh	0	1.060.648
From renewable sources	kWh	14.902.744	20.224.000

ESRS E1-6: GHG Emission (Scope1)	u.m.	2025	2024
Total direct energy emissions	t. CO2e	23.178	19.018
From non-renewable sources:			
Natural gas (diesel oil used in the owned plant)	t. CO2e	18.545	15.920
Diesel oil	t. CO2e	105	118
LPG	t. CO2e	2	2
Other (e.g. refrigerant gases, etc.)	t. CO2e	2.335	785
From company vehicles:			
Petrol	t. CO2e	106	85
Diesel oil	t. CO2e	2.085	2.108
LPG	t. CO2e	0	0

ESRS E1-6: GHG Emission (Scope2)	u.m.	2025	2024*
Total indirect energy emissions	t. CO2e	0	220
Electricity			
From non-renewable sources	t. CO2e	0	220

ESRS E1-6: GHG Total Emission (Scope1+2)	u.m.	2025	2024*
Total emissions (direct + indirect)	t CO2e	23.178	19.238

* 2024 figure recalculated ex post to adjust for the quantities of electricity offset by the purchase of Guarantees of Origin.

Water resources

Water is a critically important resource in the realm of pharmaceutical production, necessary for the production of steam required for thermostatisation and sterilisation, for creating ultrapure water appropriate for contact with both the product and the production reactors, for the cleaning of equipment, for utility cooling, and for all technical and civil uses connected to the running of the facilities.

Fidia Farmaceutici is conscious of the importance of the judicious use of this resource, particularly in the region where its manufacturing facilities are situated, which ranks at a medium-high level of water risk and stress. In 2025, the organisation further **reduced by 2.6 its overall water consumption** – defined as the difference between water withdrawn and water discharged into the environment (sewerage, surface water bodies and soil), compared to the

previous year, and achieved an **8% reduction in the Water Intensity Index**, falling from 162 m3/M€ consumed in 2024 to 150 m3/M€ consumed in 2025.

Internal water resource reuse amounts to 4.4% of the total water extracted, a slight decrease compared with 2024.

The table below provides a comparison with the previous year's data, summarising the water consumption for the four production facilities, calculated in an aggregated manner, in accordance with the new ESRS standards.

ESRS E3-4: Water resources	u.m.	2025	2024
Total water consumption	m3	80.849	83.001
Total water withdrawal (municipal water + well)	m^3	310.324	322.507
Total water discharge (sewage, water body, soil)	m^3	229.475	239.506

- ## OCCUPATIONAL HEALTH AND SAFETY

Each facility of Fidia Farmaceutici S.p.A. adhere to and apply the same principles outlined in the Group's Health, Safety and Environment Policy.

The company is continuously committed to creating a collaborative, inclusive and goal-oriented work environment that fosters personal development through the promotion of a shared company culture.

On a daily basis, the core values of connection, simplicity and positive energy support proactive behaviour and active participation in the prevention of risks and the continuous improvement of the safety, health and physical and mental well-being of employees.

Recognising that the development of the company depends on the development of its people, Fidia has set out a long-term vision aimed at promoting and sharing a new participatory leadership model that enhances the talents and skills of each individual.

Leadership, understood as a shared value, is a responsibility that concerns every individual: everyone is expected to provide guidance in their role and to be accountable for their actions.

Through daily example, a health and safety culture based on compliance with regulations and continuous attention to critical issues is reinforced.
Fidia provides its employees with appropriate and regularly maintained tools, equipment and methodologies, as well as personal and collective protective equipment that complies with the latest technological and scientific advances.

Ensuring health and safety conditions in all of the Group's workplaces is a core element of Fidia's way of operating, which is based on compliance with the applicable laws and agreements.

The company invests in raising awareness and training employees so that everyone can work responsibly and contribute to the prevention of accidents and occupational illnesses.

At all Fidia's sites, a structured system is in place for reporting, analysing the causes, and implementing corrective actions for accidents, injuries, and near-misses or near-accidents.

The Company relies on external providers for the delivery of occupational health services. Health surveillance, covering the general and specific risks to which employees may be exposed, is carried out by qualified Company Doctors, including the coordinating Company Doctor required by current legislation.

Training

The Fidia Group fosters the development of its people's potential, recognising their value and continuously investing in their professional growth through structured, high-quality training programmes.

Education, information and training are strategic elements for consolidating and promoting a strong safety culture, which is an integral part of each employee's professional development and lifelong learning.

Occupational health and safety training, governed by the State-Regions Agreements, is planned and delivered in a systematic manner, taking into account the needs of employees and in full compliance with regulatory requirements.

This training programme enables employees to acquire the skills, procedures and behaviours necessary to work safely and ensure effective risk management.

The training process plays a central role in disseminating the HSE Policy and Strategy, fostering an informed approach focused on the continuous improvement of health, safety and well-being from the outset.

In line with its HSE Policy, in addition to the training requirements stipulated by law, Fidia encourages informal opportunities for discussion on safety issues, thereby promoting widespread responsibility and active participation.

During 2025, the following training was provided:

- Training programmes for new employees on general and specific aspects of health and safety, tailored to their roles;
- Five-yearly refresher courses for specialised training;
- Specialised courses for roles and activities requiring specific technical skills, including courses on the use of equipment, tools and machinery, as stipulated by Legislative Decree 81/08, and by State-Regions Agreements.

For employees who use a company or personal car for work-related activities, a customised e-learning course was made available, in Italian and English, focusing on driving-related risks, correct driving behaviour, knowledge of vehicle safety systems, and the effects of alcohol and drugs.

Managers and supervisors have received adequate and up-to-date training concerning their duties in occupational health and safety.
Additional training courses were provided for those who, in various capacities, oversee the company's health and safety system: Health and Safety Service, Workers' Safety Representatives and Emergency Management Officers.

Safety supervision at the production facilities

At all Fidia Farmaceutici sites, there are organisational personnel with proven expertise in occupational health and safety.
These professionals, selected in accordance with the requirements of current legislation, have received appropriate training and ongoing updates on the directives issued by the Group, in order to ensure effective and consistent oversight of company processes related to risk prevention and worker protection.
To support their work, the Company's facilities are also equipped with a comprehensive set of procedures, operating instructions and management tools that govern the methods for identifying, assessing and controlling hazards in the workplace.
The entire system is designed with the primary objective of ensuring full compliance with the principles and obligations set out in Legislative Decree 81/2008, as amended, and to ensure ongoing alignment with best practices in the field of occupational safety.
Thanks to this structured organisation, Fidia Farmaceutici is able to foster a safe, informed and responsible working environment, based on clear procedures, defined roles and a culture of prevention that is widespread across all company sites.

Accidents and injuries

During FY 2025, no deaths, serious injuries or cases of occupational disease were recorded at any of the Group's sites.
The following tables show the aggregate data of the injuries that occurred and the injury ratios processed with reference to the personnel of the Local Units Fidia's Abano Terme (PD), Paderno Dugnano (MI), Milano (MI), Noto (SR) and Monte Giberto (FM).
Compared to the previous year, there was a decrease in the number of accidents during working hours, while the number of commuting-related accidents slightly increased. The overall statistical frequency and severity rates both decreased.

Number of Total accident	2025	2024
In the workplace	12	16
Commuting	4	3

Accident indices	2025			2024		
	Cases during working hours	Cases commuting	Total	Cases during working hours	Cases commuting	Total
Severity Index	0,129**	0,020**	**0,149****	0,155*	0,089*	**0,244***
Frequency Index	5,771	1,924	**7,695**	7,941	1,489	**9,43**

***Accidents that occurred in 2024 did not result in any days of absence in 2025.*
** Also taking into account the projected recuperation period for injuries that occurred in 2023 and continued into 2024.*

Continuous improvement

The Fidia Group places the value of its people at the heart of its activities, supporting their development by building their skills and experience and fostering a safe, inclusive working environment based on mutual trust. At the same time, the company continues to make targeted and ongoing investments to improve the health and safety of its employees and to enhance environmental protection.

Throughout 2025, numerous initiatives were completed and significant investments were approved at all Group sites. The most significant initiatives are listed below by way of example.

Abano Terme site and local units
More modern access control and video surveillance systems have been introduced, which are essential tools for preventing violent incidents or attacks by third parties against company staff.
At the Abano site, the investments made focused on the following areas in particular:

- Ergonomic improvements in the production area through the purchase of new, dedicated equipment;
- Upgrading of the facilities used for work at height in the technical area;
- Creation of new office space;
- Upgrading the technology of the emergency response teams' communication devices;
- Increased road safety signage for pedestrians and vehicles, accompanied by shared rules of conduct for internal and external staff.

In the area of environment, an important investment has been approved with the installation of a new power generation plant, incorporated with three independent trigeneration modules, capable of covering approximately 80% of the site's energy requirements.

Paderno Dugnano local unit
Work was carried out in the warehouse area, with the installation of physical barriers to protect workstations and shelving, thereby improving safety when operating forklift trucks. Further activities focused on preventing the risk of potentially explosive atmospheres in the production area.

Monte Giberto local unit
New laboratories were established for analytical and microbiological monitoring activities.

Noto local unit
A new, state-of-the-art production department dedicated to the freeze-drying process has been completed. In addition, in view of the further expansion of the site and the creation of new workspaces, an adjacent historic building has been acquired and will be renovated to house offices, meeting rooms and laboratories.

Finally, in the area of the environment, a project is underway to extend the ISO 14001 Environmental Management System to all other local Group sites.

• RESEARCH AND DEVELOPMENT

The Fidia Group invests about 7.8% of its turnover into research and development. During 2025, a total of EUR 41.7 million was invested. Furthermore, capitalised research costs of approximately EUR 25 million were recognised under 'Intangible fixed assets in progress' in the balance sheet.

Discovery

The department focused its activities mainly on the development of processes and technologies based on hyaluronic acid (HA) and its derivatives, seeking to make even greater use of HA-drug conjugation platforms, as well as on their chemical-physical and biological characterisation, with a focus on traditional business areas. Specifically, operations can be categorised into the following main areas:

- Projects in the Joint Care area: development and analytical support for a project on drug therapy for osteoarthritis; process scale-up for delivery systems for the management of postsurgical pain;
- Development of HA–corticosteroid conjugate formulations and their characterisation;
- Development of alternative or modified-release pharmaceutical forms;
- Testing of innovative mechanisms of action to enhance the use of cross-linked HA-based products in aesthetic medicine;
- In vitro efficacy studies to support modified HA-based formulations in skin care;

The Analytical Methods Development and Cellular Biology laboratories, in addition to overseeing internal projects of the Discovery group, have given increasing support in the analytical and biological characterisation of the products under development across the entire Fidia R&D and external units, as well as regulatory activities for obtaining CE marks, MDR renewals and FDA authorisations for certain medical devices. Increasing efforts were also devoted to supporting Operations in troubleshooting and optimising established industrial processes.

Formulation development

In relation to the Formulation Development Team, in 2025 the main activities were focused on:

- **Joint Care area**: Completion of the initial pharmaceutical development activities and production of a clinical batch of an innovative oral medication for a Phase I clinical trial; completion of the technology transfer activities for a supplement at a new manufacturer.
- **Eye Care Area:** Completion of the feasibility study for a new pharmaceutical formulation in the form of eye drops, combining two active ingredients; initiation of development activities for a new supplement for the prevention of eye damage; initiation of reformulation activities for a supplement for the maintenance of eye health.
- **Specialty Care Area:** Completion of the design and development activities for the CE recertification, in accordance with MDR 2017/745, of 3 medical devices in the gynaecology area; completion of the development and clinical batch production activities for a new medical device in the gynaecology area; initiation of activities aimed at developing a prototype of a supplement.
- **Skin Care / Aesthetic Care Area:** Completion of the reformulation and characterisation of a commercial topical medicinal product; completion of the development and clinical tolerability and efficacy testing of 6 new cosmetic products for the complementary treatment of dermatological conditions; completion of the formulation development of a new cosmetic product for the treatment of skin imperfections and preliminary biocompatibility testing; initiation of research, design and development activities for a cosmetic product intended for inclusion in a dermocosmetic line integrated with aesthetic medicine protocols.
- **Health & Wellness Care Area:** Completion of the design and development activities for the CE recertification, in accordance with MDR 2017/745, of one medical device for rhinological use; completion of the development and design activities for six cosmetic formulations for a new brand line; completion of the reformulation activities for a cosmetic product; continuation of the design and development activities for a cosmetic product as a brand line extension. Ongoing development of a prototype for the creation of a cosmetic product with an innovative pharmaceutical form.

Pre-Clinical Development

In addition to managing in vitro and in vivo trials for some experimental products under development (drugs and medical devices), in 2025 significant efforts continued in updating the pre-clinical documentation necessary for the renewal of the CE marking for all Medical Devices already available on the market across the various therapeutic areas where Fidia operates.
Collaboration with a number of universities continued to define not only the mechanism of action of a new drug, but also its metabolic fate by identifying its main metabolites.

Clinical research

- **Joint Care**: The clinical activities required for the renewal of the new CE marking according to the European Regulation 745/2017 for several Medical Devices, continued. In addition, during 2025, marketing authorisation was obtained in the United States for a new medical device, based on the results of a clinical trial completed in 2024, which the FDA deemed to be highly positive and scientifically solid.
- **Eye Care**: In 2025, follow-up was completed for two further clinical trials that had closed for enrolment in 2024. Preliminary results confirm the efficacy and safety of medical devices intended for the treatment of dry eye in various patient populations. In 2025, two new studies were also initiated in paediatric and adult patients to further characterise the efficacy and safety of a new medical device under development.
- **Skin Care**: In 2025, clinical activities continued to support the products in the Connettivina Bio range, as did the studies required to obtain the new CE marking in accordance with MDR Regulation (EU) 2017/745, thereby consolidating the evidence already generated in 2024.
- **Specialty Care:** In 2025, the Specialty Care division focused on advancing the clinical programme launched in 2024. The Phase I/II study of Fidia Collagenase for the treatment of Dupuytren's contracture is progressing

smoothly, with the aim of identifying the optimal dose to be evaluated in the subsequent Phase II study.

- **Gynaecology**: The clinical study launched in 2024, aimed at confirming the efficacy of a hyaluronic acid-based vaginal treatment, continued. Enrolment and the planned activities are progressing according to schedule.
- **Aesthetic Care**: The clinical activities required for the renewal and new CE marking in compliance with the European Regulation 745/2017 for certain Medical Devices already on the market, continued. The consolidation of clinical data to support further extensions of use has also been initiated.
- **Oncology**: Clinical trials are progressing successfully as part of the international Phase III study into a new drug developed in Fidia's laboratories for the treatment of patients with very high-risk non-muscle-invasive bladder cancer. Recruitment continued to progress rapidly in 2025 as well, nearing completion of the population specified in the protocol.
- **Urology**: The clinical study to evaluate the efficacy of Fidia Collagenase in Peyronie's disease, which was submitted to and validated by CTIS in Q3 2024, continued to progress in 2025, with the start of recruitment and the completion of the first two patient cohorts planned for the Phase I study.
- **Neuroscience**: Clinical activities related to the two PAES (Post-Authorization Efficacy Studies) on already authorized Fidia medicinal products continued, with data collected and evaluated in accordance with the planned regulatory schedule.
- **Regenerative Medicine:** In 2025, monitoring of the study involving Hy-tissue SVF and Hy-tissue BMC, as part of a targeted research call, continued. Towards the end of 2025, the final analyses of the study involving patients with knee osteoarthritis were also initiated.

Funded activities

In 2025, the Non-Dilutive Funding Team, comprising researchers from the Noto Local Unit and researchers from the Research & Development Directorate of Abano, coordinated the activities related to the projects included in the calls for proposals approved in 2023-2025:

- **Innovation Agreements 1** (Innovation Agreement pursuant to Ministerial Decree of 31/12/2021): a project focused on the development of a new product for the treatment of rheumatoid arthritis and other osteoarticular diseases. The pharmacological characterisation was completed, the mechanism of action was elucidated, the toxicokinetic profile was defined, and the main active metabolites were identified. All the activities required to apply for the start of clinical development have been completed.

- **Innovation Agreements 2** (MIMIT: fund supplementing the PNRR): Work on the development of collagenase for Peyronie's disease continued with the start of Phase 1, which involves two clinical centres. To date, 20 patients have been enrolled and treated.
  Activities related to the development of Oncofid-P-M for the treatment of pleural mesothelioma continued, with the identification of the clinical centre where the Phase 1 study, currently being set up, will be conducted.

- **Industrial development contract**: The call for proposals has been refinanced by MIMIT. The project commenced in March 2025; the resolution was signed, and R&D activities focused on developing a new indication for injectable Vibrio-derived collagenase and for topical collagenase are underway. At the same time, industrialisation activities have commenced.

- **Cascading call for proposals of Spoke 3**: the project was carried out in collaboration with the University of Calabria and the University of Messina and was completed in September 2025. The objective achieved was to produce a prototype polyurethane-based dressing loaded with hyaluronic acid, colistin and nitrosamide for the treatment of wounds and ulcers.

Patents

During 2025, Fidia's patent portfolio grew with the filing of:

- 1 patent application in Italy;
- 3 international patent extension applications lodged via the PCT (Patent Cooperation Treaty) system;
- 3 national or regional stages for applications previously extended through the PCT system.

In addition, in 2025, 3 patents were registered in Italy and 66 worldwide (including endorsements of European patents).

At the end of 2025, the group has about 1522 patents, about 1259 of which focused on the production, therapeutic applications and pharmaceutical composition of hyaluronic acid. In 2025, the Patent office actively contributed to the preparation of all the technical/scientific documentation required to obtain the tax breaks offered by the Tax Credit procedures for fundamental **research, industrial research and experimental development** in science and technology, and the patent box; it also collaborated on MISE and PNRR funded projects.

Pharmacovigilance and Compliance in Research and Development

Throughout 2025, all activities related to the quality goals of Fidia's Global Pharmacovigilance System, as required by the relevant international legislation in force, continued, in line with the Company's strategy of business diversification and geographical expansion, with the aim of ensuring that the risk/benefit profile of Fidia's products is monitored.
Ongoing operational support for the development of the Company's innovative projects was provided through expert medical and scientific advice, and corporate training on Compliance, Pharmacovigilance, Clinical Research, Medical Affairs and the Scientific Service continued.
All scheduled audit activities (Clinical Trials, Service Companies, Business Partners) were completed in order to ensure compliance with international legislation, Fidia guidelines and standards.

- ## MAIN RISKS AND UNCERTAINTIES

The following are the main risks to which the Group is exposed:

Credit risk

Credit risk relates to potential losses as a result of the inability of commercial counterparties to meet their obligations.
The Group mainly operates with private customers, represented by pharmacies, medical clinics, opticians, wholesalers and distributors, but also with large industrial groups, as well as with the Public Administration (hospital sector).
The group carefully monitors its credit exposure through an internal reporting system, in order to contain potential losses. Each Group company handles credit recovery on the sales made in their respective markets. Coordination between the companies that operate on the same market is based on the electronic exchange of information on common customers and on the coordination of any halts on deliveries or commencement of legal actions.
The bad debt provision is the nominal amount due, less any receivables secured by guarantees. The recoverability of all guarantees shall be evaluated critically. The provision is based on the individual analysis of overdue amounts, of the customers known to have financial difficulties and of those receivables for which legal action has commenced. A generic analysis based on historical losses is also carried out.

Liquidity risk

It is related to the possibility of having insufficient liquidity to manage the Group's normal operations. The group closely monitors this risk on the basis of thorough weekly financial reporting on its net financial position. About 89% of the Group's gross debt is represented by fixed-rate debt with an average term of approximately 3 years. Any excess liquidity, i.e. liquidity in excess of free cash flow requirements, is invested in working capital securities, as described in greater detail in the notes, to which reference should be made. For this reason, part of the liquidity is subject to the risk arising from the market valuation of the underlying securities.

Price Risk

The Group sells products reimbursed by the National Health System and other (OTC) non-reimbursable products.
The first group of products is a major public spending item for countries, exposing the Group to uncontrollable external risks, such as changes to the products covered by the National Health Service, the removal or reduction of reimbursability, the expenditure payback mechanism and patent expirations with the consequent introduction of generic drugs.
The second group of products is more influenced by macroeconomic factors, such as inflation and interest rate trends, which could impact the spending capacity of consumers.
In order to avoid these risks, the sales department closely monitors the group's markets, analysing their trends and possible developments.

Currency Risk

Since it sells its products in various countries, the Group is exposed to risks arising from exchange rate fluctuations. Currency risk mainly relates to sales transactions in US dollars and Russian rubles. The group's treasury unit closely monitors exchange rate trends, carrying out Euro translation transactions to reduce the translation risk.
The Parent Company also holds equity investments in companies whose share capital is denominated in currencies other than the Euro. Changes in net equity arising from exchange rate fluctuations are recognised in a "translation reserve" under net equity. The risk arising from the translation of net equity is not currently hedged.

Risks of changes in the pharmaceutical legislative and regulatory framework

The pharmaceutical sector is highly regulated both nationally and internationally, thereby affecting activities at all levels. In order to reduce its dependence on the decisions of the individual national governments in terms of pharmaceutical expenditure, the Company pursues a strategy of diversifying and expanding its sales in various geographic areas. The pharmaceutical sector is also subject to national and international technical regulations governing how pharmaceutical research, development, production, distribution, and reporting are carried out. A policy of constant monitoring of regulatory developments is implemented in all the markets in which it operates through internal and external organisational structures. The Company, like any company operating in the pharmaceutical sector, despite its strict compliance with the relevant regulations, could be exposed to the risk of claims for damages caused by its drugs. In order to manage these potential liabilities, suitable insurance policies have been established for all products on the market and under development. The coverage limit is deemed adequate and is continually monitored for adequacy, backed by analyses and market research conducted by top-tier insurance brokers.
The highly regulated pharmaceutical sector exposes any business activity related to the drug life cycle (from research and development to production and scientific information) to a potential compliance risk. To mitigate these risks, the Company has established an internal control system, structured with a series of procedures and well-organised organisational frameworks aimed at overseeing the monitoring of non-compliance risks concerning laws and regulations, ensuring accurate and transparent internal market information, as well as preventing and limiting the consequences of unexpected outcomes, focusing on the achievement of corporate objectives.

• MANAGEMENT AND COORDINATION

The Parent Company, Fidia Farmaceutici S.p.A., is not managed and coordinated pursuant to art. 2497-bis.4 of the Italian Civil Code.

• ADMINISTRATIVE LIABILITY

Data protection and cybersecurity

With regard to the protection of personal data, EU Regulation 2016/679 (GDPR) remains the relevant regulatory framework, although the European Union has recently introduced significant changes in various areas, which have affected the compliance strategies of business organisations.
The main new developments concern certain regulations governing the use of systems and models based on new technologies, such as Artificial Intelligence, namely EU Regulation 2024/1689 (known as the 'AI Act'), supplemented at the national level by Italian Law No. 132/2025, which came into force on 10 October 2025, as well as EU Directive 2022/2555, better known as the NIS-2 Directive, transposed in Italy by Legislative Decree 138/2024, which provides for a gradual compliance process for the entities concerned and a series of obligations to be met over time.
The convergence of the GDPR, new regulatory developments and the use of new technologies has required a further commitment to proactively and strategically adapt the compliance process that had already been underway for some time.
Indeed, Fidia has embarked on a digitalisation journey, adopting digital tools, technologies and solutions to transform and improve its internal processes, workflows, data management and communication with customers, partners, suppliers and employees.
The aim is to redefine the entire company organisation in order to increase operational efficiency, reduce wastefulness, simplify decision-making and provide a better experience for stakeholders, by adopting management software (ERP and CRM), e-commerce platforms, software for automating production activities, and the strategic use of data through predictive analytics and Artificial Intelligence.

While the use of these new technologies undoubtedly offers companies extraordinary strategic value by enabling operational efficiency and innovation, on the other hand, it can give rise to a high cybersecurity risk, necessitating the adoption of new areas of mandatory compliance.
In particular, the pharmaceutical sector, which has always been characterised by a strong focus on exports and an increasing emphasis on innovation, is a prime target for potential cyber threats, given its strategic and highly visible role in public health.
For this very reason, the European Union's new set of regulations aims to strengthen digital resilience and ensure the business continuity of organisations providing essential services, by requiring the adoption of cybersecurity risk management measures for sectors deemed critical, including the pharmaceutical sector.
Indeed, with regard to risk management, the NIS-2 Directive introduces new elements compared to the past, stipulating the need for appropriate security measures and an effective and responsive incident reporting system, including through cooperation between economic operators and the sharing of information at both national and European level.
In this new context, and in line with recent regulatory requirements, Fidia has promptly made significant investments in the cybersecurity protection of its business, both at the national level and within its subsidiaries, in order to strengthen stakeholder trust and ensure its growth in the medium to long term, promoting innovation as a strategic lever to enhance its competitiveness in the market.

Ethics and Sustainability

Transparency, ethics and legality form an integral part of Fidia's values, as set out in its Code of Ethics, in the Organisation and Management Model adopted in accordance with Italian Legislative Decree 231/2001 ('OMM') and in the Fidia Group's entire regulatory compliance system. Collectively, these values represent the fundamental principles that guide the Company and its subsidiaries in their day-to-day operations and whose observance is essential for the proper functioning, reliability, reputation and image of the Group as a whole.

Indeed, Fidia recognises the importance of ethical and social responsibility in the conduct of all its business and corporate activities, and is committed to respecting the interests of its stakeholders and the communities in which it operates.
For these reasons, in addition to the provisions of the OMM, where applicable, Fidia has decided, on the one hand, to set out in its Code of Ethics the values to which its directors, employees and collaborators must adhere and, on the other hand, to specifically regulate its relations with its suppliers by adopting a dedicated Code of Conduct, which was drawn up with the aim of promoting responsible conduct throughout the supply chain and encouraging suppliers to adopt behaviour that complies with the applicable regulations and is in line with the Company's principles and values.
The Supplier Code of Conduct indeed sets out the principles and behaviours expected of Fidia's Suppliers in terms of ethical conduct, environmental sustainability and health and safety at work, compliance with which constitutes a fundamental condition for starting and maintaining a long-term relationship with the Company.
The implementation of this Code has not only reinforced the Company's dedication to environmental, social, and governance (ESG) responsibilities, but has also led to the achievement of important certifications regarding its sustainability performance, thus improving the accessibility of new business opportunities.
The full version of the Code can be accessed through the company's official website (https://www.fidiapharma.it/codice-di-condotta-fornitori/).
To further strengthen the provisions of the Group's compliance system and to demonstrate Fidia's ongoing commitment to complying with anti-corruption laws, during the 2025 financial year, the Company adopted an Anti-Corruption Policy to prevent any form of corruption, bribery, fraud or anti-competitive practices.
The establishment of a set of practical rules, through clear definitions of unacceptable conduct, well-defined consequences and consistent enforcement mechanisms, is intended to strengthen the trust of the various stakeholders in the organisation, further contributing to the creation of a corporate culture based on integrity, legality and sustainability.
This is how Fidia puts into practice the concept of 'zero tolerance' towards corrupt conduct and activities, without exception.

Transparency obligations

Finally, with specific reference to compliance in the pharmaceutical sector, Fidia manages its relationships with healthcare professionals in accordance with applicable laws, regulations and professional codes, implementing ethical business practices and maintaining socially responsible conduct.

Indeed, in addition to strict compliance with current regulations, Fidia also pays particular attention to adherence to ethical principles, understood in the sense of proper conduct, thereby contributing to improving patients' quality of life and pursuing productivity and profit through ethical and transparent behaviour.
With this in mind, the Company has long been a member of Confindustria Dispositivi Medici, the trade association for medical device manufacturers, and complies with the ethical requirements adopted by Confindustria Dispositivi Medici by establishing internal procedures to define processes aimed at regulating various forms of collaboration with the healthcare and scientific community, such as participation in events and conferences, the awarding of scholarships, and the management of donations and sponsorships, all of which are subject to ongoing monitoring by the Company to ensure their correct application.
To further ensure the propriety of its relationships with healthcare professionals and in compliance with the ethical requirements of Confindustria Dispositivi Medici, since 2021, Fidia has published on its corporate website the total value of transfers made, directly or indirectly, to Healthcare Professionals, Healthcare Organisations and Third Parties for each financial year.
The disclosure of transfers of value is, therefore, a practical way of ensuring transparency in relations between the pharmaceutical industry and the scientific community, representing for the company not only a commitment but also an indispensable value.

Diversity & Inclusion

In 2024, the Company adopted a 'Strategic Plan for Gender Equality, Non-Discrimination and Integration within both Corporate and Social Contexts', values in which Fidia firmly believes.
In light of this commitment, Fidia has taken a number of initiatives, formalising its 'Gender Equality Policy' and setting up a dedicated Committee.
The Strategic Plan outlines six focus areas: (i) selection and recruitment, (ii) career management, (iii) pay equity, (iv) parenting, caregiving, (v) work-life balance, (vi) initiatives to prevent any form of physical, verbal and digital workplace abuse (harassment).
The objective is to enhance the contribution that gender equality can bring to the company's performance.
For this reason, the Company has launched an awareness-raising campaign targeting the entire workforce by distributing and posting on its institutional website the 'Procedure for the Fight against Harassment, Inappropriate Sexual Behaviour and Bullying'.

- ## OPERATIONS WITH SUBSIDIARIES, ASSOCIATES, PARENT COMPANIES AND COMPANIES CONTROLLED BY THEM

As regards Fidia's relations with the Parent Company, its subsidiaries, associated companies and companies controlled by the Parent Company, the following is a summary of the data relating to receivables, payables, revenues and costs as at 31 December 2025 (in thousands of Euro):

Thousands of Euros	Assets			Liabilities		
	Trade receivables	Other receivables	Financial activities	Trade payables	Other payables	Financial liabilities
ALTACOR LIMITED	20	-	-	-	-	-
FIDIA PHARMA AUSTRIA GMBH	(1.165)	-	-	-	-	-
FIDIA PHARMA CZ SRO	788	-	-	209	-	-
FIDIA PHARMA EGYPT FOR MARKETING	555	-	-	(33)	-	-
FIDIA PHARMA GMBH	(1.894)	-	4.781	-	-	-
FIDIA PHARMA MIDDLE EAST FZE	-	-	-	1.256	-	-
FIDIA PHARMA POLSKA SP ZOO	1.469	-	-	1	-	-
FIDIA PHARMA ROMANIA SRL	2.462	-	-	56	-	-
FIDIA PHARMA RUSSIA LLC	1.061	-	425	-	-	-
FIDIA PHARMA SLOVAKIA SRO	72	-	-	1.699	-	-
FIDIA PHARMA SWITZERLAND SA	-	-	-	84	-	-
FIDIA PHARMA UK LTD*	23	-	29	-	-	-
FIDIA PHARMA USA INC	14.406	-	-	-	-	-
LABORATOIRES FIDIA SAS	237	-	13.605	587	-	-
LABORATORIOS FIDIA FARMACEUTICA SLU	11.600	-	(21)	90	-	-
MEDITRINA PHARMACEUTICALS SRL	31	-	1.500	-	-	-
FIDIA HEALTHCARE SRL	583	-	-	4.320	-	-
FIDIA PHARMA TURKEY İLAÇ SAN.VE TIC.A.S	564	-	-	-	-	-
Total subsidiaries	**30.812**	**-**	**20.318**	**8.271**	**-**	**-**

Thousands of Euros	Revenues			Expenses		
	Revenues	Other revenues	Net financial income	Costs of services	Costs of products	Net financial expenses
ALTACOR LIMITED	-	22	-	-	-	-
FIDIA PHARMA AUSTRIA GMBH	700	59	7	1.600	-	-
FIDIA PHARMA CZ SRO	4.357	228	-	3.292	-	-
FIDIA PHARMA EGYPT FOR MARKETING	-	49	-	1.360	-	-
FIDIA PHARMA GMBH	6.154	205	309	3.000	35	-
FIDIA PHARMA MIDDLE EAST FZE	-	2	-	2.348	-	-
FIDIA PHARMA POLSKA SP ZOO	960	242	111	4	-	-
FIDIA PHARMA ROMANIA SRL	5.470	528	-	0	-	-
FIDIA PHARMA RUSSIA LLC	981	31	-	23	-	-
FIDIA PHARMA SLOVAKIA SRO	67	72	-	1.094	-	-
FIDIA PHARMA SWITZERLAND SA	-	-	-	563	-	-
FIDIA PHARMA USA INC	27.965	38	2.293	14	-	-
LABORATOIRES FIDIA SAS	3.856	106	592	2.056	1	1
LABORATORIOS FIDIA FARMACEUTICA SLU	9.761	603	113	279	-	7
MEDITRINA PHARMACEUTICALS SRL	-	-	31	-	-	-
FIDIA HEALTHCARE SRL	574	-	-	1.060	1.146	-
FIDIA PHARMA TURKEY İLAÇ SAN.VE TIC.A.S	-	207	-	-	-	-
Total subsidiaries and parents	**60.845**	**2.392**	**3.457**	**16.692**	**1.181**	**8**

- ## OWN SHARES

During the reporting year, the Parent Company, Fidia Farmaceutici S.p.A., acquired 644 treasury shares.
As at December 2025, it holds 334,157 own shares for an amount of EUR 11,260,467, corresponding to 4.7% of the share capital. They are recognised in a negative reserve for own shares in portfolio.
Reference is made to the notes for further details.

- ## SIGNIFICANT EVENTS OCCURRING AFTER THE END OF THE FINANCIAL YEAR

In January 2026, a medium/long-term loan maturing in 2032 for the amount of EUR 95 million was taken out to support the 2026–2028 business plan, and a partial refinancing for the amount of EUR 34 million was arranged, which enabled the Company to extend the maturity of the loan and improve certain contractual terms.

In March 2026, an agreement was signed for the acquisition of a company that holds the marketing authorisations for a portfolio of products in the therapeutic areas of 'Cardio', 'Urology/Gynaecology', 'Orthopaedics' and 'CNS', sold in Italy (87%) and in non-EU countries (13%). Specifically, the target company includes trademarks, inventory, marketing authorisations, regulatory dossiers, a pharmacovigilance database and medical information, as well as selected specific agreements. The production facilities, the sales force and support staff are excluded from the scope of the acquisition. The transaction forms part of the strategy to strengthen the Company's offering for the Italian market, with the potential to leverage commercial strength in Specialty Care.
In early 2026, the disputes with the Veneto Revenue Agency regarding the tax audit covering the years 2018–2019–2020–2021–2022 were brought to a conclusion.
Specifically, the Veneto Regional Directorate had issued notices of assessment for the years 2018 and 2019, as well as a notice for the recovery of formal penalties.
The Parent Company had challenged all of these notices, and a hearing to consider the appeals against the 2018 tax assessment notices (IRES, VAT and IRAP) and the notice for the recovery of the formal penalties had already been scheduled for 21 April 2026.
Following the joint discussions between the parties, a final settlement was reached on the aforementioned findings, with the Parent Company being required to pay a total amount (including interest) of EUR 564 thousand.
With regard to the subsequent years (2020, 2021, 2022), for which the notices of assessment have not yet been served, the parties have agreed to settle the assessments by way of a tax settlement agreement pursuant to Article 6 of Italian Legislative Decree No. 218/1997. Consequently, the amounts subject to assessment have been reduced and quantified at EUR 1,387 thousand, including interest, which has been allocated to the provision for risks, as the agreement is scheduled to be signed at the end of April 2026 and therefore cannot yet be recognised as a tax payable.

- **RISKS RELATED TO GEOPOLITICAL SITUATIONS**

Russia–Ukraine conflict

The conflict between Russia and Ukraine continues with no signs of a structural solution in the short term, and it continues to represent a source of uncertainty for the international geopolitical and economic landscape. Sanctions against the Russian Federation and the resulting operational and financial restrictions remain in place, with potential repercussions on supply chains, trade flows and the performance of currency markets. With regard to the Group's activities, exposure to the Russian region remains limited (approximately 1% of total turnover) and, as of the current date, there have been no significant impacts on operations or business continuity.
In order to provide a better understanding of the effects on the financial statements deriving from the risk linked to the trend of the Ruble, a specific sensitivity analysis was carried out to determine the impact on the balance sheet of fluctuations in the exchange rate against the Euro. Therefore, reference is made to the notes for further details on the matter. However, it should be noted that during the period of the conflict, the performance of the rouble against the euro did not undergo any significant changes.

US–EU trade tensions

On 20 February 2026, in a majority decision, the US Supreme Court declared the wide-ranging tariffs introduced by the Trump Administration in 2025 under the International Emergency Economic Powers Act (IEEPA) to be unlawful, reaffirming that the power to impose customs tariffs lies with Congress and not with the Executive Branch. In particular, the ruling annulled the so-called 'reciprocal' and emergency tariffs, while leaving in force those based on different legal grounds. Following the ruling, the Administration announced alternative and temporary tariff measures, thereby maintaining a high level of uncertainty regarding the US trade policy framework.
Should such tariffs nevertheless be introduced – and in particular if they were applied to the product categories within which Fidia's products are sold in the US – they could impact profitability by approximately EUR 2.0 million for every 10 percentage points applied to transfer prices charged to the subsidiary. It will need to be evaluated whether the market can absorb some of these increased costs through higher prices in the end-user market.

Middle East crisis

During the first few months of 2026, the geopolitical situation in the Middle East deteriorated significantly, with a new and broader phase of military escalation that, in addition to the Israel-Palestine conflict, also involved regional and international players. At present, the prospects for lasting stabilisation appear limited, while high tensions persist

in the region, particularly in relations between Iran and the United States and in the repercussions on the region's main energy and trade corridors.
This situation continues to represent a source of uncertainty for global geopolitical and economic balances, with potential impacts on international energy and financial markets and significant inflationary consequences for energy prices.
As at the reporting date, the Fidia Group's direct exposure to the countries affected in the Middle East region remains limited and can be estimated at approximately 2.5% of total revenue (mainly comprising the UAE and Saudi Arabia), with no significant impact on the Group's ability to continue as a going concern.

- **OUTLOOK**

Throughout 2025 and into early 2026, inflation continued to decelerate in both Italy and the Eurozone.
In Italy, according to preliminary data released by Istat, inflation stood at 1% in January 2026, down from 1.2% in December 2025, with the core inflation rate remaining stable at 1.8%.
In terms of economic growth, the latest Istat forecasts confirm GDP growth of 0.8% in Italy in 2026, driven mainly by domestic demand.

In the Eurozone, Eurostat reports inflation of 1.7% for January 2026, down from 2.0% in December, with core inflation at 2.2% and a 4.1% fall in energy prices.
The slowdown in inflation has reinforced the European Central Bank's cautious stance. At its meetings on 18 December 2025 and 5 February 2026, the ECB left its key interest rates unchanged (deposit rate at 2%, main refinancing rate at 2.15%), deeming them appropriate to steer inflation back towards the 2% target in the medium term.
The Eurosystem's December 2025 projections indicate an average inflation rate of 1.9% for the Eurozone in 2026.
For the Eurozone, the European Commission forecasts growth of 1.4% in 2026, while for the European Union as a whole, the estimate is 1.5%.

However, despite the ongoing highly unstable geopolitical environment, as of the current date, there have been no significant impacts on the Group's operations. The outlook for the current financial year is supported by the strength of the product portfolio, the Group's positioning in key therapeutic areas, and the gradual strengthening of its commercial presence in international markets. The strategic initiatives undertaken, including portfolio development activities and the optimisation of the sales organisation, are aimed at supporting growth in the medium term and enhancing the Group's ability to adapt to changing market scenarios. In this context, management will continue to adopt a selective approach to investments and a prudent approach to risk management, thereby safeguarding economic and financial stability and cash generation.

Abano Terme, 14 April 2026
For the Board of Directors
The Chairman
Carlo Pizzocaro

CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

Fidia Farmaceutici S.p.A.
2025

- CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Thousands of Euros	Note	2025	2024
Property, plant and equipment	4.1	133.751	124.113
Intangible assets	4.2	230.170	229.289
Equity investments	4.4	38.671	24
Goodwill	4.3	113.611	110.080
Other equity investments and securities	4.4	89	89
Non current financial assets	4.5	1.064	1.374
Deferred tax assets	4.6	26.035	20.366
Non current assets		**543.390**	**485.335**
Inventory	4.7	88.484	89.686
Trade receivables	4.8	141.729	148.997
Current tax assets	4.9	15.581	5.624
Current financial assets	4.10	15.281	19.087
Derivatives financial instruments - fair value	4.11	188	1.162
Cash and cash equivalents	4.12	37.015	47.655
Current assets		**298.278**	**312.211**
Total assets		**841.668**	**797.545**
Share capital		36.120	36.120
Share premium reserve		-	-
Treasury shares		-	-
Reserve for parent company shares		38.648	-
Reserve for financial derivatives - fair value		(873)	(692)
Foreign exchange translation differences		317	2.323
Other reserves		8.194	7.786
First Time Adoption reserve		8.953	8.953
Undivided profits		231.717	232.774
Profit / (Loss) for the year		39.655	42.117
Interim dividend		-	-
Group equity		**362.731**	**329.380**
Minority Interests			
Equity	**4.13**	**362.731**	**329.380**
Long term financial payables	4.14	273.941	203.334
Employees' leaving entitlement	4.15	7.527	8.222
Deferred tax liabilities	4.17	4.813	2.957
Provisions for risks and charges	4.16	3.930	3.767
Derivatives financial instruments - fair value	4.18	1.299	2.370
Other liabilities	4.19	0	0
Non current liabilities		**291.511**	**220.651**
Trade payables	4.20	59.197	68.801
Tax payables	4.21	3.908	8.177
Other current liabilities	4.22	52.335	50.817
Provisions for risks and charges	4.23	1.100	1.400
Derivatives financial instruments - fair value	4.24	-	-
Short term financial payables	4.25	70.887	118.319
Current liabilities		**187.427**	**247.514**
Total shareholders equity and liabilities		**841.668**	**797.545**

CONSOLIDATED INCOME STATEMENT

Thousands of Euros	Note	2025	2024
Net revenue	**5.1**	**538.343**	**510.120**
Cost of goods sold	5.2	(215.762)	(200.087)
Industrial Margin		**322.582**	**310.033**
Sales and Marketing expenses	5.2	(153.011)	(150.063)
R&D expenses	5.2	(41.733)	(29.285)
G&A expenses	5.2	(69.055)	(63.039)
Other income and expenses	5.2	1.356	1.340
Operating profit		**60.137**	**68.986**
Net financial (expense)/income	5.3	(13.728)	(5.299)
Profit before tax		**46.410**	**63.687**
Income taxes	5.4	(6.755)	(21.571)
Profit for the year		**39.655**	**42.117**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Thousands of Euros	2025	2024
Profit for the year	**39.655**	**42.117**
Items that may be subsequently reclassified to profit or loss:		
Fair value gains (losses)	(237)	(3.327)
Exchange differences	(2.006)	(1.024)
Income taxes on items that may be subsequently reclassified to profit or loss	57	799
Items that may not be subsequently reclassified to profit or loss:		
Revaluation of net liabilities / (assets) for employee benefits	99	(92)
Equity investments accounted for using the equity-quota method	-	-
Taxes on components that will not be reclassified in profit / (loss) for the year	(28)	26
Profit for the year	**37.540**	**38.497**

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Group equity								
Thousands of Euros	Share Capital	Reserve for parent company shares	Reserve for financial derivatives measured at fair value	Foreign exchange translation differences	Other reserves	First Time Adoption reserve	Undivided profits	Profit/(Loss) for the year	Equity
Balance at 31.12.2024	**36.120**	**-**	**(692)**	**2.323**	**7.786**	**8.953**	**232.774**	**42.117**	**329.380**
Allocation of prior yearprofit							42.117	(42.117)	-
Dividend distributions							(4.000)		(4.000)
Other changes		38.648	(180)	(2.006)	408		(39.174)		(2.304)
Profit for the year								39.655	39.655
Balance at 31.12.2025	**36.120**	**38.648**	**(873)**	**317**	**8.194**	**8.953**	**231.717**	**39.655**	**362.731**

- ## CONSOLIDATED CASH FLOW STATEMENT

Thousand of Euros	2025	2024
Cash flows from operating activities		
Net profit for the year	39.655	42.117
Income taxes	6.755	21.571
Financial income and expenses	12.393	5.715
Net gains/(losses) on the sale of assets	8	664
Accruals to/utilisations of provisions	(801)	(1.756)
Amortisation and depreciation	44.140	27.293
Write-downs for impairment losses	1.855	297
Other adjustments for non-monetary items	6.719	-
Income taxes paid	(12.911)	(15.312)
Net interest paid	(11.948)	(6.412)
Cash flows before changes in net working capital	**85.866**	**74.177**
Working capital		
Change in trade receivables	6.201	(22.368)
Change in inventories	1.222	(20.394)
Change in other receivables and other current assets	(3.050)	(8.479)
Change in trade payables	(11.673)	7.018
Change in other payables and other current liabilities	(1.824)	(4.509)
Change in accrued and deferred income and expenses	(2.231)	16.200
Change in receivables from parents	-	-
Changes in net working capital	**(11.355)**	**(32.533)**
Cash flows from (used in) operating activities	**74.511**	**41.644**
Cash flows from investing activities		
Investments in tangible fixed assets net of divestments	(25.490)	(25.476)
Investments in intangible fixed assets net of divestments	(21.133)	(184.303)
Investments in financial fixed assets	(38.337)	(244)
Acquisition of equity investments	(13.017)	-
Cash flows from (used in) investing activities	**(97.977)**	**(210.023)**
Cash flows from financing activities		
New loans	62.906	129.675
Repayment of loans	(44.739)	(51.739)
Payment of leasing liabilities	336	(357)
Change in bank loan	-	-
Other changes in net equity	(2.124)	1.026
Dividend distributions	(4.000)	(3.000)
Cash flows from (used in) financing activities	**12.379**	**75.606**
Change in cash and cash equivalents	**(11.087)**	**(92.773)**
Cash and cash equivalents - opening balance (01.01)	47.655	140.428
M&A liquidity	447	-
Cash and cash equivalents - closing balance (31.12)	37.015	47.655

- **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025**

1. General corporate information

The Fidia Group (hereinafter also referred to as the "Group") operates in the field of the sale of pharmaceutical products, the result of its own research, worldwide through commercial agreements with international companies operating in the pharmaceutical and biomedical sectors and through direct presence in strategic markets.

The Parent Company is Fidia Farmaceutici S.p.A. (hereinafter also referred to as "the Parent Company"). The registered office is in Abano Terme (PD) in via Ponte della Fabbrica 3/A. The Parent Company carries out its activities in five locations:

- Abano Terme (PD) - Via Ponte della Fabbrica 3/A;
- Noto (SR) Contrada Pizzuta;
- Paderno Dugnano (MI) - Via Ampere 19/2;
- Monte Giberto (FM) - Via del Lavoro 2;
- Milan - Via Vegezio 19.

2. Financial statements adopted

The consolidated financial statements for the financial year ended 31 December 2025, prepared on the assumption that the Parent Company and the other consolidated companies are a going concern, were prepared pursuant to articles 2 and 3 of Legislative Decree no. 38/2005, in compliance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board and endorsed by the European Commission, which include the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), as well as the previous International Accounting Standards (IAS) and the interpretations of the Standard Interpretations Committee (SIC) still in force. For the sake of simplicity, the set of all standards and interpretations is hereinafter referred to as the "IFRS".

The consolidated financial statements have been prepared based on the historical cost principle, except for derivative instruments recognised at fair value. Please refer to the assessment for the individual items described in note 3 "Accounting standards and assessment criteria applied".

The consolidated financial statements consist of the consolidated financial statements (statement of financial position, income statement, comprehensive income statement, statement of changes in shareholders' equity, cash flow statement) and these notes, applying the provisions of IAS 1 "Presentation of the financial statements" and IAS 7 "Cash Flow Statement".

The following is an indication of the financial statements adopted:

- in the consolidated statement of financial position, it was decided to represent current and non-current assets, and current and non-current liabilities, as separate classifications, in accordance with IAS 1;
- in the Income Statement and in the Comprehensive Income Statement, it was decided to present an analysis of costs using a classification based on their purpose;
- in the Statement of Changes in Consolidated Shareholders' Equity, occurred during the period, these are represented by means of a columnar statement reconciling the opening and closing balances of each item of net consolidated shareholders' equity;
- the Consolidated Cash Flow Statement represents cash flows by classifying them into operating, investing and financing activities. In particular, cash flows from operating activities are reported, as required by IAS 7, using the indirect method, whereby the profit or loss for the financial year is adjusted by the effects of transactions of a non-cash nature, by any deferrals or accruals of past or future operating cash collections or payments, and by items of revenues or costs associated with cash flows from investing or financing activities.

The IFRS are applied consistently with the indications provided in the "Conceptual Framework for Financial Reporting" and no critical issues arose that required recourse to waivers pursuant to IAS 1, paragraph 19.
All amounts are expressed in thousands of Euro, unless otherwise indicated. The Euro is the functional currency of the Parent Company and of its main subsidiaries, as well as the presentation currency of these consolidated financial

statements. For comparative purposes, the corresponding value for the previous financial year is shown for each item in the consolidated financial statements.

3. Preparation criteria

3.1 Principles of consolidation

The annual consolidated financial statements include the separate financial statements of Fidia Farmaceutici S.p.A. and of companies over which it has the right to exercise control. The definition of control is not solely based on the concept of legal ownership. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of a company in order to obtain the relative benefits. The financial statements of subsidiaries are included in the annual consolidated financial statements from the date on which control is assumed until it ceases to exist. The shares of shareholders' equity and of the results attributable to minority shareholders, if any, are shown separately in both the consolidated statement of financial position and in the consolidated income statement.

Subsidiaries are consolidated on a line-by-line basis.

The full consolidation method can be summarised as follows:

- assets, liabilities, costs and revenues are taken at their full amount, derecognising the carrying value of the investments against the current value of the investee's shareholders' equity at the acquisition date. The difference resulting from this derecognition, for the part not attributable to specific balance sheet items, is recognised as goodwill under intangible assets if positive, while is charged to the income statement if negative;
- profits and losses deriving from transactions between subsidiaries not yet realised vis-à-vis third parties, as well as receivables and payables, costs and revenues between consolidated companies, if significant, are derecognised;
- dividends distributed by consolidated companies are derecognised from the income statement and added to the profits of previous financial years, if and to the extent that they have been withdrawn from them;
- minority interest in shareholders' equity and minority interest in profit or (loss), if any, are shown in a separate line under shareholders' equity, separately from Group shareholders' equity, and in a separate line under income statement, respectively.

The financial statements of subsidiaries used to prepare the consolidated financial statements are those approved by their respective Boards of Directors and submitted to their respective meetings for approval. The reporting date of the financial statements of the consolidated Companies is the same as that of the Parent Company.

For consolidation purposes, all income statements and balance sheets used for consolidation purposes have been adjusted to adhere to the IAS/IFRS measurement and assessment criteria used for the consolidated financial statements of the Parent Company.

The Companies included in the consolidated financial statements as at 31 December 2025, are shown in the table below:

Legal entity	Legal Headquarter location	Share Capital (Currencies)	Group shareholding %
List of investments consolidated on a line-by-line basis			
Fidia Farmaceutici S.p.A. (Capogruppo)	Abano Terme (PD)	Euro 36.120.000	100%
Altacor Limited	Birmingham (UK)	GBP 2.237.600	100%
Fidia Healthcare S.r.l.	Grottaferrata (RM)	Euro 100.000	100%
Fidia Pharma Austria GmbH	Vienna (Austria)	Euro 35.000	100%
Fidia Pharma CZ s.r.o.	Praga (Rep. Ceca)	CZK 200.000	100%
Fidia Pharma Egypt for Marketing	Il Cairo (Egitto)	EGP 50.000	100%
Fidia Pharma GmbH	Monheim am Rhein (Germania)	Euro 25.000	100%
Fidia Pharma Middle East FZE	Dubai (EAU)	AED 100.000	100%
Fidia Pharma Polska Sp Zoo	Varsavia (Polonia)	PLN 1.005.000	100%
Fidia Pharma Romania S.r.l.	Bucharest (Romania)	RON 3.400	100%
Fidia Pharma Russia LLc	Mosca (Russia)	RUB 10.000	100%
Fidia Pharma Slovakia s.r.o.	Bratislava (Slovacchia)	Euro 6.640	100%
Fidia Pharma Switzerland SA	Lugano (Svizzera)	CHF 100.000	100%
Fidia Pharma Turkey Ilac	Istanbul (Turchia)	TRY 250.000	100%
Fidia Pharma Usa Inc.	Florham Park (USA)	USD 1.000	100%
Laboratoires Fidia SAS	Parigi (Francia)	Euro 5.045.490	100%
Laboratorios Fidia Farmacéutica S.L.U.	Madrid (Spagna)	Euro 3.000	100%
Meditrina Pharmaceuticals S.r.l.	Bucharest (Romania)	RON 1.087.550	100%

Translation of financial statements in foreign currencies

In the consolidated financial statements, income, costs, assets and liabilities are expressed in Euro, which is the presentation currency of the Parent Company.

For the purpose of preparing the consolidated financial statements, the financial statements of consolidated companies with a functional currency different from the presentation currency are converted into Euro by applying to assets and liabilities, including goodwill and consolidation adjustments, the exchange rate in force at year-end, and to income statement items, the average exchange rate for the financial year, provided that it approximates the exchange rates in force at the date of the respective transactions.

The related exchange rate differences are recognised directly in shareholders' equity and are shown separately in a special reserve thereof (Translation Reserve); this reserve is reversed proportionally to the Income Statement at the time of the (partial or total) disposal of the investment.

In order to consider the impact of hyperinflation on the exchange rate of the local currency, the statement of financial position and results of operations (i.e. assets, liabilities, shareholders' equity items, revenues and costs) of a company whose functional currency is the currency of a hyperinflationary economy are converted into the Group's presentation currency (Euro) using the exchange rate in force at year-end, except for comparative amounts presented in the financial statements of the previous year that are not adjusted for subsequent changes in the price level or subsequent changes in exchange rates.
The exchange rates applied are shown in the table below and correspond to those published by the Ufficio Italiano dei Cambi (Italian Foreign Exchange Office).

	2024 Exchange rate		2023 Exchange rate	
	Closing rate	Average annual rate	Closing rate	Average annual rate
AED	4,3152	4,1499	3,8154	3,9750
CHF	0,9314	0,9370	0,9412	0,9526
CZK	24,2370	24,6879	25,1850	25,1198
EGP	56,0487	55,6133	52,8202	49,0064
GBP	0,8726	0,8568	0,8292	0,8466
PLN	4,2210	4,2397	4,2750	4,3058
RON	5,0968	5,0424	4,9743	4,9746
RUB	92,9200	94,3341	113,6269	100,9751
TRY	50,4838	44,8161	36,7372	35,5734
USD	1,1750	1,1300	1,0389	1,0824

3.2 Discretionary assessments and significant accounting estimates

In connection with the preparation of the consolidated financial statements, management was required to make estimates and assessments that affect the application of accounting policies and the amounts of assets, liabilities, costs and revenues recognised in the financial statements. Uncertainty about these assumptions and estimates could result in outcomes that will require, in the future, a significant adjustment to the book value of these assets and/or liabilities.

These estimates and the underlying assumptions are reviewed regularly. Any changes resulting from the revision of accounting estimates are recognised prospectively.

The following is a brief description of those items in the financial statements that require greater subjectivity on the part of the Directors in developing estimates than others and for which a change in the conditions underlying the assumptions used could have a material impact on the financial data.

Main accounting standards and assessment criteria applied

The most significant accounting standards and assessment criteria applied in the preparation of the consolidated financial statements for the financial year ended 31 December 2025 are described below.

The Consolidated Financial Statements of the Fidia Group for the year ended 31 December 2025 have been prepared using the historical cost assessment criterion, except for the following significant items: investments in financial assets and derivative instruments, which are recognised at fair value.

Tangible assets (Property, plant and equipment)

Property, plant and equipment are recognised at historical cost, including directly attributable ancillary charges necessary to bring the asset into use for the purpose for which it was acquired, with the exception of land (both free of construction and attached to civil and industrial buildings) and assets held for sale, which are not depreciated, but are written down if their fair value is lower than the cost recognised in the financial statements.

Costs incurred for improvements are only charged as an increase to the assets concerned when they produce actual increases in their value.

Maintenance and repair costs that are not likely to enhance and/or extend the residual life of assets are expensed in the financial year in which they are incurred; otherwise, they are capitalised.

Property, plant and equipment are shown net of the related accumulated depreciation and of any impairment losses determined on the basis of the impairment test. Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives.

For assets acquired during the financial year, the rates are applied *pro-rata temporis*, taking into account the actual use of the asset during the year.

Depreciation is generally recognised in profit/(loss) for the financial year. Depreciation methods, useful lives and residual values are reviewed at year-end and adjusted if appropriate.

The main economic-technical depreciation rates used are as follows:

Tangible fixed assets	Rates
Non-industrial buildings	0% - 5,50%
Industrial buildings	3% - 5,50%
Light constructions	10,00%
Generic plant	9% - 15%
Plant and machinery for slightly corrosive processes	4% - 20%
Plant and machinery for highly corrosive processes	17,50%
Photovoltaic system	9,00%
Small sundry and lab equipment	12% - 40%
Ordinary office furniture and equipment	3% - 33%
Electronic office equipment and computers	9% - 33%
Transport vehicles	20,00%
Cars, motorcycles and similar	20% - 50%

At each reporting date, the Company reviews for objective evidence of impairment with respect to the book values of property, plant and equipment.

If, on the basis of this check, it emerges that the assets have actually been impaired, the company estimates their recoverable value.
The recoverable amount of an asset is the higher of its value in use and its fair value less costs of disposal. When the book value of an asset exceeds the recoverable value, an impairment loss is recognised. Impairment losses are recognised in profit/(loss) of the year. Impairment losses recognised in prior periods are reversed up to the book value that would have been determined (net of depreciation) if the asset impairment loss had never been recognised.

The accounting treatment of assets acquired under finance leases, with regard to their equity, financial and economic effects, is in line with IFRS 16. The aforementioned standard requires that these assets be recognised under owned assets at cost and be depreciated using the same criteria as other tangible assets.

The principal amount of the unpaid instalments is recognised as a liability in the balance sheet, while the financial charges relating to the accrued instalments are included in financial charges in the income statement.

Right of use

On the effective date of the lease, the Group recognises the right-of-use asset and the lease liability. The right-of-use asset is initially assessed at cost, including the amount of the initial assessment of the lease liability, adjusted for the payments due for the lease made on or before the effective date, increased by the initial direct costs incurred and an estimate of the costs that the tenant will have to incur for the dismantling and removal of the underlying asset or for the reversal of the underlying asset or of the site where it is located, net of lease incentives received.

Rights of use are amortised according to the lease term of the contract, which is equal to the “non-cancellable” period together with the effects of any extension or early termination clauses, the exercise of which has been deemed reasonably certain, or according to the useful life of the asset, if shorter. In accordance with IFRS 16:32, if the transfer of the leased asset is contractually agreed and the exercise of this option is deemed reasonably certain, the right of use is amortised over the useful life of the leased asset.

In addition, the right-of-use asset is regularly decreased by any impairment losses and adjusted to reflect any changes resulting from subsequent assessments of the lease liability.
The Group assesses the lease liability at the present value of unpaid lease payments due at the effective date, discounting them using specific marginal financing rates based on the country, the currency and the term of the related leases. The rates identified were between 1.5% and 3.5%. Right-of-use assets were valued at an amount equal to the lease liability, adjusted by the amount of any accumulated prepayments.

Lease payments due within the assessment of the lease liability include:

- fixed payments (including substantially fixed payments);
- lease payments that depend on a ratio or rate, initially assessed using a ratio or rate on the effective date;
- the amounts expected to be paid as collateral on the residual value;

- lease payments due in an optional renewal period if the Group is reasonably certain to exercise the renewal option, and penalties for early termination of the lease, unless the Group is reasonably certain not to terminate the lease early.

The lease liability is assessed at amortised cost using the effective interest method and it is remeasured when there is a change in the future lease payments due resulting from a change in the ratio or rate, when there is a change in the amount the Group expects to have to pay as security on the residual value or when the Group changes its assessment by reference to whether or not it exercises an option to purchase, extend or terminate or when there is a review of the lease payments due that are fixed in substance.

When the lease liability is remeasured, the tenant makes a corresponding change to the right-of-use asset. If the book value of the right-of-use asset is reduced to zero, the tenant recognises the change in profit/(loss) for the financial year.

In the statement of financial position, the Group shows right-of-use assets that do not meet the definition of investment property under 'Tangible assets' and lease liabilities under 'Financial Payables'.
The Group has decided not to recognise right-of-use assets and lease liabilities related to low-value assets and short-term leases, including computer equipment, for which it recognises the related lease payments as a cost on a straight-line basis over the lease term.

Corporate combinations and goodwill

Acquisitions of companies and business units are accounted for using the acquisition method, as provided for by IFRS 3; to this end, the assets acquired and the liabilities assumed and identifiable are recognised at their respective fair values at the acquisition date. The cost of the acquisition is measured by the total of the fair values, at the date of exchange, of the assets disbursed, the liabilities assumed and any equity instruments issued by Group companies in exchange for control of the acquired entity.

Goodwill is recognised as the positive difference between the cost of the acquisition, plus both the fair value at the acquisition date of any non-controlling interests already held in the acquired company, and the value of non-controlling interests held by third parties in the acquired company (the latter assessed at fair value or in proportion to the current value of the acquired company's identifiable net assets), and the fair value of those assets and liabilities.

As of the acquisition date, the goodwill that has emerged is allocated to each of the substantially independent cash-generating units that are expected to benefit from the synergies resulting from the business combination.

In the event of a negative difference between the cost of the acquisition (as increased by the components described above) and the fair value of the assets and liabilities, this is recorded as income in the income statement for the year of acquisition.

Any goodwill relating to non-controlling interests is included in the carrying value of the investments relating to those companies. After initial recognition, goodwill, as an intangible asset with indefinite useful life, is not amortised, but is subject to periodic impairment tests on its recoverability based on the expected cash flows of the Cash-Generating Unit (CGU) to which the asset relates. These tests, expressly codified by international accounting standards and called impairment tests, also take into account the riskiness of the investment. If the discounted expected cash flows do not permit recovery of the initial investment, the recognised asset is written down accordingly. The ways are better described in the section "Impairment and reversal of impairment of assets (impairment test)".

IFRS 3 has not been applied retroactively to acquisitions made prior to 1 January 2019, the date of the Parent Company's transition to IFRS; consequently, the value of goodwill determined under the previous accounting standards, equal to the net book value in place at that date, was maintained for these acquisitions, after testing and recognising any impairment losses.

Intangible assets with definite life

In accordance with the provisions of IAS 38, intangible assets include costs, inclusive of ancillary charges, incurred for the acquisition of assets and resources, without physical substance, to be used in the production of goods or the provision of services, to be leased to third parties, or to be used for administrative purposes, provided that the cost

can be reliably measured and the asset is clearly identifiable and controlled by the company that owns it. Goodwill, when acquired for consideration, is also recognised.

Separately acquired intangible assets are recognised at historical cost and expenses incurred subsequent to initial acquisition are added to the cost of intangible assets to the extent that these expenses are capable of generating future economic benefits. Intangible assets acquired through corporate combinations are capitalised at fair value at the acquisition date.

Assets with definite useful life are systematically depreciated on a straight-line basis over each period, in order to take into account their remaining useful life. The carrying value is reviewed annually, or more frequently if necessary, in order to carry out an adequacy analysis for the purpose of recognising any impairment losses or, more frequently, whenever there is an indication that the asset may have suffered an impairment loss.

Research costs are charged to the consolidated income statement when they are incurred.

In accordance with IAS 38, development costs are recognised to balance sheet assets only if they positively meet the following specific characteristics: they must be related to a clearly defined product or process, as well as identifiable and measurable; they must refer to a feasible project, i.e. technically feasible, for which the company owns or can dispose of the necessary resources; they must be recoverable, i.e. the company must have income prospects, so that the revenues it expects to realise from the project are at least sufficient to cover the costs incurred for the study of the same, after deducting all the other development costs and the production and sales costs that will be incurred for the marketing of the product. Development costs are amortised over their useful life, which is assumed to be a maximum of ten years.

After the initial recognition of development costs, they are assessed at cost, which may be decreased by depreciation or write-downs. Capitalised development costs are amortised on the basis of their future usefulness over the period in which the expected future revenues will arise from the same project.
The carrying value of development costs is reviewed annually in order to carry out an adequacy analysis for the purpose of recognising any impairment losses or, more frequently, whenever there is an indication that the asset may have suffered an impairment loss.

The amortisation of patents, licenses and know-how starts from the year in which the marketing of the relevant products begins.

Concession and license fees are amortised in proportion to the period of use provided for in the contract, using the percentages considered representative of the estimated useful life of the assets.

The main economic-technical depreciation rates used are as follows:

Intangible fixed Assets	Average useful life
Patents	3 - 5 years
Trademarks	10 - 18 years
Software licences	3 - 10 years
Drug licences	according to the agreement
Development	10 years
Deferred Costs	5 years
Domains	5 years

Gains or losses from the disposal of an intangible asset are determined as the difference between the disposal value and the carrying value of the asset and are recognised in the income statement at the time of disposal.

Impairment losses of assets

IAS 36 requires the assessment of the existence of impairment losses of tangible and intangible assets in the presence of indicators that suggest that this issue may exist. In the case of goodwill and other intangible assets with indefinite life or assets not yet available for use, this assessment must be performed at least annually.

The recoverability of recognised values is verified by comparing the book value recorded in the financial statements with the higher of the net sales price, if an active market exists, and the value in use of the asset.

The value in use is defined on the basis of discounting the cash flows expected from use of the asset, or a combination of assets (so-called cash-generating units) and from the value expected from its disposal at the end of its useful life. The cash-generating units have been identified consistently with the organisational and business structure of the Group, as homogeneous aggregations that generate independent cash inflows from the continuous use of the assets attributable to them.

Impairment losses relating to continuing transaction are recognised in the income statement in cost categories consistent with the function of the impaired asset. At year-end, the Group also assesses the existence of indicators of a decrease in previously recognised impairment losses and, if such indicators exist, it makes a new estimate of the recoverable amount.

Where it is not possible to estimate the recoverable amount of an asset individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount is the higher of net selling price and value in use. In assessing the value in use, estimated future cash flows are discounted to their present value using an after-tax rate that reflects current market assessments of the value of money and risks specific to the asset.

If the recoverable amount of an asset (or of a cash generating unit) is estimated to be lower than its book value, the book value of the asset is reduced to the lower recoverable amount. The impairment loss is recognised in the income statement.

A previously recognised impairment loss can be reversed only if there have been changes in the estimates used to determine the recoverable amount since the last impairment loss was recognised. In that case, the book value of the asset is increased to the recoverable amount; however, the increased book value must not exceed the book value that would have been determined (net of amortisation or depreciation) if no impairment loss had been recognised. Each reversal is recognised as income in the income statement; after a reversal is recognised, the depreciation or amortisation share for the asset is adjusted in future periods to allocate the asset's revised book value, less its residual value, if any, on a systematic basis over its remaining useful life.

An impairment loss in respect of goodwill may not be reversed.

Equity investments in associated or other companies

An associated company is an enterprise in which the Group is able to exercise significant influence, but not control, through participation in the financial and operating decision-making policies of the investee. The results of operations and the assets and liabilities of associated companies are recognised in the consolidated financial statements using the equity method.

Other equity investments, which represent long-term investments recognised under financial assets, are assessed on the basis of the purchase price, of the subscription price or of the value attributed to the assets transferred, including any ancillary charges.

Equity investments are tested for impairment annually, or more frequently if necessary. If there is evidence that these equity investments have suffered an impairment loss, this is recognised in the income statement as a write-down; the original value is reversed in subsequent financial years if the reasons for the write-down no longer apply.

Financial instruments

The Group has adopted IFRS 9 "Financial Instruments". IFRS 9 requires the classification and assessment of financial assets based on the business model by which these assets are managed, taking into account the characteristics of their cash flows. In this regard, the Group classifies financial assets on the basis of how the Group manages them in order to achieve its goals and the contractual cash flow characteristics of these financial assets. It is specified that:

- the Group's financial assets that have been assigned business models the goal of which is the holding of assets for the purpose of collecting contractual cash flows ("held-to-collect") have been assessed at amortised cost;

- the Group's financial assets that have been assigned business models the goal of which is pursued through both the collection of contractual cash flows and the sale of financial assets according to the holding and expected turnover of the financial assets ("held-to-collect and sell") have been classified as financial assets assessed at fair value with an impact on the comprehensive income statement;
- financial assets that have been assigned a different business model from the above ("other") have been classified as financial assets at fair value through the income statement.

For the purposes of classifying financial assets into the new categories under IFRS9, the analysis of the business model was complemented by the analysis of contractual flows (so-called "SPPI Test").

In this regard, the Group assessed whether the characteristics of the contractual cash flows allow for assessment at amortised cost ("held-to-collect") or at fair value with impact on the comprehensive income statement ("held-to-collect and sell").

The aforementioned categories envisaged by IFRS 9 replace the previous categories of IAS 39, that is, assets held to maturity, loans and receivables, assets available for sale and assets assessed at FVTPL.

Specifically, a financial asset should be assessed at amortised cost if it is not designated at FVTPL and if both of the following conditions are met:

- the financial asset is held as part of a business model whose goal is to hold financial assets for the purpose of collecting contractual cash flows;
- the contractual terms of the financial asset provide for cash flows at certain dates, represented solely by payments of capital and interest on the amount of capital to be repaid.

A financial asset must be assessed at FVOCI if it is not designated at FVTPL and if both of the following conditions are met:

- the financial asset is held as part of a business model whose goal is achieved through both the collection of contractual cash flows and the sale of financial assets; and
- the contractual terms of the financial asset provide for cash flows at certain dates, represented solely by payments of capital and interest on the amount of capital to be repaid.

Derivative financial instruments

The Group uses derivative financial instruments to hedge its position against foreign exchange and interest rate risks. Derivative instruments are initially assessed at fair value. After initial recognition, derivatives are assessed at fair value and changes in fair value are usually recognised in net result for the financial year.

Consistent with IFRS 9, derivative financial instruments can be accounted for in accordance with the hedge accounting only when:

- at the beginning of the hedge, there is formal designation and documentation of the hedging relationship;
- it is expected that the hedge will be highly effective;
- effectiveness can be reliably measured;
- the hedge is highly effective throughout the financial reporting periods for which it is designated.

All derivative financial instruments are measured at fair value. When derivative instruments have the characteristics to be accounted for under hedge accounting, the following accounting treatments apply:

- Fair value hedge – if a derivative financial instrument is designated as a hedge of the exposure to changes in the current value of an asset or liability in the financial statements that can determine effects on the income statement, the profit or loss deriving from subsequent assessment of the current value of the hedging instrument are recognised in the income statement, as are the profit or loss on the hedged item.
- Cash flow hedge – if a derivative financial instrument is designated as a hedge of the exposure to the variability of the cash flows of an asset or liability in the financial statements or of a highly probable envisaged transaction that could affect the income statement, the effective portion of the gains or losses on the financial instrument is recognised in shareholders' equity; the cumulative profit or loss is reversed from shareholders' equity and recorded in the income statement in the same period in which the hedged transaction is recognised; the profit or loss

associated with a hedge, or with that part of the hedge that has become ineffective, are recognised in the income statement when the ineffectiveness is recognised.

If the conditions for the application of hedge accounting do not exist, the effects deriving from the fair value assessment of the derivative financial instrument are charged directly to the income statement.

At the beginning of the designated hedging relationship, the Group documents the goals in managing the risk and the strategy in carrying out the hedge, as well as the economic relationship and the hedging instrument, and whether the changes in cash and cash equivalents of the hedged item and of the hedging instrument are expected to offset each other.

When a derivative financial instrument is designated as a hedge of exposure to variability in cash flows, the effective portion of changes in the fair value of the derivative financial instrument is recognised in other components of the comprehensive income statement and presented in the cash flow hedge reserve. The effective portion of changes in the fair value of the derivative financial instrument that is recognised in the other components of the comprehensive income statement is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from the beginning of the hedge. The ineffective portion of changes in the fair value of the derivative financial instrument is recognised immediately in net result for the year.

If the hedge no longer meets the criteria for hedge accounting or if the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges ceases, the amount accumulated in the cash flow hedge reserve remains in shareholders' equity until, in the case of a hedge of a transaction that results in the recognition of a non-financial asset or a non-financial liability, it is included in the cost of the non-financial asset or non-financial liability upon initial recognition or, in the case of other cash flow hedges, it is reclassified to the result in the same financial year or subsequent financial years in which the hedged expected cash flows affect the result for the financial year.
If future hedged cash flows are no longer expected, the amount must be reclassified immediately from the cash flow hedge reserve and from the hedge cost reserve to the result for the financial year.
The company assesses, at least annually, whether there are any indicators that a financial asset or a group of financial assets may be impaired.

Derecognition of financial assets and liabilities

Financial assets

A financial asset (or where applicable, part of a financial asset or parts of a group of similar financial assets) is derecognised from the financial statements when:

- the rights to receive cash flows from the asset no longer apply;
- the Group retains the right to receive the future cash flows of the assets but has assumed a contractual obligation to pass them on to a third party internally without material delay;
- the Group has transferred the right to receive the cash flows from the asset and (i) has transferred substantially all of the risks and rewards of ownership of the financial asset, or (ii) has neither transferred nor retained substantially all of the risks and rewards of the asset but has transferred control of the asset.

If the Group has assigned the right to receive cash flows from an asset and has neither retained nor assigned substantially all of the risks and rewards or has not lost control over the asset, the Group continues to recognise the asset to the extent to which it has a residual involvement in the asset. This residual involvement, consisting of a guarantee given on the transferred asset, is assessed at the initial book value of the asset or, if lower, at the maximum amount that the Group could be required to pay.

In cases where the residual involvement takes the form of an issued and/or purchased option on the transferred asset (including cash-settled or similar options), the extent of the Group's involvement corresponds to the amount of the transferred asset that the Group may repurchase; however, in the case of a written put option on an asset measured at fair value (including cash-settled or similar options), the extent of the Group's residual involvement is limited to the lower of the fair value of the transferred asset and the exercise price of the option.

Financial liabilities

A financial liability is derecognised from the financial statements when the underlying obligation is either discharged or cancelled or when it expires.

In cases where an existing financial liability is replaced by another of the same lender under substantially different conditions, or there has been a substantial modification of the conditions of an existing liability, this exchange or modification is accounted for as derecognition of the original liability and the recognition of a new liability. Any differences in book values are recognised in the income statement.

Trade and other receivables

Trade receivables, which generally have maturities in the short term, are recognised at the nominal amount stated on the invoice, net of the bad debt provision determined in accordance with the "expected loss" impairment model required by IFRS 9. This impairment model is supplemented by any additional write-downs recognised as a result of specific doubtful collection conditions on individual loan positions, at the time of their identification.

When, due to the payment terms granted, a financial transaction takes place, receivables are assessed using the amortised cost method by discounting the nominal value to be received, and recognising the discount as financial income in the period of its maturity.

Receivables denominated in foreign currencies are aligned with the year-end exchange rate, and gains or losses arising from the adjustment are recognised in the income statement under the item where the transaction was originally recognised.

Medium- and long-term loans

Medium- and long-term loans are initially recorded at fair value, net of any transaction costs incurred. Following initial recognition, financial liabilities are valued at amortised cost using the original effective interest rate method, represented by the rate that makes the present value of the cash flows and the initial book value equal at the time of initial recognition. Any gain or loss is recognised in the income statement when the liability is extinguished, as well as through the amortisation process.

Inventories

Inventories are recorded at the lower of purchase and/or production cost, determined using the weighted average cost method on an annual basis, and the net estimated realisable or replacement value. Net realisable value is determined with reference to the estimated selling price under normal market conditions, net of direct selling costs. Obsolete and/or slow-moving inventories are written down in relation to their presumed possibility of future use or realisation. The write-down is derecognised in subsequent years if the reasons thereof no longer apply.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, bank and postal sight deposits and investments in securities made in the course of treasury management activities, which have a short-term maturity, are highly liquid and subject to an insignificant risk of changes in value. They are recognised at fair value, which is the same as nominal value, net of any expected impairment.

Shareholders' equity

Equity instruments issued by the Company are recognised based on the amount received. Dividends distributed by the Parent Company are recognised as a liability at the time of the distribution resolution. The purchase cost and the sale price of own shares are recorded directly in the shareholders' equity and therefore they do not pass through the income statement.

Provision for risks and charges

Allocations to provisions for risks and charges are made when the Group must fulfil a current obligation (legal or implicit) arising from a past event, when an outflow of resources in order to fulfil this obligation is probable and it is possible to make a reliable estimate of its amount.

Provisions for risks and charges are recognised when there is a current obligation (legal or implicit) deriving from a past event, if an outlay of resources to meet the obligation is probable and a reliable estimate can be made of the amount of the obligation. Allocations are recognised at the value representing the best estimate of the amount that the company would pay to settle the obligation or to transfer it to third parties at the end of the period. If the effect of discounting is significant, allocations are calculated by discounting the expected future cash flows at a pre-tax discount rate that reflects the current market assessment of the time value of money. If discounting is used, the increase in the allocation due to the passage of time is recognised as financial charge.

When the Group considers that a provision for risks and charges will be partly or fully reimbursed, for example in the case of risks covered by insurance policies, the indemnity is recognised separately as an asset when, and only when, collection is practically certain. In this case, any allocations recorded in the income statement are reported net of the amount recognised for the indemnity.

Post-employment benefits to employees

Implementing the provisions of IAS 19, employee benefits to be paid out subsequent to the termination of employment (Employee Severance Indemnity) are subject to an actuarial assessment that must take into account a number of variables (such as mortality, expected future salary changes, expected inflation rate, etc.).

Benefits guaranteed to employees, paid when or after employment is terminated, by means of defined benefit programmes (Employee Severance Indemnity) or other long-term benefits (retirement indemnity) are recognised in the period when the right accrues.

In defined benefit plans, the company's obligation is to grant and guarantee the agreed benefits to employees: consequently, the actuarial and investment risk is borne by the company.

Liabilities relating to defined benefit programmes, net of any assets servicing the plan, are determined using actuarial assumptions and are recognised on an accruals basis to match the employment services required to obtain the benefits concerned. The liability is assessed by independent actuaries using the projected unit credit method, based on demographic assumptions, in relation to the mortality and turnover rates of the target population, and financial assumptions, in relation to the discount rate reflecting the value of money in time and the inflation rate.

The amendment to IAS 19 “Employee benefits” requires all actuarial gains or losses to be recognised immediately in the “Other comprehensive income”, so that the entire net amount of the defined benefit provision is recognised in the statement of financial position. The amendment also stipulated that changes between one financial year and the next in the defined benefit provision must be broken down into the following components:

- social security costs related to current services, recognised under personnel costs;
- the cost of interests, recorded under financial charges;
- the expected return from program assets, if any, still charged to financial components.

Actuarial gains and losses that arise from reassessments of the net defined benefit plan liability are recognised immediately in the other components of the comprehensive income statement.

Trade payables

Trade payables, whose due date falls within normal commercial terms, are not discounted and are recorded at cost (identified by their nominal value). When, due to the payment terms agreed upon, a financial transaction takes place, payables assessed using the amortised cost method are discounted to their nominal value to be paid, with the discount being recognised as a financial charge.
Payables denominated in foreign currencies are aligned with the year-end exchange rate, and gains or losses arising from the adjustment are recognised in the income statement under the item where the transaction was originally recognised.

Other current assets and liabilities

Other current assets and liabilities are recognised at their nominal value.

Revenues

Revenues are recognised on the basis of the accounting model provided for in IFRS 15, which provides for, as fundamental steps:

- the identification of the contract with the customer;
- the identification of the performance obligations contained in the contract;
- the determination of the price;
- the allocation of the price to the performance obligations contained in the contract;
- the criteria for recognising revenue when the entity meets each performance obligation, which may occur at a specific point in time or continuously (over time).

Revenues are recognised based on fees allocated to "performance obligations" arising from contracts with customers. In cases where a contract with a customer consists of several "performance obligations", the Group allocates a fair contractual fee on the basis of the "expected cost plus margin" criterion.

Revenues are recognised to the extent that it is probable that economic benefits will accrue to the Group and the amount can be reliably determined. Revenue recognition takes place when the relevant "performance obligation" is met, i.e. when the Group has transferred control of the good or service to the customer, in the following ways:

- over time;
- at point in time.

Revenues and income are recognised at fair value less returns, discounts, allowances, premiums and indirect taxes. When the financial effect related to the deferral of collection is significant and the collection dates can be reliably estimated, the related financial component is recognised under financial income (charges).

Revenues from the sale of products are recognised when ownership passes, which generally occurs when the goods are shipped and entails the transfer of all risks and rewards connected with the products sold.

Revenues for services are recognised on the basis of the satisfaction of each performance obligation as required by IFRS 15, i.e. on completion of the transfer of the promised good or service to the customer when the customer obtains control of the good or service, which may occur at a specific point in time or continuously (over time). Interest income, as well as interest charges, are calculated on the value of the relevant financial assets and liabilities, using the effective interest rate.

Dividends are recognised when the shareholders' right to receive payment arises.

Operating costs and other operating charges

Operating costs and other operating charges are recognised in the financial statements when they are incurred on an accrual basis and related to revenues, when they do not produce future economic benefits or when they do not qualify for recognition as assets in the consolidated statement of financial position.

When the deferred payment agreement includes a financial component, the fee is discounted and the difference between the nominal value and the fair value is recognised in the income statement as a financial charge.

Personnel costs include the amount of wages and salaries paid, provisions for pensions and for vacations accrued but not taken, and social security and welfare contributions, in accordance with contracts and current legislation.

Contributions from public entities

Government contributions are recognised in the financial statements at fair value when there is reasonable certainty that the company will comply with all the conditions for receiving the contributions and that they will be received. When contributions are related to cost components, they are recognised as revenues, but are systematically spread

over the financial years so as to be commensurate with the costs they are intended to offset. Where a contribution is related to an asset, the asset and the contribution are recognised for their nominal values and the release to the income statement occurs progressively, on a straight-line basis, over the expected useful life of the relevant asset. Operating contributions, including those relating to research activities, are accounted for on an accruals basis and credited to the income statement under “other revenues”.

Where the Group receives a non-monetary contribution, the asset and the contribution are recognised at their nominal value and released to the income statement on a straight-line basis over the expected useful life of the relevant asset. In the case of loans or similar forms of assistance provided by government or similar institutions with an interest rate below the current market rate, the effect of the favourable interest rate is regarded as an additional government contribution.

Financial income and charges

Financial income and charges are recognised on an accruals basis on the interests accrued on the net value of the related financial assets and liabilities, using the effective interest rate method.

Income taxes

Current income taxes are recognised for each company on the basis of estimated taxable income in accordance with applicable rates and regulations, taking into account applicable exemptions and tax credits.

The provision for current income taxes is shown in the balance sheet net of advances paid and of withholding taxes incurred.

Deferred tax assets and liabilities are also determined, with the exception of goodwill arising from business combinations, in respect of temporary differences between the balance sheet values recorded in the financial statements and the corresponding values recognised for tax purposes. In particular, deferred tax assets are recognised if there is a probability of their recovery, i.e. when it is expected that sufficient taxable profits will be available in the future to allow for their recovery, while deferred taxes are not recognised only if it is doubtful that the related liability will arise.

The value to be recognised in the financial statements of deferred tax assets is reviewed on each reporting date and reduced to the extent that it is no longer likely that sufficient tax profits will be available in the future in order to allow all or part of this receivable to be used. Unrecognised deferred tax assets are reviewed annually at the reporting date and are recognised to the extent that it has become likely that future taxable income will be sufficient for their recovery.

Deferred tax assets and liabilities are determined according to enacted tax rates that are expected to be applicable to taxable income in the financial years when those temporary differences are expected to be recovered or settled, with reference to the jurisdictions where the Group operates.

In accordance with IAS 12, the Group recognises deferred taxes on shareholders’ equity reserves in suspension of tax purposes only when such reserves are not assessed by Management as having been permanently acquired by the Group or when it is not probable that they will be use in a way that would result in a tax liability.

Income taxes related to items recognised directly in shareholders’ equity are recognised directly in shareholders’ equity and not in the income statement.

Deferred tax assets and liabilities are offset if there is a legal right to compensate current tax assets with current tax liabilities and if the deferred taxes refer to the same legal entity and the same tax authority.

Deferred taxes relating to items recognised outside the income statement are also recognised outside the income statement and, therefore, as shareholders' equity or in the comprehensive income statement, in line with the item to which they refer.

In accordance with IAS 12, when an asset is reassessed for tax purposes and the reassessment relates to a previous financial year, or to a reassessment that is expected to take place in future financial years, the tax effects of both the reassessment of the asset and the adjustment of the value for tax purposes must be recognised in shareholders’ equity

in the financial years in which they occur. Conversely, if the reassessment for tax purposes does not relate to an accounting reassessment of a previous financial year, or one that is expected to be made in a subsequent financial year, the tax effects of the value adjustment for tax purposes are recognised in profit or loss.

Value-added tax

Revenues, costs and assets are recognised net of value-added taxes except where:

- such tax applied to the purchase of goods or services is non-deductible, in which case it is recognised as part of the purchase cost of the asset or part of the cost item recognised in the income statement;
- it refers to trade receivables and payables shown including the value of the tax.

The net amount of indirect sales taxes that can be recovered from or paid to the Treasury is included in the financial statements under trade receivables or trade payables, depending on the sign of the balance.

Translation of foreign currency items

The functional and reporting currency adopted by the Group is the Euro. Transactions in currencies other than the functional currency are recognised at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities denominated in currencies other than the functional currency are subsequently adjusted to the exchange rate in force at the end of the reporting period, and any exchange differences arising are reflected in the income statement. Non-monetary assets and liabilities denominated in foreign currency and recognised at historical cost are translated using the exchange rate in force on the date the transaction is initially recognised.
For consolidation purposes in the Group's accounts, the reporting packages of consolidated companies denominated in functional currencies other than the Euro are translated into Euro by applying the exchange rate in force at year-end to assets and liabilities, including goodwill and consolidation adjustments, and the average exchange rates for the financial year (if these approximate to the exchange rates in force at the date of the respective transactions) or for the period being consolidated, whichever is lower. The related exchange rate differences are recognised directly in the comprehensive income statement and reclassified in the income statement upon loss of control of the equity investment and, therefore, of its deconsolidation.

3.3 Amendments and new standards and interpretations

IFRS accounting standards, amendments and interpretations applied from 1 January 2025
The following IFRS accounting standards, amendments and interpretations were applied by the Group for the first time from 1 January 2025:

- Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability.
  These amendments clarify when one currency is exchangeable for another currency and, consequently, when it is not. Where one currency is not exchangeable for another, these amendments set out how the applicable exchange rate is determined. The amendments also specify the disclosures that must be made when a currency is not exchangeable.
  There is no impact on the Group's financial statements, as the Group does not have any currencies that fall within the
  scope of these amendments.

IAS/IFRS and related IFRIC interpretations applicable to financial statements for financial years beginning after 01 January 2025
Below are the EU-endorsed documents applicable to financial statements for financial years beginning after 01 January 2025.

PART A – IFRS accounting standards, amendments and interpretations endorsed by the European Union

	Issue date	Effective date	Endorsement date	EU Regulation and publication date
Amendments to the classification and measurement of financial instruments (Amendments to IFRS 9 and IFRS 7)	May 2024	1 January 2026	27 May 2025	(EU) 2025/1047 28 May 2025
Electricity nature-linked contracts (Amendments to IFRS 9 and IFRS 7)	December 2024	1 January 2026	30 June 2025	(EU) 2025/1266 1 July 2025
IFRS Annual Improvements Cycle – Volume 11 (Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7)	July 2024	1 January 2026	9 July 2025	(EU) 2025/1311 10 July 2025

The Group will adopt these new standards and amendments and is assessing their potential impact on the consolidated financial statements. These are amendments to standards and/or interpretations that are not expected to have a significant impact on the Group's consolidated financial statements.

Below are the international accounting standards, interpretations, amendments to existing accounting standards and interpretations, or specific provisions contained in the standards and interpretations approved by the IASB that have not yet been endorsed for adoption in Europe as at the date of these financial statements. It should be noted that these documents will only be applicable once they have been endorsed by the EU.

PART B – IFRS accounting standards, amendments and interpretations NOT yet endorsed by the European Union

Document title	Date of issue by IASB	IASB Effective date	Expected EU endorsement date
New IFRS Accounting Standards			
IFRS 14 Regulatory deferral accounts	January 2014	1 January 2016	Endorsement process suspended pending new standard on rate-regulated activities
IFRS 18 Presentation and disclosure in financial statements	April 2024	1 January 2027	(EU) 2026/338 13 February 2026
IFRS 19 Subsidiaries without 'public accountability': disclosure requirements	May 2024	1 January 2027	Endorsement not yet initiated
Amendments to IFRS Standards			
Sale or contribution of assets between an investor and its associate or joint venture (Amendments to IFRS 10 and IAS 28)	September 2014	Deferred until completion of IASB equity method project	Endorsement process suspended pending IASB equity method project
Modifiche all'IFRS 19 Entità controllate senza 'public accountability': informazioni integrative	August 2025	1 January 2027	Endorsement not yet initiated
Translation to a hyperinflationary presentation currency (Amendments to IAS 21)	November 2025	1 January 2027	Endorsement not yet initiated
IFRS Practice Statement 1 - Management commentary	June 2025	n.a.	The amendments relate to accompanying material and will not be endorsed separately by the EU
Disclosures about uncertainties in the financial statements (Amendments to Illustrative examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37)	November 2025	n.a.	The amendments relate to accompanying material and will not be endorsed separately by the EU

The Group will adopt these new standards and amendments based on their expected date of application, and it will assess their potential impact on the consolidated financial statements when they are endorsed by the European Union.

4. Information on items in the statement of financial position

Below are notes on the items of the consolidated statement of financial position as at 31 December 2025. For details of the items of the consolidated statement of financial position deriving from transactions with related parties, reference to note 6.5 Transactions with related parties should be made.

4.1 Property, plant and equipment

Thousands of Euros	Land	Buildings	Plant and machinery and industrial equipments	Other tangible assets	Assets under construction	Total
Historical cost	5.423	116.712	251.824	39.041	67.403	480.305
Accumulated depreciation and write-downs	(0)	(96.754)	(228.271)	(30.870)	(395)	(356.192)
Balance at 31 December 2024	**5.423**	**19.959**	**23.553**	**8.171**	**67.008**	**124.113**
Increases	-	3.390	10.789	5.050	8.206	27.436
Decreases	-	(376)	(1.158)	(493)	-	(2.027)
Other changes	-	3.688	55.496	83	(60.331)	(1.064)
Depreciation	-	(3.669)	(8.454)	(4.288)	-	(16.411)
Other changes accumulated depreciation	-	103	938	664	0	1.705
Total changes in FY2025	**-**	**3.136**	**57.611**	**1.016**	**(52.125)**	**9.638**
Historical cost	5.423	123.415	316.951	43.681	15.277	504.655
Accumulated depreciation and write-downs	(0)	(100.320)	(235.787)	(34.494)	(394)	(370.898)
Balance at 31 December 2025	**5.423**	**23.094**	**81.164**	**9.187**	**14.883**	**133.751**

The value of Property, plant and equipment as at 31 December 2025 is EUR 133,751 thousand, an increase of EUR 9,638 thousand compared to 31 December 2024 (EUR 124,113 thousand).
The increases for the financial year relate to:

- EUR 3,390 thousand under the item Buildings, of which EUR 1,368 thousand relates mainly to the revamping of the oral solids department, the office building in Abano Terme and the new department located in Paderno Dugnano, and EUR 2,022 thousand to the effect of IFRS 16 on the recognition of rights of use for offices;
- EUR 10,789 thousand of the item 'Plants and machinery and industrial equipment' refers mainly to EUR 9,290 thousand of investments linked to new production departments in Abano Terme, Paderno Dugnano, and Noto. It should be noted that in April 2025, the new trigeneration plant came into operation, replacing the old cogeneration plant, which was decommissioned at the same time;
- EUR 5,050 thousand of the item 'Other assets' and mainly referable for EUR 3,535 thousand to the effect of the accounting standard IFRS 16 for the rights of use of motor vehicles used by scientific representatives and other employees of the Group and for EUR 1,093 thousand to investments in the Quality Control and Research and Development laboratories of Abano Terme;

The item 'Fixed assets in progress and advances', amounting to EUR 14,883 thousand (EUR 67,008 thousand in 2024), mainly refers to the following investment orders by the Parent Company: new production departments for EUR 8,221 thousand, of which EUR 2,968 thousand related to the new freeze-dryer for collagenase at the Noto plant and EUR 5,823 thousand relating to refurbishments and improvements to production departments, laboratories and the plant; the purchase of four properties for a total of EUR 5,397 thousand; and advance payments on equipment amounting to EUR 695 thousand.
It should be noted that during 2025, this item was reclassified from Fixed assets in progress to the relevant asset items (primarily Plant and equipment) for the new vaccine production line located in Abano Terme (in June 2025, the Parent Company obtained AIFA authorizations for the new production line, a state-of-the-art facility dedicated to vaccine production, which entailed a total investment of EUR 47,429 thousand).

4.2 Intangible assets

Thousands of Euros	Development expenses	Industrial patents and intellectual property rights	Concessions, licences and trademarks	Other intangible assets	Assets under development	Total	Goodwill	Total
Historical cost	837	32.471	246.967	9.486	36.326	326.086	144.664	470.751
Accumulated amortization and write-downs	(837)	(28.647)	(48.292)	(9.413)	(9.610)	(96.798)	(34.584)	(131.382)
Balance at 31 December 2024	**-**	**3.825**	**198.675**	**73**	**26.716**	**229.289**	**110.080**	**339.369**
Increases	1.287	2.382	10.129	10	15.242	29.050	4.599	33.649
Decreases	(0)	0	25	(1)	(10)	15	(1.069)	(1.054)
Other changes	4.662	3.902	(992)	(13)	(7.350)	209	(0)	209
Amortizations	(50)	(2.648)	(24.928)	(103)	-	(27.729)	-	(27.729)
Other changes accumulated amortization	(0)	(623)	(76)	35	(0)	(664)	-	(664)
Total changes in FY2025	**5.900**	**3.013**	**(15.842)**	**(73)**	**7.882**	**881**	**3.530**	**4.412**
Historical cost	6.786	38.756	256.129	9.482	44.208	355.361	148.195	503.556
Accumulated amortization and write-downs	(886)	(31.918)	(73.296)	(9.482)	(9.610)	(125.191)	(34.584)	(159.776)
Balance at 31 December 2025	**5.900**	**6.838**	**182.833**	**-**	**34.598**	**230.170**	**113.611**	**343.780**

The value of intangible assets as at 31 December 2025 was EUR 343,780 thousand, an increase of EUR 4,412 thousand compared to 31 December 2024 (EUR 339,369 thousand).

Development costs, capitalized under intangible fixed assets, relate to costs incurred to apply technical knowledge to the creation or improvement of products or processes prior to their commercial production. These costs are capitalized when they relate to a clearly defined and measurable project that is technically feasible with the available resources and for which future economic benefits sufficient to recover the costs incurred, including production and sales costs, are expected. The change for the year of EUR 5,900 thousand is primarily attributable to the categories 'Development of new markets' (EUR 1,617 thousand) and 'Technology Transfer' (EUR 4,332 thousand).

Industrial patents and intellectual property rights are represented by the external costs incurred in obtaining patent registrations from the competent authorities. Software usage rights refer to the costs incurred for the purchase of application software by way of user license. Concessions, licenses, trademarks and similar rights are represented by costs incurred to register trademarks and acquire licenses for products from third parties for marketing purposes.

The item 'Licences and Trademarks' of EUR 182,833 thousand mainly refers to the filing of trademarks and the acquisition of product licences from third parties for marketing. The most significant increase in 2025 results from the recognition, following the Purchase Price Allocation (PPA), of the intangible assets Licenses and Trademarks related to the M&A transactions of the year, for a total value of EUR 9,105 thousand.

The item 'Fixed assets in progress and advances', amounting to EUR 34,598 thousand, mainly includes capitalisations made during the financial year in relation to the following investment orders of the Parent Company:

- EUR 564 thousand (EUR 720 thousand in 2024) of costs relating to the process of registering patents and trademarks, incurred in the current period and in previous ones. These costs will be amortised from the time the patent registration is obtained or the trademark is filed;
- EUR 2,648 thousand (EUR 2,641 thousand in 2024) of advances paid for the purchase of management software;
- EUR 24,991 thousand (EUR 16,866 thousand in 2024) of external costs for activities related to development projects on phase 3 products and trials for the creation of new formulations on medical devices (compliance with the new Regulation MDR 2017/745).
- EUR 6,288 thousand (EUR 6,381 thousand in 2023) relates to capitalised costs for projects in the operations area. Costs are split between external costs of EUR 4,055 thousand and internal personnel costs of EUR 2,232 thousand;

4.3 Goodwill

Goodwill as at 31 December 2025 amounted to EUR 113,611 thousand, an increase of EUR 3,530 thousand compared to 31 December 2024 (EUR 110,081 thousand). The breakdown of Goodwill is shown in the table below:

Thousands of Euros	Stress test (WACC)	at 31 December 2025	at 31 December 2024
Glynn group	64,50%	1.757	1.757
Sooft group	18,68%	59.217	59.217
Laboratorios SLU	17,04%	4.843	4.843
Corticosteroids	15,89%	24.180	24.180
Ophthalmic company branch - Poland	0,00%	-	1.062
Fidia Healthcare Srl	n.a	9.239	9.232
Prodotti ginecologici	6,86%	9.788	9.788
Altacor Limited	25,20%	728	-
Meditrina Pharmaceuticals Srl	25,90%	3.857	-
Total goodwill		**113.611**	**110.080**

The change mainly relates to EUR 4,586 thousand associated with the acquisition of the subsidiaries Altacor Limited and Meditrina Pharmaceutical Srl, which took place in May 2025 and July 2025 respectively, and to EUR -1,062 thousand associated with the impairment of the Ophta business unit in Poland.
As indicated in the note on "Summary of accounting standards" and as provided for by IFRS 3, goodwill is not systematically amortised but subject to an impairment test to determine its recoverable amount. Goodwill is allocated to the individual cash generating units identified on the basis of the business segments and markets in which the

acquired companies operate. A cash-generating unit to which goodwill has been allocated must be tested for impairment annually. Whenever there is an indication that the unit may be impaired, by comparing the book value of the unit, which includes goodwill, with the recoverable amount of the unit: if the recoverable amount of a unit exceeds the book value of that particular unit, the unit and the goodwill allocated to that unit are treated as not impaired; if, on the other hand, the book value of the unit exceeds the recoverable amount of that particular unit, the entity should recognise the impairment loss.

The impairment test was carried out on the basis of the three-year multi-annual plans prepared by management and using the weighted average cost of capital (WACC) of the relevant country. To complete the analyses, a sensitivity test was carried out using stress test rates of 64.50% for the former Glynn Group, 18.68% for the former Sooft Group, 17.04% for Laboratorios SLU, 15.89% for corticosteroid products, 6.86% for gynaecological products, 25.20% for Altacor Ltd and 25.90% for Meditrina Pharmaceuticals Srl. The discount rate used is represented by the weighted average cost of capital, estimated after tax, which reflects current market assessments of the cost of money and the specific risk associated with the cash-generating unit. The growth rates adopted for the period following the explicit forecast period have been conservatively estimated, taking into account the peculiarities of the various countries concerned.

The recoverable amount was determined by calculating the value in use of the individual cash generating units. The main assumptions used in the calculation of value in use regard expectations of operating cash flows during the period assumed for the calculation, the discount rate and the growth rate.

Operating cash flow forecasts for the explicit period assumed for the calculation (2026-2028) derive from the business plan approved by the Parent Company's Board of Directors on 31 October 2025.

The results of the analyses carried out revealed the need to write down the goodwill relating to the Poland business unit, whereas for all other cash-generating units, no permanent impairment losses were identified, confirming the recoverability of the amounts recognised. No impairment test was carried out for Fidia Healthcare Srl, as this business is fully integrated into the Parent Company.

The column “Stress test (WACC)” shows the discount rates above which the respective goodwill is written down.

4.4 Other investments and securities

Equity investments and investments in other companies are summarised in detail in the tables below:

	Book value		% of ownership	
Thousands of Euros	at 31 December 2025	at 31 December 2024	at 31 December 2025	at 31 December 2024
Fidia Pharma UK Ltd	24	24	100,00%	100,00%
Fisior	21	21	100,00%	100,00%
P&R farmaceutici SpA	38.648	-	7,25%	0,00%
Accumulated amortizations other equity investments	**(21)**	**(21)**		
Total other equity investments	**38.672**	**24**		

The amount of EUR 38,648 thousand relates to the purchase by the Parent Company, Fidia Farmaceutici S.p.A., of a stake in the parent company, P&R Farmaceutici S.p.A.

Fidia Pharma Uk Ltd was not included in the scope of consolidation as it did not carry out any significant activities during the period.

	Book value		% of ownership	
Thousands of Euros	at 31 December 2025	at 31 December 2024	at 31 December 2025	at 31 December 2024
Consorzio Dafne	20	20	2%	2%
Consorzio Universitario Unifarm	73	73	10%	10%
Accumulated amortizations other equity investments	**(4)**	**(4)**		
Total other equity investments	**89**	**89**		

Investments in other companies include equity instruments of unlisted companies, which fall within level 3 of the fair value hierarchy.

4.5 Receivables

As at 31 December 2025, the item "Non-current receivables" amounted to EUR 1,064 thousand, down EUR 310 thousand compared to 31 December 2024 (EUR 1,374 thousand).
The item Receivables mainly refers to:

- insurance policy for EUR 505 thousand;
- guarantee deposits for EUR 550 thousand relating to utilities, rents and leases.

See note 6 for information on the Group's exposure to credit and market risks and fair value.

4.6 Deferred tax assets

As at 31 December 2025, deferred tax assets amounted to EUR 26,035 thousand (EUR 20,366 thousand as at 31 December 2024). The overall change is as follows:

Thousands of Euros	Historical losses	Revenues / (costs) with deferred tax effect	Tax credits	Other	Total
Balance at 31 December 2024	**702**	**19.167**	**-**	**497**	**20.366**
Recognitions in the income statement	4.419	1.463	-		5.882
Recognitions in the comprehensive income statement		(28)		(186)	(213)
Other changes					-
Balance at 31 December 2025	**5.121**	**20.602**	**-**	**312**	**26.035**

The composition of deferred tax assets and liabilities is shown in the table below:

Thousands of Euros	at 31 December 2025	at 31 December 2024	Changes
Tax effect on reversal of intercompany profits on assets	2.747	4.209	(1.462)
Taxed provision for risks	3.355	2.263	1.092
Tax set up of intangible assets	242	193	48
Goodwill step up	3.634	5.450	(1.817)
Effect of derivative financial instruments	312	497	(186)
Actuarization of severance pay	115	142	(28)
Benefit on carried forward tax losses	5.121	702	4.419
Intercompany profit effect on inventory	4.289	5.107	(818)
Other deferred tax assets	6.220	1.802	4.419
Deferred tax assets (A)	**26.035**	**20.366**	**5.669**
Tax effect on business combinations	(1.527)	-	(1.527)
Changes in the value of fixed assets	(3.528)	(3.023)	(505)
Effect of derivative financial instruments	(36)	(279)	243
Effect on depreciation of leasing assets	(117)	(102)	(15)
Other deferred tax liabilities	396	447	(51)
Deferred tax liabilities (B)	**(4.813)**	**(2.957)**	**(1.855)**
Net balance of deferred tax assets (A -B)	**21.222**	**17.408**	**3.813**

Deferred tax assets showed an overall increase of EUR 5,669 thousand, primarily attributable to the higher value of deferred tax assets relating to tax loss carryforwards of certain subsidiaries, which increased by EUR 4,419, thousand, and to the item 'Other deferred tax assets', recognised in the financial statements at EUR 6,220 thousand, including the portion of the multi-year Industry 4.0 tax credit of EUR 3,455 thousand recognised in 2025.
These effects are partially offset by the reduction in deferred tax assets relating to the release of the Sooft goodwill (EUR 1,817 thousand) in 2022 (in the 2022 consolidated financial statements, the full tax benefit arising from the release was recognized in the amount of EUR 9,084 thousand, net of substitute tax (16%) in the amount of EUR 5,210 thousand, which was charged to the income statement; in subsequent years, the consolidated deferred tax assets are reduced in line with the Parent Company's accounting entries), by the tax effect of the reversal of intercompany

profits on assets (EUR 1,462 thousand), by the intercompany profit effect (EUR 818 thousand), and by derivative financial instruments (EUR 186 thousand).

With regard to the change of the item Deferred taxes, reference to note 4.17 should be made.

4.7 Inventories

Inventories as at 31 December 2025 amounted to EUR 88,484 thousand (EUR 89,686 thousand as at 31 December 2024), net of a write-down provision of EUR 7,656 thousand (EUR 4,952 thousand as at 31 December 2024).

The table below shows the breakdown of the item Inventories:

Thousands of Euros	at 31 December 2025	at 31 December 2024	Change
Raw materials and consumables	25.658	22.810	2.848
Finished products and semi-finished products	70.482	71.828	(1.346)
Total gross closing inventory	**96.141**	**94.638**	**1.502**
Write-down provision	(7.656)	(4.952)	(2.704)
Total net closing inventory	**88.484**	**89.686**	**(1.202)**

Raw, ancillary and consumable materials consist of raw materials, excipients and packaging material used for the production of products for sale and for the production of active ingredients.

The amount relating to inventories is prudentially written down through the recognition of a bad debt provision, designed to cover any future usability limits, obsolescence or slow turnover phenomena.

The growth of raw materials has also been impacted, in part, by increased stock to compensate for the uncertainty in the availability of materials.

4.8 Trade receivables

Trade receivables as at 31 December 2025 amounted to EUR 141,729 thousand, down EUR 7,268 thousand compared to 31 December 2024 (EUR 148,997 thousand). The values indicated are expressed net of the bad debt provision.

The following table summarises the breakdown of the item Trade receivables and details of the bad debt provision:

Thousands of Euros	at 31 December 2025	at 31 December 2024	Change
Trade receivables to Customer	148.108	151.575	(3.466)
Trade receivables to Customer	**148.108**	**151.575**	**(3.466)**
Provision for bad debts	(6.380)	(2.578)	(3.802)
Net trade receivables to Customer	**141.729**	**148.997**	**(7.268)**

The Group carries out a detailed analysis of the positions with the highest recoverability risk, considering the relationship with the customer and the geo-political situation of the country in which the customer operates, and a generic analysis of historical and expected credit losses. Credit losses are estimated using a method based on the probability of credit deterioration by considering exposures in different categories based on common characteristics of credit risk, geographic area, credit seniority, presence of litigation and length of customer relationship.
The provision for bad trade receivables increased by EUR 3,802 thousand due to the provision made to adjust the nominal value of trade receivables in the accounts to their estimated realisable value in order to cover any future risks.

4.9 Tax receivables

Tax receivables amounted to EUR 15,581 thousand, up compared to 31 December 2024 (EUR 5,624 thousand) of EUR 9,957 thousand. At Group level, these receivables are primarily made up of VAT receivables amounting to EUR 2,764 thousand, tax receivables mainly relating to Industry 4.0 amounting to EUR 2,520 thousand (current portion) and research and development amounting to EUR 343 thousand, and tax receivables for the Parent Company's IRES (corporate income tax) and IRAP (regional business tax) amounting to EUR 8,665 thousand after the payment of

advance instalments and the settlement of taxes (it should be noted that in the current year, the tax benefit arising from the Patent Box credit, under the previous regulatory regime, amounting to EUR 8,106 thousand, was taken into account in the tax calculation, based on the tax ruling application submitted for the 2023–2024 tax period).

4.10 Other current assets

Other current assets amounted to EUR 15,281 thousand, down EUR 3,806 thousand compared to 31 December 2024 (EUR 19,087 thousand) and relate to other receivables and accrued income and prepaid expenses. The following table provides a breakdown of this item.

Thousands of Euros	at 31 December 2025	at 31 December 2024	Change
Accrued income	91	57	34
Deferred charges	3.120	2.591	530
Other remaining Credits	8.502	12.810	(4.307)
Advance payments from customers	3.568	3.630	(62)
Other current assets	**15.281**	**19.087**	**(3.806)**

This item includes receivables for National Operating Plans and funded projects, advances to suppliers, and VAT receivables from foreign countries, and is reduced by the receivable accrued from the former parent company, P&R Farmaceutici S.p.A., which was settled as at 31 December 2025.

4.11 Derivative instruments assessed at fair value

The item derivative instruments assessed at fair value as at 31 December 2025 amounted to EUR 188 thousand and refers to the positive fair value of hedging instruments (IRS) on medium/long-term loans as at 31 December 2025.

4.12 Short-term financial investments and cash and cash equivalents

The composition of the item Cash and cash equivalents is summarised in the table below:

Thousands of Euros	at 31 December 2025	at 31 December 2024	Change
Deposit accounts	36.990	47.622	(10.632)
Cash on hand and equivalent	24	32	(8)
Cash and cash equivalents reported in the statement of financial position	**37.015**	**47.655**	**(10.640)**
Bank overdrafts used for liquidity management	-	-	-
Cash and cash equivalents reported in the statement of cash flows	**37.015**	**47.655**	**(10.640)**

4.13 Shareholders' equity

Shareholders' equity attributable to the Group amounted to EUR 362,731 thousand, an increase of EUR 33,350 thousand compared to the 2024 figure (EUR 329,380 thousand).

The main changes during the year, shown in detail in the statement of changes in shareholders' equity, primarily concern:

- recognition of the profit for FY 2025, equal to EUR 39,655 thousand;
- the establishment of a non-distributable reserve for the purchase of parent company shares, amounting to EUR 38,648 thousand;
- negative impact of the distribution of dividends to shareholders for EUR 4,000 thousand;
- negative impact of the translation reserve of accounts denominated in foreign currency, due to a change of EUR 2,006 thousand;
- negative impact of EUR 180 thousand arising from changes in the fair value of hedging derivatives;
- other decreases for EUR 118 thousand.

Thousands of Euros	Group equity								
	Share Capital	Reserve for parent company shares	Reserve for financial derivatives measured at fair value	Foreign exchange translation differences	Other reserves	First Time Adoption reserve	Undivided profits	Profit/(Loss) for the year	Equity
Balance at 31.12.2024	**36.120**	**-**	**(692)**	**2.323**	**7.786**	**8.953**	**232.774**	**42.117**	**329.380**
Allocation of prior yearprofit							42.117	(42.117)	-
Dividend distributions							(4.000)		(4.000)
Other changes		38.648	(180)	(2.006)	408		(39.174)		(2.304)
Profit for the year								39.655	39.655
Balance at 31.12.2025	**36.120**	**38.648**	**(873)**	**317**	**8.194**	**8.953**	**231.717**	**39.655**	**362.731**

A more detailed description of the item Shareholders' equity is listed below.

Share Capital
The share capital as at 31 December 2025 amounted to EUR 36,120 thousand.

Reserve for parent company shares
The reserve for parent company shares, amounting to EUR 38,648 thousand, is established in accordance with international accounting standards and is unavailable until the shares are disposed of. This reserve ensures the integrity of the share capital in relation to the parent company's equity investments.

Reserve for derivative financial instruments assessed at fair value
The cash flow hedge reserve includes the effective portion of the cumulative net change in the fair value of hedging instruments used in the cash flow hedge, pending subsequent recognition in net income/(loss) for the year, or included directly in the initial cost or other book value of a non-financial asset or non-financial liability. The value as at 31 December 2025, net of the tax effect, was negative for EUR 873 thousand.

Translation reserve
The translation reserve arises from the translation into Euro of the shareholders' equity of group companies whose financial statements are drawn up in a different local currency and it corresponds to the overall change in reserves due to purely exchange rate effects, recognised at year-end and compared with the historical one. The reserve decreased by EUR 2,006 thousand due to the general depreciation of the Euro during the year against the currencies of consolidated entities. As at 31 December 2025, the reserve amounted to EUR 317 thousand.

Other reserves
As at 31 December 2025, these amounted to EUR 8,194 thousand and include:
- Legal reserve, amounting to EUR 7,224 thousand, is unchanged compared to the previous financial year;
- Own shares reserves in portfolio, equal to EUR 11,260 thousand, during the financial year; the parent company acquired 644 own shares; this item was recognised as part of the merger between Fidia Farmaceutici S.p.A. and Solmag S.p.A., which took place in 2008;
- Negative reserve for own shares held amounting to EUR 11,260 thousand;
- Positive OCI reserve amounting to EUR 348 thousand;
- Reserve for unrealised exchange gains of EUR 622 thousand.

First-Time Adoption Reserve
The reserve of EUR 8,953 thousand originated as a result of the transition to the IFRS international accounting standards.

The Group's goals in managing capital are aimed at creating value for shareholders, safeguarding the going continuity, guaranteeing the interests of stakeholders, as well as enabling efficient access to external sources of financing, such as to adequately support the development of the Group's activities.

4.14 Loans due beyond one year

As at 31 December 2025, borrowings due beyond the year amounted to EUR 273,941 thousand, representing a net increase of EUR 70,608 thousand compared to EUR 203,334 thousand as at 31 December 2024.

Conditions and repayment plans of the loans

The following table shows the breakdown of medium- and long-term loans as at 31 December 2025 and 31 December 2024:

Thousands of Euros	Currency	Nominal interest rate	Maturity	at 31 December 2025		at 31 December 2024	
				Nominal value	Accounting value	Nominal value	Accounting value
Granted to Fidia Farmaceutici S.p.A.							
Amortizing loan	€	Fixed	2025	-	-	2.250	2.250
Amortizing loan	€	Fixed	2024	-	-	-	-
Amortizing loan	€	Fixed	2025	-	-	24.000	23.977
Amortizing loan	€	Fixed	2025	-	-	3.450	3.450
Amortizing loan	€	Fixed	2025	-	-	11.667	11.663
Amortizing loan	€	Fixed	2026	10.313	10.313	15.563	15.563
Amortizing loan	€	Fixed	2026	14.474	14.474	22.368	22.368
Amortizing loan	€	Fixed	2029	25.669	25.669	32.865	32.865
Amortizing loan	€	Fixed	2029	30.000	29.943	30.000	29.910
Amortizing loan + Baloon	€	Fixed	2029	47.150	46.998	50.000	49.775
Revolving loan	€	Fixed	2026	20.000	20.000	-	-
Other loans	€			743	743	1.015	1.015
Lease liabilities, IFRS 16 and Earn-out	€			8.165	8.165	4.226	4.226
Bonds (shareholders)	€	Fixed	2025	50.000	50.000	50.000	50.000
Bonds (third parts)	€	Fixed	2035	133.000	132.352	70.000	69.343
Total loans granted to the parent company				**339.513**	**338.655**	**317.404**	**316.405**
Granted to other Group companies							
Other loans				-	-	1	1
Lease liabilities, IFRS 16 and Earn-out				6.173	6.173	5.246	5.246
Total loans granted to other Group companies				**6.173**	**6.173**	**5.247**	**5.247**
Total loans (by and over)				**345.686**	**344.828**	**322.651**	**321.652**
Total loans at amortised cost				(858)		(998)	
Loans due within the year - current liabilities				**70.887**	**70.887**	**118.319**	**118.319**
Loans due over the year - non-current liabilities				**274.799**	**273.941**	**204.332**	**203.334**
Total loans (by and over)					**344.828**		**321.652**

During the year, the Parent Company's borrowings changed as follows:

- an increase of EUR 63,000 thousand arising from the disbursement of the third tranche of the bond issued to third parties on 27 September 2025, maturing in 2034 and repayable in five annual instalments starting from 27 September 2030 through 27 September 2034;
- an increase of EUR 20,000 thousand relating to a new revolving bank loan maturing in January 2026;
- a decrease of EUR 65,000 thousand relating to the repayment of principal amounts on outstanding mortgages.

Financial payables to third parties were recognised following the introduction of the IFRS 16 standards for a value of EUR 9,669 thousand related to the lease commitments undertaken by the Group.
The maturities of financial liabilities in terms of the nominal value of the expected outlay, as contractually defined, are described below:

Thousands of Euros	at 31 December 2025
2026	70.887
2027	72.516
2028	22.628
2029	47.122
2030	17.325
over	114.351
Total loans (by and over)	**344.828**

Derivative financial instruments

As at 31 December 2025, these contracts relate entirely to the Parent Company. To hedge against interest rate and foreign exchange rate risks, the company has entered into:

- Interest rate swap (IRS) contracts, whose original notional amounts are detailed in the table below, and whose repayment schedules match those of the underlying borrowings;
- Forward foreign exchange contracts (USD), linked to amounts expected to be received by the Parent Company in the first half of 2026.

As at 31 December 2025, these contracts had a positive mark-to-market value of EUR 188 thousand and a negative mark-to-market value of EUR 1,299 thousand, before tax effects.

Derivatives relating to items classified among financial liabilities are shown in the following table:

Thousands of Euros	Risk covered	at 31 December 2025		at 31 December 2024	
		Fair value positive/(negative)	Notional amount	Fair value positive/(negative)	Notional amount
Cash flow hedge derivatives					
Interest rate Swap	Interest rate	-	-	18	2.250
Interest rate Swap	Interest rate	-	-	15	12.000
Interest rate Swap	Interest rate	-	-	74	3.450
Interest rate Swap	Interest rate	-	-	271	11.667
Interest rate Swap	Interest rate	151	14.474	650	22.368
Interest rate Swap	Interest rate	(24)	25.669	134	32.865
Interest rate Swap	Interest rate	(225)	15.000	(397)	15.000
Interest rate Swap	Interest rate	(1.050)	47.150	(1.676)	50.000
Non-hedging derivatives					
USD currency contracts	Exchange rate	37		(297)	5.000
Total derivatives		**(1.111)**		**(1.208)**	

These transactions are classified as cash flow hedges under IFRS 9.
The carrying value of hedging transactions falls within level 2 of the fair value hierarchy.
Please refer to paragraph 6.2 for a description of the company's exposure to liquidity risk.
During the 2025 financial year, the company also entered into a forward contract denominated in USD with a notional value of USD 10,000 thousand, while the contract for USD 5,000 thousand, entered into in 2024, was closed out. The contract does not qualify for hedge accounting under IFRS 9.

Loan covenants

In view of the bank loans, the company is bound to comply with certain financial ratios to be calculated on the consolidated financial statements as follows:
- ratio of net financial position to EBITDA not exceeding 3;
- ratio of EBITDA to financial expenses not lower than 5.

The definition of EBITDA provided in the various contracts refers to the amount reported in the financial statements, adjusted on a pro forma basis to include any results obtained over periods of less than 12 months.

The parameters as at 31 December 2025 are met.

Reconciliation of financial liabilities deriving from loans

As required by IAS 7, the following table summarises the cash flows relating to financial liabilities and derivatives that occurred during the year:

Thousands of Euros	at 31 December 2024	Cash flow	Non cash changes		at 31 December 2025
			Acquisitions	Other	
Non-current bank loans	128.153	(44.830)		132	83.455
Other non-current financial liabilities	75.180	65.297	50.000	9	190.486
Non-current financial liabilities (A)	**203.334**	**20.467**	**50.000**	**141**	**273.941**
Current bank loans	64.683	(1)	-	-	64.683
Other current financial liabilities	53.635	2.569	(50.000)	-	6.204
Current financial liabilities (B)	**118.319**	**2.568**	**- 50.000**	**-**	**70.887**
Financial liabilities (A) + (B)	**321.652**	**23.035**	**-**	**141**	**344.828**

Financial lease liabilities under IFRS 16

The following table shows the present value of minimum lease payments for finance lease liabilities recognised as at 31 December 2025 and 2024.

	Minimum payments present value	
Thousands of Euros	2025	2024
Within the year	4.251	3.569
Over the year	5.418	5.159
Total payables for leasing	**9.669**	**8.727**

Leases exempt from IFRS 16 relate to low-value leases (worth less than USD 5 thousand) and leases with a contractual duration of less than 12 months.

The table below shows the classes of financial instruments held by the Company.

Thousands of Euros	Loans and receivables	Financial assets at fair value	Derivative instrument	Investments held to maturity	Financial assets available for sale	Total
Financial assets:						
Trade receivables	141.729	-	-	-	-	141.729
Tax receivables	15.581	-	-	-	-	15.581
Other current assets	15.281	-	-	-	-	15.281
Derivative instruments at fair value	-	-	188	-	-	188
Non-current receivables	1.064	-	-	-	-	1.064
Cash and cash equivalents	37.015	-	-	-	-	37.015
Total Financial assets	**210.669**	**-**	**188**	**-**	**-**	**210.857**

Thousands of Euros	Liabilities at amortized cost	Liabilities at fair value	Derivative instrument at fair value	Total
Financial liabilities:				
Loans	344.828			344.828
Provisions for risks and charges	5.030			5.030
Derivative instruments at fair value	-		1.299	1.299
Other non-current payables	0			0
Trade payables	59.197			59.197
Tax payables	3.908			3.908
Other current liabilities	52.335			52.335
Total Financial liabilities	**465.299**	**-**	**1.299**	**466.597**

The Group only assessed derivative contracts at fair value. The value of amounts due to banks and other loans, recognised at amortised cost and contracted at variable interest rates, does not differ appreciably from their fair value.

All financial instruments recognised at fair value can be classified into the three categories defined below:
Level 1: Market quotation.
Level 2: Valuation techniques (based on observable market data).
Level 3: Valuation techniques (not based on observable market data).

All assets and liabilities that are assessed at fair value as at 31 December 2025 are classified within fair value hierarchy level number 2. In addition, there were no transfers from Level 1 to Level 2 or Level 3 and vice versa during the year.

Bonds

The item 'Borrowings due beyond one year' includes the value of bonds as shown in the table:

Thousands of Euros	at 31 December 2025	at 31 December 2024
Collections deriving from the issue of bonds	183.000	120.000
Transaction costs	(648)	(657)
Net proceeds	**182.352**	**119.343**
Discount on bond loans	-	-
Interest accrued	6.808	4.210

Bonds refer to loans held by the Parent Company with the following characteristics:

- 50,000 bonds with a nominal value of EUR 1,000.00 each, from 1 October 2025 to 30 June 2027, bearing interest at 5.00% per annum, payable in quarterly instalments in arrears;
- 1,330,000 bonds with a nominal value of EUR 100 each, from March 2023 to March 2034, recognised under bonds payable beyond 12 months for a nominal amount of EUR 133 thousand, net of implicit interest and ancillary costs for EUR 648 thousand. Repayment of the bond will begin in March 2029.

Net financial position
In order to complete the analysis of the Group's financial position, the following summary is also provided.

Thousands of Euros	at 31 December 2025	at 31 December 2024
Cash and cash equivalents	37.015	37.655
Short-term bank deposits	-	10.000
Other financial assets	-	-
Short-term financial investments and cash	**37.015**	**47.655**
Loans due within the year	(64.683)	(64.683)
Lease liabilities due within the year	(6.204)	(3.636)
Bonds	-	(50.000)
Current financial debt	**(70.887)**	**(118.320)**
Short-term financial debt	**(33.872)**	**(70.665)**
Bonds	(182.352)	(69.343)
Loans due over the year	(83.455)	(128.153)
Lease liabilities due over the year	(8.134)	(5.838)
Non-current financial debt	**(273.941)**	**(203.334)**
Net financial debt	**(307.814)**	**(273.998)**

4.15 Employee severance indemnities and other benefits

This item includes the actuarial value of the Group's actual debt to all employees, calculated in accordance with IAS 19. The amount recognised as at 31 December 2025 is EUR 7,527 thousand (31 December 2024: EUR 8,222 thousand).

The breakdown and the changes in payables for employee benefits are shown in the table below:

	Employees' leaving entitlement	
Thousands of Euros	2025	2024
Balance at 1 January	**8.222**	**9.000**
Included in profit (loss) for the year:	**(595)**	**(747)**
Cost related to job positions	-	-
Employee benefits paid	(806)	(979)
Net financial (income) expense	211	231
Included in the other components of the income statement:	**(99)**	**(30)**
Actuarial losses	(99)	(30)
Other employee benefits	-	-
Balance at 31 December	**7.527**	**8.222**

Employee severance indemnities relate to the Italian companies of the Group and, on the basis of national legislation, they accrue on the basis of service rendered and are paid out when the employee leaves the company.

The treatment due to the termination of the employment relationship is calculated based on its duration and on the taxable remuneration of each employee. The liability, annually revalued on the basis of the official cost of living and statutory interest rate, is not associated with any accrual condition or period, nor with any financial funding obligation; therefore, there is no activity at the service of the provision.

The discipline was subsequently supplemented by Legislative Decree no. 252/2005 and by Law no. 296/2006 which, for companies with at least 50 employees, has established that the portions accrued since 2007 be allocated, on the employees' option, either to the INPS Treasury Fund or to supplementary pension schemes, assuming the nature of "Defined contribution plan".

However, reassessments of amounts outstanding at the option date, as well as, for companies with less than 50 employees, also those amounts accrued and not allocated to complementary pension funds, remain recorded as severance indemnities for the Parent Company. In accordance with IAS 19, this provision is accounted for as a "Defined benefit plan".

The tables below describe the financial and demographic assumptions adopted in calculating the liability in application of IAS 19:

Financial assumptions	at 31 December 2025	at 31 December 2024
Annual discount rate	3,09%	2,93%
Annual inflation rate	2,00%	2,00%
Annual rate of increase in severance pay	3,00%	3,00%

4.16 Provision for risks and charges (non-current)

The following table shows the breakdown of provisions for non-current risks and charges.

Thousands of Euros	Provision for agents' termination benefits	Structural interventions provision	Land restoration provision	Provision for risk and charges	Total
Balance at 1 January 2025	**826**	**283**	**150**	**2.509**	**3.767**
Increase					-
Provisions for the year	156			2.040	2.196
Amounts used during the year	(100)	(283)		(1.650)	(2.033)
Amounts written off during the year					-
Release of the discount rate					-
Balance at 31 December 2025	**882**	**(0)**	**150**	**2.898**	**3.930**

The *Provision for pensions and similar obligations* represents the liability due for Agents' termination indemnities. The change relates to the allocation of the portion pertaining to the year, decreased by the settlement of fees.

The *Structural Provision* decreased by EUR 283 thousand due to maintenance interventions on the production complex.

The *Land Reversal Provision* was set up during the 2014 financial year by reclassifying the depreciation of land included under depreciation provisions, in compliance with the provisions of OIC 16 which, in its new version, eliminated the provision that allowed the value of the land not to be separated from the buildings on which they stand when the value of the land coincides with the value of the site reversal/reclamation provision, on the assumption that separate recognition of the land and of the related provision provides a better representation to the reader of the financial statements. The provision recognised in the financial statements amounts to EUR 150 thousand. This amount is deemed to reasonably represent the charge to be borne for future reclamation activities and is in line with the technical appraisal estimated by the Municipality of Abano in the resolution approving the project for the construction of the water treatment system for the car park in front of the Abano Terme facility.

The item *Other provisions for risks*, the balance of which represents the assessment of risks arising from disputes with third parties, is made up of:

- EUR 1,627 thousand relating to tax liabilities, of which EUR 1,387 thousand relates to the 2020–2022 tax periods, for which the Parent Company will submit a tax settlement proposal to the Veneto Regional Directorate of the Italian Revenue Agency in the course of 2026. Although, in the opinion of the directors, the grounds for the tax claim in question are unfounded, the Parent Company deemed it appropriate to reach a settlement agreement on the tax claims rather than initiate legal proceedings; the amount set aside at the end of the previous financial year, amounting to EUR 400 thousand, was used to settle the conciliation agreements with the Revenue Agency for the years 2018–2019, for a total of EUR 564 thousand;
- EUR 560 thousand (EUR 1,300 thousand in 2024) relating to the contingent liability arising from the payback regulation on medical devices at the Parent Company, pursuant to Article 9-ter of the D.L. of 19 June 2015 No.78 converted into Law 125/2015. During the year, Decree-Law No. 95/2025 ('Economy Decree') subsequently introduced a facilitated settlement measure, stipulating that the obligations relating to the years 2015/ 2018 are deemed to be fulfilled upon payment of 25% of the amounts claimed, with the dispute closed and VAT excluded, in accordance with the provisions of Decree-Law 34/2023 and confirmed by the regional notices received by the Company. In light of the new regulatory framework, the Parent Company has decided to opt for the facilitated settlement and to make the payment of EUR 260 thousand due for the period 2015/2018 in September 2025. At the same time, the provision for risks was updated to reflect the changed regulatory landscape and the information available at the end of the financial year, resulting in the recalculation of the amount for the years 2019/2025 to EUR 560 thousand and the simultaneous recognition in the income statement of the excess amount of EUR 531 thousand;
- EUR 711 thousand relates to other provisions for risks associated with disputes at subsidiary companies.

4.17 Deferred tax liabilities

As at 31 December 2025, deferred tax liabilities amounted to EUR 4,813 thousand, up EUR 1,855 thousand compared to 31 December 2024 (EUR 2,957 thousand).
The Deferred Taxes Provision underwent the following changes during the financial year:

- decrease of EUR 243 thousand at the Parent Company level due to the reduction in hedging instruments recognised as assets;
- increase of EUR 505 thousand resulting from IFRS adjustments relating to fixed assets;
- increase of EUR 15 thousand resulting from consolidation entries related to finance leases;
- other net increases amounting to EUR 51 thousand.

The provision in place at year-end refers to the recognition of deferred taxes on other income components that have been recognised in this Income Statement or in that of previous years on an accrual basis in fiscal years subsequent to the recognition of deferred taxes.

4.18 Derivative instruments assessed at (non-current) fair value

As at 31 December 2025, this item amounted to EUR 1,299 thousand, a decrease of EUR 1,071 thousand compared with December 2024 (EUR 2,370 thousand), and relates to the fair value liability on derivatives hedging borrowings and, to a lesser extent, to voluntary risk hedging.

4.19 Other non-current payables

As at 31 December 2025, there were no other payables recognised under non-current liabilities.

4.20 Trade payables

Trade payables, entirely of a commercial nature and including year-end provisions for invoices to be received, amounted to EUR 59,197 thousand as at 31 December 2025 (EUR 68,801 thousand in 2024). The decrease is attributable to a slight reduction in the average payment term as a result of more favourable conditions.

The table below provides a breakdown of trade payables as at 31 December 2025 and 31 December 2024.

Thousands of Euros	at 31 December 2025	at 31 December 2024	Change
Trade payables	59.197	68.801	(9.604)
Trade payables	**59.197**	**68.801**	**(9.604)**
Non-current	-	-	-
Current	59.197	68.801	(9.604)
Trade payables	**59.197**	**68.801**	**(9.604)**

4.21 Tax payables

As at 31 December 2025, tax payables amounted to EUR 3,908 thousand (EUR 8,177 thousand as at 31 December 2024) and mainly include tax payables, net of advances paid, determined by the companies on the basis of taxable income, and payables to the tax authorities as withholding agent.

4.22 Other current liabilities

As at 31 December 2025, other current liabilities amounted to EUR 52,335 thousand, up EUR 1,588 thousand compared to 31 December 2024 (EUR 50,817 thousand).
Deferred income relating to the Parent Company for plant grants amounts to EUR 10,008, consisting primarily of:

- EUR 7,782 thousand relating to the Industry 4.0 tax credit for the new vaccine department. The value of the grant, totalling EUR 8,049 thousand, has been appropriately deferred in line with the depreciation rates of the underlying assets; the portion of the grant that has an impact on the 2025 Income Statement amounts to EUR 266 thousand and is recognised under Other Revenue and Income;
- EUR 200 thousand relating to funded projects carried out by the Company. Grants disbursed for investments in capital goods have been appropriately deferred in line with the depreciation of the underlying subsidised assets;
- EUR 998 thousand for capital grants for plant and equipment received from a third-party partner, which will be recognised in line with the commencement of depreciation of the underlying assets.

Deferred sales revenues amounting to EUR 8,306 thousand, related to the acquisition of the new product business in 2024, have been eliminated.
Accrued expenses include provisions relating to sales commissions payable by Fidia Pharma USA in the amount of EUR 5,732 thousand and comprise accrued expenses for bank interest (EUR 578 thousand) and accrued expenses for interest on bonds in the amount of EUR 2,252 thousand.

The following table shows the breakdown of other current liabilities as at 31 December 2025 and 31 December 2024.

Thousands of Euros	at 31 December 2025	at 31 December 2024	Change
Accrued costs	9.632	11.322	(1.690)
Deferred revenues	10.108	9.346	762
Advance payments	194	221	(28)
Other payables	26.365	24.244	2.121
Payables to social security institutions	6.036	5.683	353
Total other payables	**52.335**	**50.817**	**1.518**
Non-current	0	0	-
Current	52.335	50.817	1.518
Total other payables	**52.335**	**50.817**	**1.518**

Other payables mainly include amounts payable to employees and to members of the Board of Directors.

4.23 Provisions for risks and charges

As at 31 December 2025, provisions for risks and charges amounted to EUR 1,100 thousand and relate to the allocation of the Assinde Provision, which represents the risk deriving from returns relating to sales in 2025 that are estimated to be collected in 2026 by Assinde itself, and that will be charged in that period, based on the Return Policy agreement.

Changes in provisions for current risks and charges are shown in the following table:

Thousands of Euros	Provision for agents' termination	Structural interventions	Land restoration provision	Assinde provision	Provision for risk and charges	Total
Balance at 1 January 2025	-	-	-	1.400	-	1.400
Increase	-	-	-	-	-	-
Provisions for the year	-	-	-	-	-	-
Amounts used during the year	-	-	-	(300)	-	(300)
Amounts written off during the year	-	-	-	-	-	-
Release of the discount rate	-	-	-	-	-	-
Balance at 31 December 2025	-	-	-	1.100	-	1.100

4.24 Derivative instruments assessed at (current) fair value

As at 31 December 2025, there are no current derivative instruments. Please refer to note 4.18 for a breakdown of non-current derivative instruments.

The fair value of these hedging derivatives is measured at level 2 of the hierarchy provided for in IFRS 13 (see note 2). Fair value is equal to the present value of estimated future cash flows. Estimates of future variable rate cash flows are based on quoted swap rates, futures prices and interbank rates. Estimated cash flows are discounted using a yield curve, which reflects the benchmark interbank rate applied by market participants to value interest rate swaps.

4.25 Loans due within one year

The value of the loans due within the year as at 31 December 2025 is equal to EUR 70,887 thousand and includes the short-term share of bank loans described in section 4.14.

4.26 Fair value of financial assets and liabilities

As provided for by IFRS 7, the comparison between the value recognised in the financial statements as at 31 December 2025 and the related fair value of financial assets and liabilities is presented:

Thousands of Euros	Accounting value	Fair Value
Financial assets at fair value:		
Other equity investments and securities	89	89
Derivative instruments at fair value	188	188
Financial assets not measured at fair value:		
Short-term financial investments and cash	37.015	37.015
Trade receivables	141.729	141.729
Other receivables	15.281	15.281
Total financial assets	**194.302**	**194.302**
Financial assets at fair value:		
Derivative instruments at fair value	1.299	1.299
Other non-current payables	-	-
Financial assets not measured at fair value:		
Bonds	182.352	182.352
Lease liabilities	9.669	9.669
trade payables	59.197	59.197
Other payables	52.335	52.335
Other non-current payables	0	0
Financial debts	152.808	152.808
Total financial liabilities	**457.659**	**457.659**

5. Notes to items in the consolidated income statement

The main balances of the 2025 consolidated income statement are analysed below. Details of the balances of items in the consolidated income statement deriving from transactions with related parties are provided in the Report on Operations.

5.1 Revenues and other income

The Group's revenues derive from contracts with customers and are broken down as follows:

Thousands of Euros	2025	%	2024	%	Change	%
Total revenues from sales and services	531.181	99	503.300	99	27.881	6
Other revenues	7.162	1	6.820	1	342	5
Total net revenues	**538.343**	**100**	**510.120**	**100**	**28.223**	**6**

Revenues from products and services include the sale of drugs, medical devices and active ingredients, as well as income from third-party activities (CMO) for the production of vaccines.

Other revenues include:

- Grants under the Innovation Agreements, the MISE project and the Plant and Equipment Grant, amounting to EUR 2,530 thousand;
- tax credit for capital goods and R&D investments in the amount of EUR 908 thousand;
- use of provisions in the amount of EUR 831 thousand;
- royalties and grants of EUR 449 thousand;
- contingent assets in the amount of EUR 321 thousand;
- revenue from the use of licences and trademarks of EUR 365 thousand;
- revenue from reimbursements and compensations of EUR 920 thousand;
- tax credit for energy efficiency certificates in the amount of EUR 490 thousand;
- other revenues for EUR 602 thousand.

A breakdown of revenues by geographical area is provided in the relevant section of the Report on Operations.

5.2 Operating costs

Operating costs in 2025 totalled EUR 478,206 thousand, an increase of EUR 37,072 thousand compared to 2024 (EUR 441,134 thousand). Below is the classification of costs by purpose for 2025 and 2024 financial years.

Thousands of Euros	2025	2024	Change
Cost of sales	215.762	200.087	15.675
Sales and Marketing Expenses	153.011	150.063	2.948
Research and Development Expenses	41.733	29.285	12.448
General & Administrative Expenses	69.055	63.039	6.017
Other Income and Expenses	(1.356)	(1.340)	(16)
Total operative costs	**478.206**	**441.134**	**37.072**

The cost of sales amounted to EUR 215,762 thousand, with a margin of 40.1% of revenue, compared to 39.2% in 2024.

Selling expenses amounted to 153,011 thousand or 28.4% of revenue, down 1.0% year-on-year, a decline which is attributable to improved control of selling costs.

Research and development expenses amounted to EUR 41,733 thousand, with an incidence on revenues of 7.8%. The increase compared to the previous financial year is primarily attributable to the pro rata recognition of IP amortization related to the acquisition of the new gynaecological products business in November 2024.

General and administrative expenses amounted to EUR 69,055 thousand, representing 12.8% of total revenue, consistent with the prior year.

Other income and expenses amounted to EUR (1,356) thousand and primarily referred to the following items of the Parent Company:

- capitalisation of personnel expenses and internal costs in the amount of EUR (1,868) thousand, related to projects in the area of operations;
- Other costs, including contractual penalties, amounting to EUR 95 thousand.

The following table shows operating costs classified by nature.

Thousands of Euros	2025	2024	Change
Raw materials, consumables, supplies and goods	143.638	153.169	(9.531)
Services	150.709	149.993	716
Use of third-party assets	4.051	2.372	1.679
Wages and salaries	126.518	121.740	4.778
Depreciation of fixed assets	44.140	27.293	16.847
Write-downs of fixed assets	1.855	297	1.558
Write-downs of current receivables	3.991	936	3.055
Change in raw materials	2.612	(18.319)	20.931
Provisions for risks and other provisions	325	437	(112)
Other provisions	94	-	94
Other operating costs	3.888	6.051	(2.163)
Capitalized personnel/other costs	(3.615)	(2.834)	(781)
Total operating costs	**478.206**	**441.134**	**36.978**

The most significant changes in the costs of raw materials, goods, and third-party processing are mainly attributable to increased sales volumes.

Service costs (EUR 150,709 thousand) mainly refer to third-party processing of semi-finished or packaged products (EUR 35,972 thousand), technical, marketing, legal and administrative consultancy services (EUR 24,467 thousand), external research consultancy (EUR 9,807 thousand), transport costs (EUR 18,642 thousand), advertising and representation activities (EUR 23,327 thousand). The residual value of service costs also refers to plant maintenance, fees to third-party collaborators, travel expenses and employee training, fees to directors and statutory auditors (for which reference to note 6.8 should be made) and commissions to agents.

The increase in labour costs (EUR 4,778 thousand) is mainly related to the increase in the number of employees, and to the usual salary dynamics and bonus policies.
A breakdown of the Group's workforce as at 31 December is provided below:

Headcount	2025	2024	Change
ITALY	1.291	1.231	60
EUROPE	238	225	13
MENA	72	66	6
USA	80	77	3
RoW	27	26	1
Total employees	**1.708**	**1.625**	**83**

The depreciation, amortisation and write-downs for the financial year, amounting to EUR 49,986 thousand, includes:

- amortisation and depreciation amounting to EUR 44,140, related to EUR 16,411 thousand for tangible assets, of which EUR 4,272 thousand refer to the amortisation of assets for rights of use as per IFRS 16, and the remainder, EUR 27,729 thousand, to intangible assets, which includes the pro rata amortisation of the gynaecological products business acquired in November 2024;
- write-downs amounting to EUR 5,846 thousand, of which EUR 1,855 thousand related to the write-down of intangible assets, including the goodwill of the Polish subsidiary, and EUR 3,991 thousand referred to the write-down of trade receivables mentioned in note 4.8.

5.3 Net financial income and charges

Net financial income and charges in 2025 amounted to EUR 13,728 thousand with a negative balance of EUR 8,429 thousand compared to 2024.

The main items making up the balance are summarised in the following table:

Thousands of Euros	2025	2024	Change
Interest income			
Other	2.228	7.729	(5.500)
Exchange gains	1.391	1.851	(460)
Financial income	**3.620**	**9.580**	**(5.960)**
Interest expense			
Lease liabilities	(461)	(404)	(57)
Exchange losses	(2.804)	(1.138)	(1.667)
Expenses for discounting employee benefits	(211)	(231)	20
Other	(13.872)	(13.106)	(766)
Financial expenses	**(17.347)**	**(14.879)**	**(2.469)**
Financial income and charges	**(13.728)**	**(5.299)**	**(8.429)**

The item "Other financial income", amounting to EUR 2,228 thousand, primarily includes interest income from time deposits in current accounts and the positive effects of hedging derivatives.

Other financial charges, amounting to EUR 13,872 thousand, mainly include interest expense on bank borrowings of EUR 6,118 thousand and interest on bonds of EUR 6,808 thousand.

No revaluation was carried out on the Class III insurance policies recognised under receivables (notes 4 and 5), which had been written down in previous years.

5.4 Taxes

Taxes amounted to EUR 6,755 thousand, including income taxes for all the consolidated entities within the Group and the regional tax on productive activities (IRAP) payable by the Parent Company.

The effective tax rate on pre-tax profit was 14.55%, compared to 33.87% in the previous year. This rate includes the benefit arising from recognising the effects of the 'new' Patent Box regime (relating to IRES and IRAP for 2025) in the amount of EUR 2,915 thousand (EUR 650 thousand in 2024) and the provision for deferred tax assets on losses incurred in the subsidiaries.

A breakdown of the taxes for the financial year is provided below:

Net current taxes for EUR 6,755 thousand, broken down as follows:

- EUR 3,673 thousand for IRES and EUR 1,885 thousand for IRAP payable for the 2025 financial year: when calculating the Parent Company's current taxes, the tax savings resulting from the Patent Box scheme, the old preferential tax scheme, were taken into account, calculated at EUR 8,106 thousand for the 2020–2024 tax periods, in accordance with the Ruling Application currently pending with the Italian Revenue Agency;
- EUR 1,500 thousand for other current taxes relating to subsidiaries;
- EUR (1,112) thousand (with a positive effect on the income statement), mainly relating to tax adjustments for previous financial years (EUR 2,256 thousand under the new Patent Box scheme for the year 2024, and EUR 627 thousand under the old Patent Box preferential scheme, relating to a recalculation of taxable income for the year 2017), and a provision for tax risks of EUR 1,721 thousand.

Deferred tax assets and liabilities amounting to EUR 810 thousand (negative balance), broken down as follows:

- EUR 505 thousand of deferred tax liabilities relating to differences between statutory and tax values of fixed assets;
- EUR 818 thousand of deferred taxes related to the reversal of intercompany inventory margin;

- EUR 1,768 thousand of deferred tax liabilities relating to the goodwill tax step-up arising from the merger of Sooft S.p.A. into Fidia Farmaceutici S.p.A.;
- EUR 682 thousand of deferred taxes on the reversal of assets sold within the Group;
- EUR 228 thousand in deferred tax liabilities arising from the temporary differences recognised as part of the purchase price allocation for the two M&As during the year;
- EUR 2,750 thousand of deferred tax liabilities relating to other items (mainly local GAAPs).

The table below distinguishes between current and deferred taxes for 2025 and 2024.

Thousands of Euros	2025	2024
Current income taxes		
IRES	(3.673)	(14.855)
IRAP	(1.885)	(2.559)
Other current income taxes	(1.500)	(1.754)
Adjustments related to prior years	1.112	610
Current income taxes	**(5.945)**	**(18.559)**
Active and Passive deferred taxes		
IRES/IRAP	1.081	(2.185)
Other Active and Passive deferred taxes	(1.891)	(826)
Active and Passive deferred taxes	**(810)**	**(3.012)**
Income taxes	**(6.755)**	**(21.571)**

The table below shows a reconciliation between the corporate income tax rate in force in Italy and the effective consolidated tax rate.

Thousands of Euros	2025	2025	2024	2024
Profit before tax		46.410		63.687
Income tax using the national tax rate	*27,90%*	*12.948*	*27,90%*	*17.769*
Effect of tax rates in foreign jurisdictions	0,33%	155	4,12%	2.622
Effect of shooting increasing and decreasing	-9,54%	(4.426)	7,54%	4.802
Tax benefit from 2020 asset revaluation	0,00%	-	0,00%	-
Tax benefit 2020 from "Patent Box"	-6,28%	(2.915)	-1,02%	(650)
Effect of temporary increasing and decreasing shootings	-1,75%	(810)	-4,73%	(3.012)
Other taxes relating to previous years	3,89%	1.803	0,06%	41
Tax rate on profit before tax	**14,55%**	**6.755**	**33,87%**	**21.571**

6. Other information

6.1 Information on financial risks

The Group constantly monitors the financial risks to which it is exposed, in order to take immediate action to mitigate their effects.

As provided for in IFRS 7, information on the main financial risks to which the Group is exposed is given below.

Credit Risk

Credit risk relates to potential losses as a result of the inability of commercial counterparties to meet their obligations.

The Group mainly operates with private customers, represented by pharmacies, medical clinics, opticians, wholesalers and distributors, but also with large industrial groups, as well as with the Public Administration (hospital sector).

The group carefully monitors its credit exposure through an internal reporting system, in order to contain potential losses. Each Group company handles credit recovery on the sales made in their respective markets. Coordination

between the companies that operate on the same market is based on the electronic exchange of information on common customers and on the coordination of any halts on deliveries or commencement of legal actions.

The bad debt provision is the nominal amount due, less any receivables secured by bank guarantees, if any. The recoverability of all guarantees shall be evaluated critically. The provision is based on the individual analysis of overdue amounts, of the customers known to have financial difficulties and of those receivables for which legal action has commenced. A generic analysis based on historical losses is also carried out.

Liquidity Risk

It is related to the possibility of having insufficient liquidity to manage the Group's normal operations. The group closely monitors this risk on the basis of thorough weekly financial reporting on its net financial position.

Approximately 85% of the Group's gross borrowings from banks carry fixed interest rates, with an average duration of approximately 3 years. Any excess liquidity, i.e. liquidity in excess of free cash flow requirements, is invested in working capital securities, as described in greater detail in the notes to the financial statements, to which reference should be made. For this reason, part of the liquidity is subject to the risk arising from the market valuation of the underlying securities.

As required by IFRS 7, the following table shows the cash flows related to the Group's financial liabilities by maturity:

Thousands of Euros	Bank loans	Bond	Other	Total
Within the following 12 months	64.683	-	6.204	70.887
Between 1 and 5 years	83.456	68.000	8.134	159.590
Over 5 years	0	114.351	-	114.351
Loans	**148.139**	**182.351**	**14.338**	**344.828**

In order to provide a better understanding of the outstanding debt, the change in cash flow of bank loans as a result of changes in Euribor is reported below. However, it should be noted that, as the exposure to the variable interest rate is fully hedged by derivative instruments (cash flow hedge), the overall cash flow is not affected by changes in the Euribor rate:

Thousands of Euros	Accounting value	change in cash flow as the Euribor changes		
			Euribor	
		-50 bps	31 dic 2025	+50 bps
Within the following 12 months	49.359	49.359	49.359	49.359
Between 1 and 5 years	96.099	96.099	96.099	96.099
Over 5 years	-	-	-	-
Bank Loans	**145.459**	**145.459**	**145.459**	**145.459**

Price Risk

The Group sells products reimbursed by the National Health System and other (OTC) non-reimbursable products.

The first group of products is a major public spending item for countries, exposing the Group to uncontrollable external risks, such as changes to the products covered by the National Health Service, the removal or reduction of coverage, the expenditure payback mechanism and patent expirations with the consequent introduction of generic drugs.

The second group of products is more influenced by macroeconomic factors, such as inflation and interest rate trends, which could impact the spending capacity of consumers.

In order to avoid these risks, the sales department closely monitors the group's markets, analysing their trends and possible developments.

Currency Risk

Since it sells its products in various countries, the Group is exposed to risks arising from exchange rate fluctuations. Currency risk mainly relates to sales transactions in US dollars and Russian rubles. The group's treasury unit closely monitors exchange rate trends, carrying out Euro translation transactions to reduce the translation risk.

The Parent Company also holds equity investments in companies whose share capital is denominated in currencies other than the Euro. Changes in net equity arising from exchange rate fluctuations are recognised in a "translation reserve" under net equity. The risk arising from the translation of net equity is not currently hedged.

The following table shows a sensitivity analysis of the risk arising from the translation of receivables and payables as at 31 December 2025 in USD and RUB of the Group companies, for exchange rate changes in the range of +/- 10% compared to the year-end exchange rate and with the translation to the exchange rate as at 28 February 2026:

Thousands of Euros	at 31 December 2025			
USD	FX	FX +10%	FX -10%	FX
Receivables	31.368	28.517	34.854	31.222
Payables	2.962	2.693	3.291	2.948
Active current accounts	8.420	7.655	9.356	8.381
USD - Dollar USA	**42.751**	**38.864**	**47.501**	**42.552**

Thousands of Euros	at 31 December 2025			
RUB	FX	FX +10%	FX -10%	FX
Receivables	1.895	1.723	2.105	1.932
Payables	841	764	934	857
Active current accounts	51	47	57	52
RUB - Russia	**2.787**	**2.533**	**3.096**	**2.842**

Risks of changes in the pharmaceutical legislative and regulatory framework

The pharmaceutical sector is highly regulated both nationally and internationally, thereby affecting activities at all levels. In order to reduce its dependence on the decisions of the individual national governments in terms of pharmaceutical expenditure, the Group pursues a strategy of diversifying and expanding its sales in various geographic areas. The pharmaceutical sector is also subject to national and international technical regulations governing how pharmaceutical research, development, production, distribution, and reporting are carried out. By policy, the Group constantly monitors regulatory developments in all the markets in which it operates through internal and external organisational structures.

6.2 Change in the scope of consolidation

During the current financial year, in January 2025, Fidia Pharma Turkey Ilac was incorporated, and Altacor Limited, a wholly owned subsidiary acquired in May 2025, and Meditrina Pharmaceuticals S.r.l., a wholly owned subsidiary acquired in July 2025, were consolidated.

6.3 Guarantees

Guarantees amounting to EUR 296 thousand were granted in favour of third parties and refer to:
- insurance surety policy issued by Assicuratrice Milanese in favour of the Province of Padua for "temporary storage of special waste" for EUR 248 thousand.
- A surety policy taken out during the financial year for the promotion of a prize competition called 'Partecipa e vinci con i cosmetici di Connettivina' ('Play and win with Connettivina cosmetics'; valid until 31/05/2026) for EUR 48 thousand.

Third-party assets held by the Company amounted to EUR 501 thousand and refer to third-party assets undergoing processing (EUR 349 thousand), and assets held under gratuitous loan agreements (EUR 151 thousand).

Commitments refer to residual rents relating to properties purchased under financial leases for EUR 602 thousand.

6.4 Disputes and contingent liabilities

Based on an analysis of contracts and litigation underway as of the date of preparation of these financial statements, no circumstances were noted that would indicate the need for provisions for contingent liabilities significantly different from those disclosed in these financial statements.

6.5 Transactions with related parties

The Group's direct Parent Company is P&R Farmaceutici S.p.A., which is controlled by Fiore Farmaceutici Holding S.r.l., based in Rodano (MI).

There are no credit and debit transactions with the Parent Company.

In compliance with the disclosure requirements established by art. 38 of Legislative Decree no. 127/91, it should be noted that the total fees due to the Parent Company's Directors and Statutory Auditors for carrying out their specific duties, including in other Group companies, in 2025, amounted respectively to EUR 8,547 thousand and EUR 105 thousand.

Except as indicated above, to the best of our knowledge, there have been no transactions or contracts with related parties which, with reference to the materiality of the effects on the financial statements, could be considered significant in terms of value or conditions.

The following table shows a breakdown of receivables and payables due to and from the Parent Company in relation to Group Companies as at 31 December 2025:

Thousands of Euros	Assets			Liabilities		
	Trade receivables	Other receivables	Financial activities	Trade payables	Other payables	Financial liabilities
ALTACOR LIMITED	20	-	-	-	-	-
FIDIA PHARMA AUSTRIA GMBH	(1.165)	-	-	-	-	-
FIDIA PHARMA CZ SRO	788	-	-	209	-	-
FIDIA PHARMA EGYPT FOR MARKETING	555	-	-	(33)	-	-
FIDIA PHARMA GMBH	(1.894)	-	4.781	-	-	-
FIDIA PHARMA MIDDLE EAST FZE	-	-	-	1.256	-	-
FIDIA PHARMA POLSKA SP ZOO	1.469	-	-	1	-	-
FIDIA PHARMA ROMANIA SRL	2.462	-	-	56	-	-
FIDIA PHARMA RUSSIA LLC	1.061	-	425	-	-	-
FIDIA PHARMA SLOVAKIA SRO	72	-	-	1.699	-	-
FIDIA PHARMA SWITZERLAND SA	-	-	-	84	-	-
FIDIA PHARMA UK LTD*	23	-	29	-	-	-
FIDIA PHARMA USA INC	14.406	-	-	-	-	-
LABORATOIRES FIDIA SAS	237	-	13.605	587	-	-
LABORATORIOS FIDIA FARMACEUTICA SLU	11.600	-	(21)	90	-	-
MEDITRINA PHARMACEUTICALS SRL	31	-	1.500	-	-	-
FIDIA HEALTHCARE SRL	583	-	-	4.320	-	-
FIDIA PHARMA TURKEY İLAÇ SAN.VE TIC.A.S	564	-	-	-	-	-
Total subsidiaries	**30.812**	**-**	**20.318**	**8.271**	**-**	**-**

**companies not included in the scope of consolidation*

The following table shows a breakdown of the Parent Company's revenues and costs relating to Group Companies as at 31 December 2025:

Thousands of Euros	Revenues			Expenses		
	Revenues	Other revenues	Net financial income	Costs of services	Costs of products	Net financial expenses
ALTACOR LIMITED	-	22	-	-	-	-
FIDIA PHARMA AUSTRIA GMBH	700	59	7	1.600	-	-
FIDIA PHARMA CZ SRO	4.357	228	-	3.292	-	-
FIDIA PHARMA EGYPT FOR MARKETING	-	49	-	1.360	-	-
FIDIA PHARMA GMBH	6.154	205	309	3.000	35	-
FIDIA PHARMA MIDDLE EAST FZE	-	2	-	2.348	-	-
FIDIA PHARMA POLSKA SP ZOO	960	242	111	4	-	-
FIDIA PHARMA ROMANIA SRL	5.470	528	-	0	-	-
FIDIA PHARMA RUSSIA LLC	981	31	-	23	-	-
FIDIA PHARMA SLOVAKIA SRO	67	72	-	1.094	-	-
FIDIA PHARMA SWITZERLAND SA	-	-	-	563	-	-
FIDIA PHARMA USA INC	27.965	38	2.293	14	-	-
LABORATOIRES FIDIA SAS	3.856	106	592	2.056	1	1
LABORATORIOS FIDIA FARMACEUTICA SLU	9.761	603	113	279	-	7
MEDITRINA PHARMACEUTICALS SRL	-	-	31	-	-	-
FIDIA HEALTHCARE SRL	574	-	-	1.060	1.146	-
FIDIA PHARMA TURKEY İLAÇ SAN.VE TIC.A.S	-	207	-	-	-	-
Total subsidiaries and parents	**60.845**	**2.392**	**3.457**	**16.692**	**1.181**	**8**

6.6 Subsequent events

There were no events occurring after the end of the financial year that would have a significant impact on these combined financial statements. For further information, reference to the report on operations should be made.

6.7 Fees paid to Directors, Auditors and Independent Auditors

In accordance with the law, the total fees due to the Directors, to the members of the Board of Statutory Auditors and to the Independent Auditors are shown.

	2025
Directors	8.547
Statutory auditors	105
Independent auditors	141
Total	**8.793**
Other activities by the Indipendent auditor	18

These Notes form an integral part of the Group's consolidated financial statements, and the accounting information contained therein corresponds to the accounts of the companies included in the basis of consolidation as they stand after combination, eliminations and adjustments.

With regard to the nature of the companies' activities, significant events and outlook, reference to the consolidated Report on Operations should be made.

Abano Terme, 14 April 2026
For the Board of Directors
The Chairman
Carlo Pizzocaro

KPMG S.p.A.
Revisione e organizzazione contabile
Piazza Salvemini, 20
35131 PADOVA PD
Telefono +39 049 8249101
Email it-fmauditaly@kpmg.it
PEC kpmgspa@pec.kpmg.it

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

Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010

To the shareholders of
Fidia Farmaceutici S.p.A.

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of the Fidia Farmaceutici Group (the "group"), which comprise the statement of financial position as at 31 December 2025, the income statement and the statements of comprehensive income, changes in equity and cash flows for the year then ended and notes thereto, which include material information on the accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Fidia Farmaceutici Group as at 31 December 2025 and of its financial performance and cash flows for the year then ended in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board and endorsed by the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "*Auditors' responsibilities for the audit of the consolidated financial statements*" section of our report. We are independent of Fidia Farmaceutici S.p.A. (the "parent") in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the parent's directors and board of statutory auditors ("Collegio Sindacale") for the consolidated financial statements

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board and endorsed by the European Union and, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the group's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the consolidated financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the parent or ceasing operations exist, or have no realistic alternative but to do so.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, the group's financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA Italia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the group to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance, identified at the appropriate level required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

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

The parent's directors are responsible for the preparation of the group's directors' report at 31 December 2025 and for the consistency of such report with the related consolidated financial statements and its compliance with the applicable law.

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to:

- express an opinion on the consistency of the directors' report with the group's consolidated financial statements;
- express an opinion on the consistency of the directors' report with the applicable law;
- issue a statement of any material misstatement in the directors' report.

In our opinion, the directors' report is consistent with the group's consolidated financial statements at 31 December 2025 and has been prepared in compliance with the applicable law.

With reference to the above statement required by article 14.2.e-ter) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Padua, 16 April 2026

KPMG S.p.A.

(signed on the original)

Silvia Di Francesco
Director of Audit