

FOPE GROUP      Consolidated Financial Statement  
as of June 30, 2025



# CONSOLIDATED FINANCIAL STATEMENT AS OF JUNE 30, 2025

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This document is a courtesy translation from Italian into English.  
In case of any inconsistency between the two versions, the Italian original version shall prevail.



Dear Shareholders,

We submit for your attention the consolidated financial statements of the Fope S.p.A. Group as at June 30, 2025 which show a positive result of €5.63 million.

Net revenue amounted to €43.02 million, up €13.38 million compared to the figure for the year ended June 30, 2024, equal to 45.15%. 85.79% of revenues came from sales on foreign markets. The comparison with the first half of 2024 is particularly significant, even net of the average price increase of approximately 16% implemented for the current financial year in response to the rise in the price of gold.

The figures, which measure the positive sales trend, testify to the Group's stable growth and the consolidation of our distinctive position in the international luxury market.

All markets responded positively to the incentives offered by our sales campaigns. The new collections were very well received, while the "timeless" pieces and collections that have been on the market for several years continue to be very popular, confirming the ability to develop and affirm the values of our brand and our exclusive product.

We continued with investments in the development of new markets, such as Japan and South Korea, with results fully in line with expectations. The US market, an important player for our business, showed no signs of concern despite the application of new duties and the general climate of uncertainty.

The improvement in the delivery capacity of the production processes had a positive impact on the overall sales volume, allowing the order portfolio to be fulfilled on schedule. Sales were made under commercial conditions that did not alter the primary margin, while the significant variations in gold prices were offset by the hedging transactions already active at the beginning of the year.

The improvement in the EBITDA margin was significant, amounting to €10.59 million, equal to 24.62% of the net revenues, which absorbed the incremental costs aimed at consolidating the structure, particularly for the acquisition of qualified staff for management, production departments and subsidiaries.

The net financial position was positive at €3.24 million; the flows generated covered the investment plan and the need for resources generated by the increase in working capital resulting from the growth of the business.

The second half of the current financial year begins with encouraging signs: order intake is up on the same period last year and in line with budget forecasts.

Ethics and sustainability issues are always a priority and focus for the Group as it continues to strive to improve its position, while showing attention for each business activity. With particular reference to environmental sustainability, we have also confirmed our commitment for 2024 to offset a significant share of the GHG emissions generated through a compensation project. The 2024 sustainability reporting document, containing the results, is currently being published.

The important results for the period were achieved thanks to the experience, passion and commitment of the FOPE team, to whom I wish to express our sincere appreciation for the work done and for sharing our ideals and our development plan, which combines the strength of values consolidated over time with a strong innovative drive.



Diego Nardin  
*FOPE S.p.A. CEO*

FOPE S.p.A., the Parent Company, and the four subsidiaries operate in the jewelry industry as a producer and distributors of high-end jewelry under their own brand names. Fope is an international brand that in 2025 generated approximately 85.47% of its turnover from sales on foreign markets. In addition to developing new product “collections”, the Group is historically focused also on process innovation, to efficiently combine its goldsmith tradition with the best industrial production techniques whereby jewelry featuring elegant and sophisticated designs is made.

The headquarters, offices and workshop of the Parent Company are located in Vicenza, in one of Italy's main goldsmith districts, where the brand was created and developed.

FOPE S.p.A. is a certified member of the Responsible Jewellery Council, an International non-profit organization that promotes responsible, ethical, social and environmental standards and practices in respect of human rights.

The business model is underpinned by the following elements, which make up the Group's strengths:

- collections of products designed and manufactured in-house, at the headquarters in Vicenza, and exclusively sold under the FOPE brand;
- distribution handled by multi-brand jewelers (FOPE S.p.A.'s customers) with medium-high positioning;
- direct sale to jewelers (independent or belonging to a group) without intermediary agents or external distributors (with the exception of the three subsidiaries owned by the Group);
- strong brand and design characterization and awareness;
- presence in international markets;
- special attention to product and process innovation, relying on patents for inventions developed by the Parent Company;
- direct control across the production chain, from the processing of raw material to finishing.

FOPE S.p.A. is responsible for research and technological development, the concept and creation of new collections, production, logistics as well as the Group's commercial and marketing organization. All company departments, including production, are located at the headquarters of FOPE S.p.A., within a building constructed in 2000 and extended during the past few years, combining space rationality and efficiency with a modern, highly aesthetic architectural style. The absence of any harmful emissions from the production department has enabled the headquarters to remain in the urban context of the city of Vicenza.

FOPE USA Inc., headquartered in Boca Raton (Miami), is the Parent Company's distributor for the US market and agent for the Caribbean and South American markets.

FOPE S.p.A. – DMCC Branch, opened in October 2020 with headquarters in Dubai, is responsible for providing Customer Service to the Group's customers residing in Arab markets and in South-East Asia.

FOPE Jewellery Ltd, headquartered in Solihull (UK), in which FOPE S.p.A. holds a majority stake of 84% while the remaining 16% of its capital is owned by the company's two market development managers, is the Parent Company's distributor for the UK market.

FOPE Deutschland GmbH, a German company headquartered in Mönchengladbach (Germany), is a fully-owned subsidiary of FOPE S.p.A.

FOPE Japan G.K., headquartered in Tokyo, in which FOPE S.p.A. holds a majority stake of 80% while the remaining 20% of its capital is owned by SwissPrime Brand, is a distributor of the Group's products on the Japanese market; it provides commercial and customer care support to local retailers and carries out marketing and communication activities on the market.

FOPE S.p.A. holds 20% of the share capital of Milano 1919 S.r.l., the owner of the long-established Antonini brand. The latter is a historic and renowned house of high-quality Italian jewelry, established and still based in Milan, which produces and distributes prestigious collections of exquisitely and exclusively designed jewelry. The Antonini brand is positioned as a niche brand, expressing refined luxury through the superior craftsmanship that defines each of its creations.



FOPE S.p.A.'s equity investment in Milano 1919 S.r.l. is not included in the consolidation scope.

## MISSION

Since 1929, the Group has been using cutting-edge technologies and proprietary patents to transform gold into jewels that go beyond the latest fads. Italian roots have always inspired our style, a standard appreciated by those who interpret life with refined, subtle elegance. All Group's activities comply with strict ethical and sustainability control criteria.

## VISION

The FOPE Group aims to inspire people who want to add a touch of discreet luxury to every experience in their lives.

## VALUES

### Vicenza pride

FOPE is an Italian brand. All jewelry is produced in Italy and the Vicenza office is the hub of all the Group's activities. From a creative point of view, the art and craftsmanship typical of the Vicenza area are a constant source of inspiration, which we proudly project to the rest of the world.

### Family Footprint

FOPE is first and foremost a family business. Umberto Cazzola, grandfather of Umberto Cazzola, the current president, opened the first goldsmith's workshop in 1929, and several generations have followed in his footsteps over the years. The original contribution of each generation has led to the company being listed on the stock exchange, the natural evolution of a successful journey that has lasted almost a century and is still continuing.

### Widespread Innovation

While this concept might appear abstract at first glance, every aspect of FOPE's business is permeated by it, starting from technology, i.e. the cornerstone of all production. Our high-quality jewelry often relies on the Flex'it system, a patented invention of FOPE. The tone of communication has always followed the same direction since the beginning.

### Original Design

FOPE jewels are created in Vicenza where creativity and technique blend virtuously. The iconic Novecento mesh, being our signature line, characterizes each collection through a precise and consistent stylistic identity over time. In addition to brand recognition, the design ensures longevity and versatility for every piece of jewelry.

## Corporate Responsibility

FOPE's corporate and product policies are guided by the highest ethical values. The concept of corporate responsibility is a core value shared by all generations of the family-owned business. Indeed, as FOPE has entered the global luxury arena, it has a strong focus on issues such as sustainability, efficiency and respect, carefully considering the economic, environmental and social impact of each of its activities.

## Understated Elegance

The FOPE collections are designed and built for everyday wear. Along with the intrinsic beauty of each piece, comfort is a key feature of FOPE jewelry. Through stylistic choices and communication, the brand promotes an idea of understated elegance that each individual is encouraged to express through their own uniqueness.

## Ethical values

Fope conducts its activities according to rules of ethics, integrity, efficiency and respect, aiming to involve employees and collaborators in adopting positive behaviors, in the constant improvement of product quality and in the enhancement of the individual as a person and as part of the team.

The Company sees Italian legislation as a fundamental starting point and is committed to acting in compliance with it and with all the international rules applicable to its business. It also ensures that all its actions comply with the Universal Declaration of Human Rights.

The activities carried out by FOPE are based on:

- Respect for employees, associates, customers and suppliers with a view to a shared work ethic;
- The safety of the working environment and the health of those who work in it;
- A sense of social responsibility that is closely related to the role of entrepreneur;
- A commitment to adopt production methods strongly geared towards sustainability, consistent with the type of processing required.

FOPE rejects any form of discrimination, child labor and forced labor, and encourages anyone who does business with the Company to adopt the same principles. It also encourages its employees and associates to rely on good practices of conduct in all its business actions.

In 2020, the Company formally adopted its Code of Ethics, considered a pillar of crucial importance for the development of an increasingly responsible, transparent management model based on the creation of shared value for all stakeholders. This document defines the set of values that the Company owns, shares and promotes, as it believes that conduct inspired by the principles of integrity and responsibility is a key driver for the economic and social development of the individual organizations and communities in which they operate.

The Code of Ethics is available, including in English, on the corporate websites at [www.fope.com](http://www.fope.com) and [www.fopegroup.com](http://www.fopegroup.com). These Web pages also contain the email address that any FOPE stakeholder can use to share their suggestions or observations with the Company about any conduct that infringes the principles set out in the Code.

The adoption of the Code has been shared with external stakeholders through an official email communication sent to all of the Company's customers and suppliers. In turn, these stakeholders have been encouraged to subscribe to the values, principles and rules of conduct outlined in the document.

Lastly, the Company has an elected Ethics Committee responsible for overseeing and dealing with any complaints, reports of distress or suggestions by its employees. The Committee may be addressed on a named or anonymous basis and may be called upon either in its entirety or through the involvement of one member at a time. The objective of the Ethics Committee, currently composed of three members, is to ensure that workers can count on unbiased listening of their concerns and access the tools required to tackle any distress situations they have experienced or perceived.

Since 2013, the Company has been a certified member of the Responsible Jewellery Council (RJC), an international non-profit organization that promotes responsible, ethical, social and environmental standards and practices in respect of human rights in the entire chain in the diamonds, goldsmithing and platinum sector, from mining to retail trade. Many of FOPE's main suppliers have in their turn been awarded this certification. The RJC certificate remains valid for a period of three years, with an audit process being required to renew it.

The keys to success that identify the strategic line pursued by the FOPE Group in recent years, aimed at growing and consolidating its position in the markets, can be traced to specific elements:

- Product
  - Excellent quality, design and innovation of the collections offered;
  - Strong brand awareness – FOPE jewels feature design line enjoying high recognition;
  - Made-in-Italy (made-in-FOPE) manufacturing.
- Service
  - Support to retailers for end customer satisfaction;
  - Order management/commercial policies;
  - Training of sales team at retailers' site.
- Partnership with Jewelers
  - Involvement of retailers in marketing initiatives (campaigns designed to support stores – special events);
  - Involvement of retailers in events at FOPE's headquarters to convey the Company values.
- Markets
  - Focusing investment and marketing initiatives on markets where the Company's presence is already significant: America and Europe (in particular, Germany and the United Kingdom), South-East Asia and the Far East.

Actions on key success levers, which have underpinned growth, are long-term phenomena that have increasingly positive effects on the perception of the brand by the market while driving development.

## SUSTAINABILITY STRATEGIES

Sustainability, in its broadest sense (i.e. including environmental, social and governance aspects), plays a key role in the strategic guidelines implemented by FOPE. Following a careful integration of ESG factors in the business model, the Organization is able to develop technological, managerial and operational solutions such as:

- Maximizing efficiency of business processes and activities, with clear benefits linked to strengthening its competitiveness in markets;
- Actively contributing to the sustainable development of its business from an environmental, economic and social perspective.

In recent years, the objective of transparency with respect to its own operations has meant that FOPE is committed to a process of reporting its initiatives linked to social responsibility. From 2017 to 2021, in fact, Fope's consolidated financial statements included a chapter called 'Sustainability Reporting', which was drawn up taking into

account international guidelines and updated annually in order to illustrate the projects implemented in the area of corporate social responsibility and the results achieved thanks to these activities.

Starting from FY2022, the Sustainability Report has become a stand-alone document prepared and published independently of the Financial Statements.

Already in 2019, this commitment to transparency and the increasing integration of environmental, social and *governance* (ESG) factors into business strategies and processes earned the Group the AIM ESG award, given to it by IR TOP *Consulting*<sup>1</sup> and the UK *Department of International Trade* (DIT) during the celebration of the AIM Awards, the awards ceremony for SMEs listed on the AIM (now *Euronext Growth Milan* - EGM) segment of Borsa Italiana, the Italian stock exchange.

In 2023, the company also achieved the ESGe rating of the Cerved Rating Agency with an A score (“High ESGe Risk Management Capability”), scoring better than in the previous year, when it had also achieved a rating of A. The analysis of the sustainability disclosure carried out on the data reported for 2023 by the rating agency revealed a score above the median for FOPE with reference to the “Accessories” cluster. In particular, it rewarded the Company’s sustained efforts to reduce its environmental impact and initiatives to mitigate risks related to corporate governance implemented over the years. Progress was also reported with respect to inclusion and diversity of human resources.

<sup>1</sup> Italy’s leading management consulting firm in the areas of Capital Markets and Investor Relations (<http://irtop.com/>).

The following table shows the financial highlights of the Group's Consolidated Financial Statements compared to those of the previous six months. Amounts are shown in Euro millions.

	2025 (30 JUNE)		2024 (30 JUNE)		2025 VS 2024	
<b>Net Revenue</b>	<b>43.02</b>	<b>100.00%</b>	<b>29.64</b>	<b>100.00%</b>	<b>13.38</b>	<b>45.14%</b>
Operating Costs	(32.43)		(25.94)		(6.49)	
<b>EBITDA</b>	<b>10.59</b>	<b>24.62%</b>	<b>3.70</b>	<b>12.48%</b>	<b>6.89</b>	<b>186%</b>
Amortisation	(1.49)		(1.26)		(0.23)	
<b>EBIT</b>	<b>9.10</b>	<b>21.16%</b>	<b>2.44</b>	<b>8.24%</b>	<b>6.66</b>	<b>273%</b>
Financial Charges	(1.15)		(0.17)		(0.98)	
<b>Pre-Tax Profit</b>	<b>7.95</b>	<b>18.48%</b>	<b>2.27</b>	<b>7.67%</b>	<b>5.68</b>	<b>250%</b>
Taxes	(2.32)		(0.68)		(1.64)	
<b>Net Profit</b>	<b>5.63</b>	<b>13.09%</b>	<b>1.59</b>	<b>5.36%</b>	<b>4.04</b>	<b>254%</b>

  

	2025 (30 JUNE)		2024 (31 DECEMBER)		2025 VS 2024	
Fixed assets	14.66		14.61		0.05	0.34%
Net Working Capital	31.81		30.35		1.46	4.81%
Provisions	(3.28)		(2.86)		(0.42)	(14.69)%
<b>Net Invested Capital</b>	<b>43.19</b>		<b>42.10</b>		<b>1.09</b>	<b>2.59%</b>
<b>Shareholders' Equity</b>	<b>46.43</b>		<b>45.36</b>		<b>1.07</b>	<b>2.36%</b>
<b>Net Financial Position</b>	<b>3.24</b>		<b>3.26</b>		<b>(0.02)</b>	<b>(0.61)%</b>

The following table shows the highlights of the five Group Companies; amounts are shown in Euro millions.

	FOPE SPA	FOPE JEWELLERY	FOPE USA	FOPE DEUSCHLAND	FOPE JAPAN
	30/06/2025	30/06/2025	30/06/2025	30/06/2025	30/06/2025
<b>Net Revenues</b>	<b>40.27</b>	<b>5.13</b>	<b>8.22</b>	<b>0.34</b>	<b>1.57</b>
Operating Costs	29.87	4.98	8.10	0.29	1.44
<b>EBITDA</b>	<b>10.40</b>	<b>0.15</b>	<b>0.12</b>	<b>0.05</b>	<b>0.13</b>
Depreciation	1.38	0.07	0.03	0.01	0.01
<b>EBIT</b>	<b>9.03</b>	<b>0.08</b>	<b>0.10</b>	<b>0.04</b>	<b>0.12</b>
Financial Management	(1.53)	-	-	-	(0.02)
<b>Result Before Taxes</b>	<b>7.50</b>	<b>0.08</b>	<b>0.10</b>	<b>0.04</b>	<b>0.11</b>
Taxes	2.20	0.01	0.02	0.01	0.04
<b>Net Profit</b>	<b>5.30</b>	<b>0.07</b>	<b>0.07</b>	<b>0.03</b>	<b>0.07</b>
Assets	15.39	0.38	0.43	0.16	0.20
Net current assets	32.13	(0.20)	0.09	0.11	(0.48)
Funds	3.28	-	-	-	-
<b>Financial Requirements</b>	<b>44.24</b>	<b>0.18</b>	<b>0.51</b>	<b>0.26</b>	<b>(0.28)</b>
<b>Shareholders' Equity</b>	<b>44.66</b>	<b>1.09</b>	<b>1.95</b>	<b>0.30</b>	<b>0.16</b>
<b>Net Financial Position</b>	<b>(0.42)</b>	<b>(0.91)</b>	<b>(1.43)</b>	<b>(0.03)</b>	<b>(0.44)</b>
Gearbox Applied		USD/EUR	GBP/EUR		YEN/EUR
As at 30/06/2025		1.17	0.86		169.17
Average exchange rate		1.09	0.84		162.12

## BOARD OF DIRECTORS

Umberto Cazzola	Chair
Ines Cazzola	Vice-Chair
Elisa Teatini	Board Member
Davide Angelo Francesco Molteni	Independent Board Member
Diego Nardin	CEO
Camerlengo Alberto	Independent Board Member

## BOARD OF STATUTORY AUDITORS

Marina Barbieri	Chair
Cesare Rizzo	Standing Statutory Auditor
Silvio Cesare Rizzini Bisinelli	Standing Statutory Auditor

## AUDITING BODY

BDO Italia S.p.A.

## SUPERVISORY BODY

Stefania Centorbi

## LISTED SECURITIES:

Listed FOPE S.P.A. securities: Ordinary shares FPE Code ISIN IT0005203424



## REVIEW OF THE MAIN ECONOMIC DATA

Below is the Group's reclassified Consolidated Income Statement compared with the previous six-month period (figures shown in Euro):

PROFIT AND LOSS ACCOUNT	30/06/2025	30/06/2024	CHANGE
<b>Net revenue</b>	<b>43,017,388</b>	<b>29,636,071</b>	<b>13,381,317</b>
Other income	418,651	283,097	135,554
External costs	28,734,172	22,912,424	5,821,748
<b>Value Added</b>	<b>14,701,867</b>	<b>7,006,744</b>	<b>7,695,123</b>
Labor costs	4,105,125	3,308,340	796,785
<b>Gross Operating Margin</b>	<b>10,596,742</b>	<b>3,698,404</b>	<b>6,898,338</b>
Depreciation of fixed assets	1,494,691	1,255,039	239,652
<b>Operating Profit</b>	<b>9,102,051</b>	<b>2,443,365</b>	<b>6,658,686</b>
Financial income and expenses	(1,152,657)	(171,063)	(981,594)
<b>Profit before tax</b>	<b>7,949,394</b>	<b>2,272,302</b>	<b>5,677,092</b>
Income tax	2,318,879	683,753	1,635,126
<b>Net result</b>	<b>5,630,515</b>	<b>1,588,549</b>	<b>4,041,966</b>

## SALES REVENUES

The commercial results for the year 2025 were positive. Net sales revenues amounted to €43.02 million, an increase of €13.38 million (45.15%) over the previous year.

The European and US markets contributed most to growth, as did the South-East Asian and Eastern markets, towards which we increased our commercial investments. The Italian market, which is always the subject of special attention, performed well with customers in holidaying areas as well as in cities and residential areas.

At the moment we have not recorded any significant negative effects on sales volumes in the United States as a result of the application, from April 2025, of the price list increases necessary to compensate for the higher costs due to new customs tariffs imposed by the US administration. Sales refer to the FOPE jewelry collections, which are made, as known, in-house exclusively under the FOPE brand and are distributed in multi-brand stores, i.e. to customers and retailers of the brand. In addition to this business model, since 2015, sales also include those made at the boutique in Venice, which in this case see the end consumer himself/herself as a customer, as well as those, again to end consumers, through the Parent Company's e-commerce website.

Fope collections are also available in flagship stores in London, Kuala Lumpur, Tokyo, and Seoul. The boutique in Venice is managed directly by the Parent Company, while the others are managed in collaboration with local retailers.

The new collections presented in 2025 directly to retailers of the distribution network were very well received, while the “timeless” pieces and collections that have been on the market for several years continue to be very popular.

Dealers, which are largely medium-high level, *multibrand* shops, are present on the market at an international level and the 85.47% of the total turnover achieved in 2025 was recorded in foreign countries, a percentage in line with the previous year.

## OPERATING COSTS

Operating costs (excluding labor costs), which were 25.41% higher than in the previous semester, include variable industrial costs proportional to sales volumes and structural costs, which increased in order to meet rising order volumes and business growth.

No significant costs of an extraordinary nature with respect to current operations were recorded during the period.

In order to consolidate the operational structure, the Fope work team has also changed compared to last year; the 24.08% increase in costs is mainly attributable the recruitment of new qualified personnel to support both production activities and staff in support functions, including those assigned to branches.

Of particular importance is the introduction into the organizational structure of the position of General Manager, which has been filled since March by a person with strong skills and experience.

The actions included in the marketing and communication plan implemented during the year were fully expensed during the period. Marketing expenses include the costs of participating in international trade fairs, print and online communication programs, and marketing initiatives and events carried out directly in collaboration with authorized jewelers.

During 2025, digital communication endeavors continued to be underpinned by social media channels.

The international trade shows in which Fope participates are the two editions of Vicenzaoro (which have seen growth in terms of business volume generated), the Centurion event in Arizona, and the Las Vegas trade show. It should be noted that during trade shows, Fope meets with dealer customers, presents its collections, and takes sales orders.

The costs for the purchase of raw materials and other consumer goods produced the expected margins, in line with forecasts. Gold was purchased with forward hedging transactions in order to stabilize the average cost. The costs for managing the sales network, agents' commission and the Group's commercial companies are proportional to sales volumes.

According to the Group's operating model, it should be noted that the affiliated distribution companies, which deal with the marketing of the collections, are responsible for costs of a commercial nature and specific marketing activities, in addition to labor costs, while operating costs relating to product manufacturing and distribution cycle, in respect of areas not covered by the subsidiaries and other support functions, lie with the Parent Company.

## AMORTIZATION, DEPRECIATION AND OTHER PROVISIONS

The portion of amortization/depreciation charged to the financial year (19.10% compared to the figure posted in 2024) includes the portions relating to investments made in the year and in previous years.

Allocations to the Provision for Employee Severance Pay, as well as to the Provision for Agents' Termination Indemnity, were calculated in accordance with applicable regulations.

## MARGINS AND RESULT FOR THE PERIOD

EBITDA (earnings before interest, taxes, depreciation, and amortization) amounted to €10.59 million, an increase of €6.90 million in absolute terms compared to the figure recorded in 2024; similarly, EBIT grew to €9.10 million.

The increase in the value of the operating margin, which is then reflected in the pre-tax result, is attributable to the improved primary margin recorded compared to the first half of 2024 and to higher turnover volumes, which had a positive impact on operating costs.

Pre-tax profit/(loss) stood at €7.95 million. Net profit for the year of €5.63 million was up €4 million on the previous year's figure of €1.59 million.

## ANALYSIS OF THE MAIN BALANCE SHEET AND FINANCIAL DATA

### MAIN BALANCE SHEET DATA

Below is the Group's reclassified Balance Sheet, compared to that of the previous year (figures shown in Euro):

RECLASSIFIED BALANCE SHEET	30/06/2025	31/12/2024	CHANGE
Net intangible assets	2,754,234	3,054,343	(300,109)
Net tangible fixed assets	11,851,566	11,499,737	351,829
Equity investments and other financial assets	803,939	813,142	(9,203)
<b>Capital assets</b>	<b>15,409,739</b>	<b>15,367,222</b>	<b>42,517</b>
Inventories	18,797,370	15,746,887	3,050,483
Receivables from Customers	18,326,070	17,255,853	1,070,217
Other Receivables	3,597,679	2,830,346	767,333
Cr position for ECF hedging transactions	3,722,853	3,152,137	570,716
<b>Short-term operating assets</b>	<b>44,443,972</b>	<b>38,985,223</b>	<b>5,458,749</b>
Trade payables	6,008,927	5,565,634	443,293
Other payables	5,735,576	2,769,150	2,966,426
<b>Short-term Operating Liabilities</b>	<b>11,744,503</b>	<b>8,334,784</b>	<b>3,409,719</b>
<b>Net Working Capital</b>	<b>32,699,469</b>	<b>30,650,439</b>	<b>2,049,030</b>
Provision for Employee Severance Pay	(1,454,076)	(1,411,589)	(42,487)
Provision for Termination Indemnity and Other Provisions	(2,658,523)	(2,046,781)	(611,742)
Fund for ECF hedging	(804,367)	(460,095)	(344,272)
<b>Total Funds</b>	<b>(4,916,966)</b>	<b>(3,918,465)</b>	<b>(998,501)</b>
Invested Capital	43,192,242	42,099,196	1,093,046
Share Capital and Reserves	(44,323,699)	(43,431,964)	(891,735)
Reserve for ECF hedging	(2,109,220)	(1,926,917)	(182,303)
<b>Shareholders' Equity</b>	<b>(46,432,919)</b>	<b>(45,358,881)</b>	<b>(1,074,038)</b>
M/L-term financial position	(8,916,212)	(4,000,999)	(4,915,213)
Short-term financial position	12,156,888	7,260,684	4,896,204
Net Financial Position	3,240,676	3,259,685	(19,009)
<b>Equity and Net Financial Position</b>	<b>43,192,243</b>	<b>42,099,196</b>	<b>1,093,047</b>

## FIXED ASSETS

Investments in tangible and intangible fixed assets made during the year, amounting to €1.56 million, relate to technological equipment and devices used in the production process, as well as assets supporting commercial activities. Among the commercial investments, it is worth mentioning the creation of Shop-in-Shops (FOPE custom furniture corners within dealers' stores). In 2025, collateral and extension implementations of the project continued, with the implementation of the new SAP IT system, which the Group is appreciating in terms of consistency and completeness of the IT base and ease of access.

## TRADE RECEIVABLES AND PAYABLES

The overall credit exposure to customers showed a positive change in the overall deferral index compared to 2024. The increase in the balance compared to the previous year is proportional and attributable to the growth in sales volumes.

For suppliers, payment management policies have not changed and the changes in balances at June 30 are attributable to the timing of certain payments made.

The item "Credit Position for ECF Hedging Transactions" in the reclassified statement includes the active position of derivative financial instruments, while the item "Fund for ECF Hedging Transactions" includes the passive position of the same.

## INVENTORIES

The value of inventories, amounting to €18.80 million, increased compared to the previous year (+€3.05 million compared to December 31, 2024). The overall change is attributable to an increase in the stock of finished and semi-finished products as of June 30, to support sales activities and to enable the delivery of planned orders, as well as to a partial reduction in the stock of raw materials. It should be noted that production only works based on orders and not on stock.

## AMOUNTS OWED TO CREDIT INSTITUTIONS AND FINANCIAL POSITION

During the year, loans in the amount of €8.50 million were taken out, in order to replace similar positions that had been used up and to streamline treasury and investment management costs.

The net financial position, cash positive for €3.24 million, remained in line with the position recorded as of December 31, 2024, when it stood at €3.26 million.

The individual cash flow entries are recorded and commented on in the Statement of Cash Flows, on page 24.

During the financial year, dividends totaling €4.59 million were distributed and the remaining profit was transferred to equity reserves.

In accordance with the accounting standard OIC 32 (June 2016), the effects of cash flow hedging transactions recorded as at June 30, 2025 were recognized under assets or liabilities. Specifically, they refer exclusively to hedging transactions, carried out by the Parent Company with a view to stabilizing the purchase price of gold or stabilizing currency exchange rates.

The calculated effects of transactions were held under assets if they implied a positive effect and under liabilities if they implied a negative effect, and were reported as a balance in the reserve for "ECF hedging transactions".

As at June 30, 2025, FOPE S.p.A. did not hold and had not disposed of any treasury shares, and therefore no specific Shareholders' Equity reducing entry was reflected under liabilities pursuant to and for the purposes of Article 2357-ter of the Italian Civil Code.

## CASH FLOWS

Summary of consolidated cash flow statement as at June 30, 2025 (in Euro):

<b>CASH FLOWS</b>	<b>30/06/2025</b>	<b>31/12/2024</b>	<b>CHANGE</b>
Profit for the Year	5,630,514	8.383.788	(2,753,274)
Depreciation and amortization	1,494,691	2.686.392	(1,191,701)
Change in provisions for Employee Severance Pay and for Agents' Termination Indemnity	76,659	232,079	(155,420)
<b>Gross self-financing</b>	<b>7,201,864</b>	<b>11,302,259</b>	<b>(4,100,395)</b>
Change in trade receivables	(1,229,251)	(2,645,339)	1,416,088
Change in other short-term receivables	(767,333)	524,194	(1,291,527)
<b>Change in inventories</b>	<b>(3,050,484)</b>	<b>(28,659)</b>	<b>(3,021,825)</b>
<b>Change in short-term payables</b>	<b>4,146,326</b>	<b>2,649,375</b>	<b>1,496,951</b>
Change in Net Working Capital	(900,742)	499,571	(1,400,313)
Flow Generated by Management	6,301,122	11,801,830	(5,500,708)
Change in tangible and intangible	(1,546,410)	(3,359,825)	1,813,415
Change in financial assets	9,203	69,360	(60,157)
Repayment of M/L Term Loans	(6,038,083)	(5,398,577)	(639,506)
<b>Loans</b>	<b>(7,575,290)</b>	<b>(8,689,042)</b>	<b>1,113,752</b>
Acquisition of Loans	8,500,000	6,000,000	2,500,000
Issue of Convertible Loans			
Changes in Shareholders' Equity Res.	(4,738,783)	(4,582,656)	(156,127)
<b>Sources</b>	<b>3,761,217</b>	<b>1,417,44</b>	<b>2,343,873</b>
Ch. of Cr Pos. for ECF hedging transactions	(570,716)	(2,456,989)	1,886,273
Ch. of Fd for ECF hedging transactions	344,272	311,250	33,022
Ch. of Reserves for ECF hedging transactions	182,303	1,506,418	(1,324,115)
<b>Ch. of Pos. for ECF hedging transactions</b>	<b>(44,141)</b>	<b>(639,321)</b>	<b>595,180</b>
<b>Net Cash Flow</b>	<b>2,442,908</b>	<b>3,890,811</b>	<b>(1,447,903)</b>
Net Banking Ratio Credit/(Debt) 30/06/2025	17,588,377		17.588.377
Net Banking Credit/(Debt) 31/12/2024	15,145,470	15,145,470	
Net Banking Credit/(Debt) 31/12/2023		11,254,658	(11,254,658)
<b>Change Net Position Debit/(Credit)</b>	<b>2,442,907</b>	<b>3,890,812</b>	<b>(1,447,905)</b>

Self-financing generated by economic results produced a net cash flow of €2.44 million as of June 30, 2025, with an increase of liquidity of €1.45 million compared to December 31, 2024.

Self-financing and the funding resulting from new M/L-term loans made it possible to meet the financial commitments required to finance the investment plan, while complying with the amortization schedule for repayment of outstanding loans and managing treasury flows without straining liquidity requirements.

## REVIEW OF FINANCIAL POSITION

The net financial position as at June 30, 2025 and at the end of the previous year was as follows (figures shown in Euro):

NET FINANCIAL POSITION	30/06/2025	31/12/2024	CHANGE
Net position short-term bank loans and cash values	17,588,377	15,145,470	2,442,907
Short-term portion of loans	(5,431,489)	(7,884,786)	2,453,297
Net short-term financial position	12,156,888	7,260,684	4,896,204
Long-term portion of loans	(8,916,212)	(4,000,999)	(4,915,213)
<b>Net financial position</b>	<b>3,240,676</b>	<b>3,259,685</b>	<b>(19,009)</b>

During the period, new loans were taken out and outstanding loans were repaid to the extent of €8.50 million and €6.04 million, respectively.

The amount of circulating gold required to meet production cycle needs is partly provided by credit institutions on the basis of “loan for use” contracts. As of June 30, 2025, the total commitment for the availability of gold owned by credit institutions, based on the above contracts, amounts to €29.65 million.

## INTERCOMPANY TRANSACTIONS

During the period under review, the parent company FOPE S.p.A. entered into the following intercompany transactions (figures shown in Euro):

- Fope Usa Inc;
- Fope Jewellery Ltd;
- Fope Deutschland GmbH;
- Fope Japan G.K..

Company	RECEIVABLES	PAYABLES	REVENUES	COSTS
Fope Usa Inc	5,934,033	132,735	6,134,046	379,275
Fope Jewellery Ltd	4,552,897	2,172	3,861,913	54,318
Fope Deutschland GmbH	2,289	71,249		342,934
Fope Japan GK	2,813,522	133,420	1,762,348	246,633

The above transactions, which do not include any atypical and/or unusual transactions, were governed by the arm's length principle.

## STAFF

The staff employed at Group companies as at June 30, 2025 comprised 107 people: 59 women and 48 men.

No significant accidents occurred during the period.



## ENVIRONMENT

The Group carries out its business in compliance with the provisions on environmental protection. During the period, monitoring activities on compliance with gas and liquid emission standards were carried out on a regular basis by the designated contractors, testing negative at all times. During October 2025, the parent company Fope S.p.A. publishes its "Sustainability Report" referring to data and management for 2024.

## INFORMATION RELATING TO RISKS AND UNCERTAINTIES PURSUANT TO ARTICLE 2428, SECTION 2(6-BIS) OF THE ITALIAN CIVIL CODE

In accordance with Article 2428, section 2(6-bis) of the Italian Civil Code, information is provided below regarding the use of financial instruments, insofar as they are relevant to give a true and fair view of the Company's financial situation and performance.

More precisely, the objectives of corporate management, policies and criteria used to measure, monitor and control the financial risks include:

- Financial hedges to stabilize the purchase price of raw materials (gold);
- Financial hedges to stabilize the exchange rate risk in connection with countries in the US Dollar, Pound Sterling, Australian Dollar and Japanese Yen areas;
- Financial hedges to prevent the interest rate risk on medium-term loans.

## CREDIT RISK

The amount of provisions for doubtful receivables affords adequate hedging of credit risk.

## LIQUIDITY RISK

With regard to liquidity risk, it should be noted that:

- Group companies do not hold financial assets for which there is a liquid market and which can be readily sold to meet cash requirements;
- Borrowing instruments or other lines of credit are available to meet cash needs (e.g. overdraft arrangements and factoring of trade receivables with banks);
- The Parent Company holds financial assets for which there is no liquid market, but from which cash flows (principal or interest) are expected to be available to meet cash requirements;
- The Parent Company holds deposits with credit institutions to meet its cash requirements;
- The main sources of financing, excluding short-term bank exposure, are M/L-term loans with banks.

## POLICIES RELATED TO DIFFERENT HEDGING ACTIVITIES

The Group operates in the jewelry industry and a significant risk class applies to the volatility of valuations on the international gold market (gold being used as a raw material) and to the ensuing purchase price.

In order to stabilize the purchase price, the Parent Company fixes the end price by relying on financial hedging transactions. The transactions, which do not have a duration of more than 24 months, are carried out on a rotation basis for a portion of the total estimated requirements.

## BUSINESS OUTLOOK

In light of the positive results recorded in 2025, while not lifting all reservations regarding potential critical future developments in the macroeconomic situation, particularly with regard to the geopolitical scenario characterized by the conflict between Russia and Ukraine and the Israeli-Palestinian conflict, positive business development is expected to continue in 2025.

Based on the Company's forecasts for 2025, sales volume growth and a positive economic result are expected. The results recorded in the first months of 2025 bear out these forecasts and, consequently, the above- mentioned expectations.

Diego Nardin  
FOPE S.p.A. CEO

A handwritten signature in blue ink, appearing to read 'Diego Nardin', is written over the printed name and title.

# CONSOLIDATED FINANCIAL STATEMENT

BALANCE SHEET

PROFIT AND LOSS

CONSOLIDATED FINANCIAL STATEMENT (INDIRECT METHOD)



Balance Sheet Assets	30/06/2025	31/12/2024
<b>A) Unpaid share capital</b>		
Called-up share capital		
Share capital to be called up		
Total Unpaid share capital (A)		
<b>B) Fixed assets</b>		
<b>I - Intangible fixed assets</b>		
1) plant and expansion costs		
2) development costs		
3) industrial patent and intellectual property rights	1,925,797	2,016,755
4) concessions, licenses, trademarks and other similar rights	14,838	13,924
5) goodwill	192,872	269,188
6) assets under construction and payments on account		
7) others	620,727	754,476
Total intangible fixed assets	2,754,234	3,054,343
<b>II - Tangible fixed assets</b>		
1) land and buildings	7,024,419	7,163,685
2) plant and machinery	2,201,267	1,961,043
3) industrial and commercial equipment	1,664,215	1,403,513
4) other assets	735,258	771,478
5) assets under construction and payments on account	226,407	200,018
Total tangible fixed assets	11,851,566	11,499,737
<b>III - Financial fixed assets</b>		
<b>1) equity investments in</b>		
a) subsidiaries		
b) associated companies		
c) parent companies		
d) companies subject to the control of parent companies		
d-bis) other companies	5,068	5,715
Total equity investments	5,068	5,715
<b>2) receivables</b>		
<b>a) amounts due from subsidiaries</b>		
within the following year		
after the following year		
Total amounts due from subsidiaries		
<b>b) amounts due from associated companies</b>		
within the following year		
after the following year		
Total amounts due from associated companies		
<b>c) amounts due from parent companies</b>		
within the following year		
after the following year		
Total amounts due from parent companies		
<b>d) amounts due from companies subject to the control of parent companies</b>		
within the following year		
after the following year		
Total amounts due from companies subject to the control of parent companies		
<b>d-bis) amounts due from others</b>		
within the following year	48,871	52,429
after the following year		
Total long-term receivables from others	48,871	52,429
Total receivables	48,871	52,429
<b>3) other securities</b>	750,000	750,000
<b>4) derivative financial instrument (assets)</b>		4,998
Total financial fixed assets	803,939	813,142

<b>Balance Sheet Assets</b>	<b>30/06/2025</b>	<b>31/12/2024</b>
Total fixed assets (B)	15,409,739	15,367,222
<b>C) Current assets</b>		
<b>I - Inventories</b>		
1) raw materials, auxiliary materials and consumables	3,618,320	3,965,350
2) unfinished and semi-finished products	6,580,930	4,964,616
3) contract work in progress		
4) finished products and goods	8,575,024	6,810,197
5) payments on account	23,096	6,724
Total inventories	18,797,370	15,746,887
Tangible fixed assets for sale		
<b>II - Receivables</b>		
<b>1) trade receivables</b>		
within the following year	18,326,070	17,255,853
after the following year		
Total trade receivables	18,326,070	17,255,853
<b>2) amounts due from subsidiaries</b>		
within the following year		
after the following year		
Total amounts due from subsidiaries		
<b>3) amounts due from associated companies</b>		
within the following year		
after the following year		
Total amounts due from associated companies		
<b>4) amounts due from parent companies</b>		
within the following year		
after the following year		
Total amounts due from parent companies		
<b>5) amounts due from companies subject to the control of parent companies</b>		
within the following year		
after the following year		
Total amounts due from companies subject to the control of parent companies		
<b>5-bis) amounts due from Inland Revenue</b>		
within the following year	1,342,346	940,979
after the following year		
Total amounts due from Inland Revenue	1,342,346	940,979
<b>5-ter) prepaid taxes</b>	1,182,684	1,005,707
<b>5-quater) amounts due from others</b>		
within the following year	335,658	516,400
after the following year	108	122
Total amounts due from others	335,766	516,522
Total receivables	21,186,866	19,719,061
<b>III - Current financial assets</b>		
1) equity investments in subsidiaries		
2) equity investments in associated companies		
3) equity investments in parent companies		
3-bis) equity investments in companies subject to the control of parent companies		
4) other equity investments		
5) derivative financial instrument (assets)	3,722,853	3,152,137
6) other securities		
Financial assets for cash pooling management		
Total current financial assets	3,722,853	3,152,137
<b>IV - Cash and cash equivalents</b>		
1) bank and postal deposits	17,577,821	15,101,771
2) cheques		33,396

<b>Balance Sheet Assets</b>	<b>30/06/2025</b>	<b>31/12/2024</b>
3) cash and securities on hand	10,556	10,303
Total cash and cash equivalents	17,588,377	15,145,470
Total current assets (C)	61,295,466	53,763,555
<b>D) Accrued income and prepayments</b>	736,884	367,137
<b>Total assets</b>	<b>77,442,089</b>	<b>69,497,914</b>

<b>Balance Sheet – Liabilities</b>	<b>30/06/2025</b>	<b>31/12/2024</b>
<b>A) Group Shareholders' equity</b>		
I - Share capital	5,399,608	5,399,608
II - Share premium reserve	3,433,505	3,433,505
III - Revaluation reserves	1,469,295	1,469,295
IV - Legal reserve	1,202,499	1,202,499
V - Statutory reserves		
<b>VI - Other reserves, separately stated</b>		
Extraordinary reserve	28,724,173	24,440,606
Reserve for derogation under Article 2423 of Italian Civil Code		
Reserve for parent company's shares		
Investment revaluation reserve		
Payments for capital increase		
Payments for future capital increase		
Capital contribution payments		
Payments to cover losses		
Reserve for reduction of share capital		
Merger surplus reserve		
Reserve for unrealized gains on exchange rates		
Profit adjustment reserve		
Consolidation reserve		
Translation differences reserve	(131,194)	48,669
Total other sundry reserves	(1,586,712)	(1,097,436)
Total other reserves	27,006,267	23,391,839
VII - Reserve for expected cash flow hedging transactions	2,109,220	1,926,917
VIII - Profit/(loss) carried forward		(153)
IX - Profit/(loss) for the period	5,606,857	8,346,748
Loss covered in the period		
X - Negative reserve for treasury shares		
Total shareholders' equity	46,227,251	45,170,258
Minority interest in shareholders' equity		
Minority interest in share capital and reserves	182,009	151,583
Profit/(loss) for the period attributable to minority interests	23,657	37,040
Total minority interest in shareholders' equity	205,666	188,623
Total consolidated shareholders' equity	46,432,917	45,358,881
<b>B) Provisions for risks and charges</b>		
1) provision for pensions and similar obligations	1,021,534	987,363
2) provision for taxes, including deferred tax liabilities	1,223,928	1,007,963
consolidation provision for future risks and charges		
3) derivative financial instrument (liabilities)	804,367	460,095
4) others	413,062	51,455
Total provisions for risks and charges	3,462,891	2,506,876
<b>C) Employee severance pay</b>	1,454,076	1,411,589
<b>D) Payables</b>		
<b>1) bonds</b>		
within the following year		
after the following year		
Total bonds		
<b>2) convertible bonds</b>		
within the following year		
after the following year		
Total convertible bonds		
<b>3) amounts due to shareholders for loans</b>		
within the following year		
after the following year		



<b>Balance Sheet – Liabilities</b>	<b>30/06/2025</b>	<b>31/12/2024</b>
Total amounts due to shareholders for loans		
<b>4) amounts due to banks</b>		
within the following year	5,431,489	7,884,786
after the following year	8,916,212	4,000,999
Total amounts due to banks	14,347,701	11,885,785
<b>5) amounts due to other lenders</b>		
within the following year	44,573	49,350
after the following year		
Total amounts due to other lenders	44,573	49,350
<b>6) payments on account</b>		
within the following year	98,652	257,685
after the following year		
Total payments on account	98,652	257,685
<b>7) trade payables</b>		
within the following year	6,008,927	5,565,634
after the following year		
Total trade payables	6,008,927	5,565,634
<b>8) payables in the form of credit instruments</b>		
within the following year		
after the following year		
Total payables in the form of credit instruments		
<b>9) amounts due to subsidiaries</b>		
within the following year		
after the following year		
Total amounts due to subsidiaries		
<b>10) amounts due to associated companies</b>		
within the following year		
after the following year		
Total amounts due to associated companies		
<b>11) amounts due to parent companies</b>		
within the following year		
after the following year		
Total amounts due to parent companies		
<b>11-bis) amounts due to companies subject to the control of parent companies</b>		
within the following year		
after the following year		
Total amounts due to companies subject to the control of parent companies		
<b>12) amounts due to Inland Revenue</b>		
within the following year	3,932,341	1,034,364
after the following year		
Total amounts due to Inland Revenue	3,932,341	1,034,364
<b>13) amounts due to social security and welfare institutions</b>		
within the following year	389,279	386,721
after the following year		
Total amounts due to social security and welfare institutions	389,279	386,721
<b>14) other payables</b>		
within the following year	1,073,353	805,886
after the following year		
Total other payables	1,073,353	805,886
Total payables	25,894,826	19,985,425
<b>E) Accrued expenses and deferred income</b>	197,379	235,143
<b>Total liabilities</b>	<b>77,442,089</b>	<b>69,497,914</b>

Income statement	30/06/2025	30/06/2024
<b>A) Production Value</b>		
1) revenues from sales and services	43,017,388	29,636,071
2) changes in inventories of unfinished, semi- finished and finished products	3,213,625	10,259,906
3) changes in contract work in progress		
4) increase in fixed assets from in-house production		
<b>5) other income and revenues</b>		
operating grants	36,794	11,942
others	381,857	271,156
Total other income and revenues	418,651	283,098
Total production value	46,649,664	40,179,075
<b>B) Costs of production</b>		
6) raw materials, auxiliary materials, consumables and goods	20,820,424	15,302,930
7) services	10,357,124	9,350,179
8) use of third-party assets	425,714	384,553
9) labor costs		
a) salaries and wages	2,963,918	2,449,448
b) social security contributions	820,047	660,119
c) employee severance pay	156,608	121,146
d) pensions and similar obligations		
e) other costs	164,552	77,628
Total labor costs	4,105,125	3,308,341
<b>10) amortization, depreciation and write-downs</b>		
a) amortization of intangible fixed assets	688,465	618,819
b) depreciation of tangible fixed assets	799,311	636,220
c) other write-downs of fixed assets		
d) write-downs of receivables included in current assets and cash and cash equivalents	120,496	73,500
Total amortization, depreciation and write- downs	1,608,272	1,328,539
11) changes in inventories of raw materials, auxiliary materials, consumables and goods	139,852	7,969,694
12) provisions for risks		
13) other provisions	10,776	
14) sundry operating charges	80,327	91,475
Total production costs	37,547,614	37,735,711
Difference between production value and costs (A - B)	9,102,050	2,443,364
<b>C) Financial income and charges</b>		
<b>15) income from equity investments</b>		
from subsidiaries		
from associated companies		
from parent companies		
from companies subject to the control of parent companies		
others		
Total income from equity investments		
<b>16) other financial income</b>		
a) from receivables recorded under fixed assets		
from subsidiaries		
from associated companies		
from parent companies		
from companies subject to the control of parent companies		
others		
Total financial income from receivables recorded under fixed assets		
b) from securities held under fixed assets as other than equity investments		
c) from securities held under current assets as other than equity investments		
<b>d) income other than the above</b>		
from subsidiaries		
from associated companies		

<b>Income statement</b>	<b>30/06/2025</b>	<b>30/06/2024</b>
from parent companies		
from companies subject to the control of parent companies		
others	101,912	95,935
Income other than the above	101,912	95,935
Total other financial income	101,912	95,935
<b>17) Interest and other financial charges</b>		
due to subsidiaries		
due to associated companies		
due to parent companies		
due to companies subject to the control of parent companies		
others	328,988	259,990
Total interest and other financial charges	328,988	259,990
17-bis) Exchange rate gains/(losses)	(925,581)	(7,008)
Total financial income and charges (15 + 16 - 17 + - 17-bis)	(1,152,657)	(171,063)
<b>D) Value adjustments to financial assets and liabilities</b>		
<b>18) write-ups</b>		
a) of equity investments		
b) of financial fixed assets other than equity investments		
c) of securities held under current assets as other than equity investments		
d) of derivative financial instruments		
of financial assets for cash pooling management		
Total write-ups		
<b>19) write-downs</b>		
a) of equity investments		
b) of financial fixed assets other than equity investments		
c) of securities held under current assets as other than equity investments		
d) of derivative financial instruments		
of financial assets for cash pooling management		
Total write-downs		
Total value adjustments to financial assets and liabilities (18 - 19)		
Pre-tax profit/(loss) (A - B +/- C +/- D)	7,949,393	2,272,301
<b>20) Current taxes and deferred tax assets and liabilities</b>		
current taxes	2,313,583	781,745
taxes pertaining to previous years	(135)	21,117
deferred tax assets and liabilities	5,431	(119,110)
income (expense) from participation in the tax consolidation/fiscal transparency scheme		
Total current taxes and deferred tax assets and liabilities	2,318,879	683,752
<b>21) Net profit/(loss) for the period</b>	5,630,514	1,588,549
Group profit/(loss)	5,606,857	1,584,388
Profit/(loss) for the period attributable to minority interests	23,657	4,161

<b>Statement of cash flow, indirect method</b>	<b>30/06/2025</b>	<b>31/12/2024</b>
<b>A) Cash flow from operating activities (indirect method)</b>		
Profit (loss)) for the year	5,630,514	8,383,788
Income taxes	2,318,879	3,117,072
Interest expenses/( income)	227,076	470,766
(Dividends)		
(Gains)/Losses on disposal of assets	(9,132)	(7,895)
1) Profit (loss) for the year before income taxes, interest, dividends and capital gains/ losses on disposal	8,167,337	11,963,731
<b>Adjustments for non-cash items that did not have a balancing entry in net working capital</b>		
Allocations to provisions	2,309,156	1,649,040
Depreciation of fixed assets	1,487,776	2,686,392
Impairment losses		
Value adjustments of financial assets and liabilities of derivative financial instruments not involving monetary movements		
Other upward/(downward) adjustments for non-monetary items		
Total adjustments for non-monetary items that did not have a balancing entry in net working capital	3,796,932	4,335,432
2) Cash flow before changes in net working capital	11,964,269	16,299,163
<b>Changes in net working capital</b>		
Decrease/( Increase) in inventories	(3,050,484)	(28,659)
Decrease/(Increase) in trade receivables	(1,229,251)	(2,645,339)
Increase/(Decrease) in trade payables	734,170	1,520,348
Decrease/(Increase) in accrued income and prepaid expenses	(369,747)	146,575
Increase/(Decrease) in accrued expenses and deferred income	(37,764)	31,827
Other decreases/(increases) in net working capital	(121,504)	(289,126)
Total changes in net working capital	(4,074,580)	(1,260,374)
3) Cash flow after changes in net working capital	7,889,689	15,034,789
<b>Other adjustments</b>		
Interest received/(paid)	(227,076)	(470,766)
(Income taxes paid)	(170,484)	(3,163,687)
Dividends received		
(Use of funds)	(1,353,141)	(373,586)
Other receipts/( payments)	9,132	7,895
Total other adjustments	(1,741,569)	(4,000,144)
Cash flow from operating activities (A)	6,148,120	11,034,645
<b>B) Cash flow from investing activities</b>		
<b>Tangible fixed assets</b>		
(Investments)	(1,233,642)	(2,675,561)
Divestments	29,338	358,547
<b>Intangible fixed assets</b>		
(Investments)	(377,585)	(907,936)
Divestments		
<b>Financial fixed assets</b>		
(Investments)		(3,073)
Divestments	9,203	72,433
<b>Financial assets not held as fixed assets</b>		
(Investments)		
Disinvestments		
(Acquisition of business units net of cash and cash equivalents)		
Disposal of business units net of cash and cash equivalents		
Cash flow from investing activities (B)	(1,572,686)	(3,155,590)
<b>C) Cash flows from financing activities</b>		
<b>Third-party funds</b>		
Increase/(Decrease) short-term payables to banks		(513)
Raising of loans	8,500,000	6,000,000

<b>Statement of cash flow, indirect method</b>	<b>30/06/2025</b>	<b>31/12/2024</b>
(Repayment of loans)	(6,042,860)	(5,398,576)
<b>Equity</b>		
Paid-in capital increase		
(Capital repayment)		
Disposal/(Purchase) of treasury shares		
(Dividends and interim dividends paid)	(4,589,667)	(4,589,667)
Cash flow from financing activities (C)	(2,132,527)	(3,988,756)
Increase (decrease) in cash and cash equivalents (A ± B ± C)	2,442,907	3,890,299
Exchange rate effect on cash and cash equivalents		
<b>Cash and cash equivalents at the beginning of the year</b>		
Bank and postal deposits	15,101,771	11,246,304
Cheques	33,396	329
Cash and valuables on hand	10,303	8,538
<b>Total cash and cash equivalents at beginning of year</b>	<b>15,145,470</b>	<b>11,255,171</b>
Of which not freely usable		
<b>Cash and cash equivalents at year-end</b>		
Bank and postal deposits	17,577,821	15,101,771
Cheques		33,396
Cash and valuables on hand	10,556	10,303
<b>Total cash and cash equivalents at year-end</b>	<b>17,588,377</b>	<b>15,145,470</b>
Cash flow statement, indirect method		
Of which not freely available		
Acquisition or disposal of subsidiaries		
Total consideration paid or received		
Part of the fees consisting of liquid assets		
Cash acquired or disposed of in acquisitions/disposals of subsidiaries		
Book value of assets/liabilities acquired or sold		



NOTES TO THE CONSOLIDATED  
FINANCIAL STATEMENTS AS AT  
30 JUNE 2025





FOPE S.p.A., the parent company, and its subsidiaries operate both in Italy and abroad in the goldsmith industry with a focus on medium/high-end gold and jewelry-making.

Significant events occurring during the reporting period are extensively described in the Consolidated Report on Operations, to which reference should be made.

## STRUCTURE AND CONTENT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements, consisting of the Balance Sheet, Income Statement, Statement of Cash Flows and Notes, were prepared in accordance with Article 29 of Italian Legislative Decree 127/91, as indicated in these Notes, which were prepared pursuant to Article 38 thereof.

Moreover, such additional information as deemed necessary to provide more comprehensive disclosure of the Group's economic, financial, and equity position was prepared, with special reference to the Statement of Reconciliation between the Parent Company's Profit and Shareholders' Equity and the Consolidated Profit and Shareholders' Equity for the reporting period.

## BASIS OF PREPARATION

These Financial Statements were prepared taking into account the regulatory changes introduced by Italian Legislative Decree 139/2015, applicable as of FY2016, and the ensuing update of the accounting standards issued by the Italian Accounting Standard Board (Organismo Italiano di Contabilità - OIC).

For each item reflected in the Balance Sheet and the Income Statement, the corresponding figures from the previous year are shown.

In 2016, the new national accounting standards issued by the OIC became effective and were required to be adopted as of 1 January 2016.

In March 2024, the OIC published some amendments to the national accounting standards resulting from requests for clarification received from OIC stakeholders in the last year. The main amendments concerned accounting standards OIC 16 and OIC 31 to introduce specific accounting rules regarding decommissioning and restoration obligations; OIC 25 to clarify that the provisions deriving from the OECD Pillar II model are not relevant for the purposes of deferred taxation; and OIC 12, OIC 15 and OIC

19 to clarify that discounts are accounted for as a reduction of revenues while advance collections of receivables are accounted for as financial charges. The amendments made to OIC 25 came into force immediately upon publication in March 2024, while the amendments to OIC 12, 15, 16, 19, 20, 21, and 31 apply to financial statements for periods beginning on or after 1 January 1, 2024.

The effects resulting from the application thereof will be treated as indicated by OIC 29 in respect of amendments to accounting standards.

The OIC also published Interpretative Document 11 - “Accounting aspects relating to the measurement of securities held as current assets” updated for 2023 financial statements.

On March 25, 2020, the Management Board of the OIC finally approved accounting standard OIC 33 “Transition to national accounting standards”. The above standard governs the manner in which the first financial statements prepared in accordance with the provisions of the Italian Civil Code and National Accounting Standards shall be drafted by a company that previously prepared its financial statements in accordance with other standards.

The following table summarizes the status of the National Accounting Standards, in view of the recent update:

Document	UPDATED	NOT UPDATED	REPEALED
OIC 2 Assets and Financing for a Specific Purpose		OCTOBER 2005	
OIC 3 Disclosures on Financial Instruments to be Included in the Notes to the Financial Statements and the Report on Operations			X
OIC 4 Merger and Spin-off		JANUARY 2007	
OIC 5 Liquidation Financial Statements		JUNE 2008	
OIC 6 Debt Restructuring and Disclosure			X
OIC 7 Green Certificates			X
OIC 8 Greenhouse gas emission allowances		FEBRUARY 2013	
OIC 9 Impairment losses on property, plant and equipment and intangible assets	JANUARY 2023		
OIC 10 Statement of Cash Flows	DECEMBER 2016		
OIC 11 Financial Statements, Purpose and Postulates	MARCH 2018		
OIC 12 Composition and format of financial statements	JANUARY 2024		
OIC 13 Inventories	DECEMBER 2017		
OIC 14 Cash and cash equivalents	DECEMBER 2016		
OIC 15 Receivables	JANUARY 2024		
OIC 16 Tangible Fixed Assets	JANUARY 2024		
OIC 17 Consolidated Financial Statements and Equity Method	DECEMBER 2017		
OIC 18 Accruals	DECEMBER 2016		
OIC 19 Payables	JANUARY 2024		
OIC 20 Debt Securities	JANUARY 2024		
OIC 21 Equity Investments	JANUARY 2024		
OIC 22 Memorandum			X
OIC 23 Contract work in progress	DECEMBER 2016		
OIC 24 Intangible fixed assets	DECEMBER 2017		
OIC 25 Income Taxes	MARCH 2024		
OIC 26 Foreign Currency Transactions, Assets and Liabilities	DECEMBER 2016		
OIC 28 Equity	JANUARY 2023		
OIC 29 Changes in Accounting Policies, Accounting Estimates, Errors and Events Occurring After the Balance Sheet Date	DECEMBER 2017		
OIC 30 Interim Financial Reporting	APRIL 2006		
OIC 31 Provisions for Risks and Charges and Severance Indemnities	JANUARY 2024		
OIC 32 Financial Derivative Instruments	JANUARY 2019		
OIC 33 Transition to National Accounting Standards	MARCH 2020		
OIC 34 Revenues	APRIL 2023		
OIC 35 ETS (third sector organizations) accounting principle	MARCH 2023		

The Financial Statements for the year ended June 30, 2025, of which these Notes form an integral part pursuant to Article 2423, section 1 of the Italian Civil Code, reflect the accounting records duly kept and were prepared in accordance with Articles 2423

et seq. thereof. The figures in the financial statements are shown in Euro units, with the relevant amounts being rounded off. Any rounding-off differences were reflected in the “Euro rounding-off reserve” under Shareholders’ Equity. Pursuant to Article 2423, section 6 of the Italian Civil Code, the Notes were prepared in Euro units.

In accordance with Article 2423-ter, section 5 of the Italian Civil Code, adjustments were made to certain items of the previous year in order to make their actual dynamics understandable.

The Notes present the information related to items in the Balance Sheet and in the Income Statement according to the order in which items are shown in the respective layouts.

## CONSOLIDATION SCOPE AND METHODS

As per the aforesaid regulatory provisions, the consolidation scope includes the financial statements for the period of FOPE S.p.A. and of the foreign companies in which the Parent Company holds a controlling stake.

The financial statements of the companies included in the consolidation scope were consolidated on a line-by- line basis.

Below is a list of these companies:

Company Name	HEAD OFFICE	% OWNERSHIP	% CONSOLIDATED
Fope Usa Inc.	USA - 33431 - FLORIDA, BOCA RATON, 2500 NORTH MILITARY TRAIL, STE 210	100	FULL
Fope Jewellery Ltd.	UK - B91 2AA SOLIHULL 2ND FLOOR, RADCLIFFE HOUSE, BLENHEIM COURT	84	INTEGRAL
Fope Deutschland Gmbh	DE - 41069, MONCHENGLADBACH, AM NORDPARK, 1-3	100	INTEGRAL
Fope Japan G.K.	JP - 1000005 TOKYO, MARUNOUCHI CHIYODA-KU, 7F MEIJI SEIMEIKAN 2-1-1	80	INTEGRAL

It should be noted that no company was consolidated using the proportional method.

Milano 1919 S.r.l., a company in which the Parent Company holds a 20% minority stake and in respect of which FOPE S.p.A. does not exercise a dominant influence, was not included in the scope of consolidation.

## REPORTING DATE

For consolidation purposes, the draft financial statements of the individual companies for the period ended June 30, 2025—reclassified and adjusted to comply with the accounting standards and the basis of presentation adopted by the Group—were used.

The main consolidation principles adopted for preparing the Consolidated Financial Statements are as follows:

- The book value of equity investments in consolidated companies is written off against the corresponding portion of Shareholders' Equity when assets and liabilities are accounted for, according to the global line-by-line method;
- The differences resulting from the write-off are allocated to the relevant balance sheet items, while the remainder:
  - is held under fixed assets as "Consolidation difference", if positive; and
  - is held under shareholders' equity as "Consolidation reserve", if negative;
- Financial and economic transactions between the companies included in the consolidation scope are entirely derecognized;
- The financial statements of foreign companies are translated into the reporting currency (Euro) by applying the spot exchange rate at the end of the reporting period to assets and liabilities, while the average exchange rate for the period is applied to income statement items. The net effect of the translation of the financial statements of the investee into the reporting currency is reflected in the "Translation differences reserve".

The rates in the table below were applied for the translation of financial statements denominated in foreign currencies:

Currency	EXCHANGE RATE AS AT 30/06/2025	SEMESTER AVERAGE EXCHANGE RATE
US Dollar	1,1720	1,0927
UAE Dirham	4,3042	4,0131
UK Pound Sterling	0,8555	0,8423
Japanese Yen	169,1700	162,1195

## BASIS OF MEASUREMENT

### A. General Standards

Accounting standards and the basis of measurement were applied consistently to all consolidated companies. The standards relied upon in the preparation of the consolidated financial statements are those used in the financial statements of the parent company FOPE S.p.A. and are in compliance with current legal provisions. The standards relied upon in the financial year just ended are the same as those relied upon for processing data relating to the previous year. Financial statement items were measured in accordance with the general principles of prudence, accrual basis accounting, and with a view to going concern assumptions. For accounting purposes, preference is given to the economic substance of transactions rather than their legal form.

### B. Value adjustments and write-backs

The value of tangible and intangible assets, whose useful life is limited over time, is adjusted downward through depreciation/amortization. These assets and other asset items are written down whenever an impairment is identified; the original value is written back when the grounds for the previous write-down are deemed to no longer exist. The analytical depreciation, amortization and write-down methods adopted are described in the following paragraphs of these Notes to the Financial Statements.

### C. Write-ups and exceptions

During the period under review, no write-ups and exceptions were made to the basis of measurement laid down by the legislation on separate and consolidated financial statements.

## THE MOST SIGNIFICANT PRINCIPLES AND STANDARDS WERE AS FOLLOWS:

### FIXED ASSETS

#### INTANGIBLE FIXED ASSETS

Intangible fixed assets consist of installation and expansion costs, goodwill, rights to use intellectual works, trademarks, and other fixed assets represented by software and leasehold improvements.

These are (i) recorded at the purchase price, (ii) stated net of amortization made during the financial years, and (iii) reflected directly under the individual items. With regard to the amortization process, which begins upon the asset being ready for use, the straight-line method was used based on the rates that are considered to reflect the asset's estimated useful life.

Installation and expansion costs, and goodwill costs with a useful life of more than one year were held as assets with the approval of the Board of Statutory Auditors and were amortized within a period not exceeding five years and ten years, respectively.

Industrial patent and intellectual property rights, licenses, concessions and trademarks are amortized over 5 years.

Leasehold improvements are amortized based on the term of the lease.

## TANGIBLE FIXED ASSETS

These are entered at their purchase cost and adjusted by the corresponding depreciation. The book value also reflects ancillary charges. Depreciation, recorded in the Income Statement, was calculated on the basis of economic-technical rates deemed suitable to distribute the book value of tangible fixed assets during their useful life. If the recoverable amount of an asset is less than its net book value, then the fixed asset is recognized in the Financial Statements at such lower value, holding the difference under the Income Statement as an impairment loss. If in subsequent years the reasons for the write-down no longer apply, the original value, adjusted only for depreciation, is restored.

Ordinary maintenance costs are fully charged to the Income Statement. Maintenance costs of an incremental nature are allocated to the asset to which they relate and are depreciated over the remaining useful life of the asset.

The depreciation rates, unchanged compared to the previous year, used are:

Buildings	3.00%
Plant and machinery	12.50%
Industrial and Commercial Equipment	35.00%
Purification plants	15.00%
Office furniture and machines	12.00%
Portable telephones	20.00%
Goods under €516.46	100.00%
Cars	20.00%

In the year in which the asset is acquired, depreciation is reduced to approximately one-half; the use of the reduced rate does not result in any significant deviations in value compared to the application of the full rate prorated over the months of ownership.

Fixed assets acquired free of charge are stated at their estimated market value plus costs incurred, or to be incurred, to permanently and usefully incorporate the assets in the production process.

## FINANCIAL FIXED ASSETS

Equity investments not falling within the consolidation scope are recorded at purchase cost and represent a long-term investment by the Parent Company. In the event of impairment, the investment is written down and, in the year in which the conditions for the write-down no longer apply, the value prior to the write-down is restored.

It should be noted that, in accordance with section 2 of Italian Legislative Decree 127/1991, the equity investment held in the associated company was recognized on a historical cost basis. Similarly, the other equity investments were recorded at purchase cost adjusted for impairment losses, where applicable. Financial fixed assets are not entered at a value higher than their fair value. Receivables recorded under financial fixed assets were stated at their estimated realizable value; considering their limited impact, the application of the amortized cost method would not produce significant differences in the measurement.

## INVENTORIES

Inventories are measured at the lower of the purchase or manufacture cost and the estimated realizable value according to market trends. The cost is determined based on the following criteria:

- Weighted average cost for fine gold inventories;
- Average purchase cost, including ancillary charges (shipping costs, customs duties and other directly attributable costs) for other raw and ancillary materials;
- Production cost, determined based on the average cost criterion, pertaining to finished and unfinished products.

Production cost includes all direct costs as well as indirect costs for the portion reasonably attributable to the product related to the period of production and up to the moment from which the good can be marketed.

For the purposes of determining the estimated realizable value, account is taken, where applicable, of the obsolescence rate and stock turnover time-frames.

## RECEIVABLES

Receivables are recognized in the Financial Statements at amortized cost, taking account of the time factor and their estimated realizable value.

In the initial recognition of receivables at amortized cost, the time factor requirement is met by comparing the actual interest rate with market interest rates. If the actual interest rate is significantly different from the market interest rate, the latter is used for discounting future cash flows arising from receivables in order to determine their initial book value.

At year-end, the value of receivables measured at amortized cost is equal to the current value of future cash flows discounted at the effective interest rate. In the case where the contractual rate is a fixed rate, the effective interest rate determined on initial recognition is not recalculated. If, on the other hand, the rate is variable and linked to market rates, then the future cash flows will be restated periodically to reflect changes in market interest rates, with the effective interest rate being recalculated.

The amortized cost criterion was not applied, and the discounting of receivables was not performed for receivables with a maturity of less than twelve months, as the effects are irrelevant in order to give a true and fair view. Receivables with a maturity of less than twelve months, therefore, were recognized at their estimated realizable value.

Receivables are written off from the Financial Statements when the contractual rights to the cash flows arising therefrom have been extinguished or when all risks relating to receivables being assigned have been transferred.

## ACCRUALS AND DEFERRALS

They are calculated on an accrual basis.



## PROVISIONS FOR RISKS AND CHARGES

Provisions for risks and charges are intended to cover losses or payables whose existence is certain or likely, the amount of which and/or date of occurrence cannot however be determined at the end of the financial year.

In measuring such provisions, reliance was made on general criteria of prudence and accrual, and no provisions for generic risks that lack economic justification was made.

Contingent liabilities were recognized in the financial statements and entered in provisions insofar as they were deemed likely and the amount of the related charge could be reasonably estimated.

## PROVISIONS FOR EMPLOYEE SEVERANCE PAY

The Employee Severance Pay covers amounts due—and reserves relating to obligations accrued at the reporting date—to employees pursuant to laws, labor contracts and any company agreements in force.

## PAYABLES

These are recognized at amortized cost, taking account of the time factor. In the initial recognition of payables at amortized cost, the time factor requirement is met by comparing the actual interest rate with market interest rates.

At year-end, the value of payables measured at amortized cost is equal to the current value of future cash flows discounted at the effective interest rate. As provided for in Article 12, section 2 of Italian Legislative Decree 139/2015, the amortized cost criterion was not applied to payables recognized in the financial statements prior to the financial year commencing on 1 January 2016.

Moreover, the amortized cost criterion was not applied to short-term payables (with a maturity of less than twelve months) and to payables with irrelevant transaction costs compared to face value, as the effects are insignificant for the purpose of giving a true and fair view. In these cases, payables are recognized at face value.

The item “Payments on account” includes advance payments received from customers in respect of goods and services not yet supplied.

“Trade payables”, with a maturity of less than 12 months, are recognized at face value net of trade discounts, while cash discounts are recognized at the time of payment.

The face value of these payables was adjusted for returns or allowances (billing adjustments) to the extent of the amount agreed upon with the counterparty.

## DERIVATIVE FINANCIAL INSTRUMENTS

The Parent Company uses derivative financial instruments solely for the purpose of managing and hedging its exposure to the risk of fluctuations in the prices of strategic commodities, interest rates, and exchange rates of currencies other than the Euro. Derivative financial instruments, even if embedded in other financial instruments, were initially recognized when the Company acquired the related rights and obligations; they were measured at fair value both on initial recognition and at each reporting date.

Derivatives are only classified as hedging instruments when, at the start of the hedge, there is a close and documented correlation between the characteristics of the hedged item and those of the hedging instrument, and the hedging relationship is formally documented and the effectiveness of the hedge is high and is regularly checked.

Derivative financial instruments with a positive fair value were held under current assets based on their financial derivative nature to hedge a highly likely transaction.

Derivative financial instruments with a negative fair value were held under Provisions for risks and charges.

Changes in the fair value of the effective component of cash flow hedging derivative financial instruments were reflected in the reserve for expected cash flow hedging transactions, net of deferred tax effects.

## COMMITMENTS, GUARANTEES, AND CONTINGENT LIABILITIES

Commitments, not resulting from the Balance Sheet, are obligations undertaken by the Group in respect of third parties that originate from legal transactions with certain mandatory effects but not yet carried out by either party. The amount of the commitments is the face value as shown in the relevant documentation.

## REVENUES

Revenues from the sales of products are recognized when the risks and benefits are transferred, usually occurring at the time of delivery or shipment of the goods. Revenues of a financial nature and revenues from the provision of services are recognized on an accrual basis. Revenues and income, costs and charges related to foreign currency transactions are calculated based on the exchange rate prevailing on the date on which the transaction took place.

## COSTS

Costs are recognized on an accrual basis. The costs for purchasing goods are recognized in the Income Statement on an accrual basis when the significant risks and benefits related to ownership of the goods are transferred to the buyer. The costs for purchasing goods are recorded in the Consolidated Income Statement net of returns, rebates, trade discounts, and premiums relating to quantity. Costs for services are

recognized on an accrual basis when supplied. “Labor costs” include the entire expenditure related to employees, including merit-based pay raises, promotions, cost of living increases, cost of holiday not taken, and provisions required by law and under collective labor agreements.

With regard to amortization/depreciation, it should be noted that it was calculated based on the useful life of the asset and its use in the production phase.

The write-downs of receivables included in current assets were calculated based on a prudent approach and according to estimates of the recoverability of receivables.

## INCOME TAXES

Taxes are set aside on an accrual basis; they therefore include:

A Provisions for taxes paid or to be paid during the year, calculated according to current rates and legislation;

B The amount of deferred tax assets or liabilities calculated based on the tax rates in force when the temporary differences are charged back.

Deferred taxes for the period are directly recognized in the Income Statement, with the exception of those relating to items directly recognized in Shareholders' Equity, in which case the related deferred taxes are also recorded at the same time, without being recognized in the Income Statement.

## FINANCE LEASES

As at June 30, 2025, the Group had finance leases in place, which have been recognized in the financial statements according to the “financial method”.

## EMPLOYMENT DATA

The average number of employees of the companies consolidated on a line-by-line basis is broken down by category.

Category	NUMBER AS AT 30.06.25
Executives	10
Middle managers	6
Clerks	51
Workers	40
Other employees	
Total Employees	107

## ANALYSIS OF BALANCE SHEET ITEMS

### INTANGIBLE FIXED ASSETS

A breakdown of this item is provided in the table below.

Start-up and expansion costs	DEVELOPMENT COSTS	INDUSTRIAL PATENT AND INTELLECTUAL PROPERTY RIGHTS	CONCESSION, LICENSES, TRADEMARKS AND SIMILAR RIGHTS	GOODWILL	INTANGIBLE ASSETS UNDER CONSTRUCTION AND ADVANCES	OTHER INTANGIBLE FIXED ASSETS	TOTAL INTANGIBLE FIXED ASSETS
Value at start of year							
Cost		6,257,841	1,261,462	1,450,010		1,948,370	10,917,683
Revaluations							
Depreciation ( )		4,241,086	1,247,538	1,180,822		1,193,894	7,863,340
Write-downs							
<b>Balance sheet value</b>		<b>2,016,755</b>	<b>13,924</b>	<b>269,188</b>		<b>754,476</b>	<b>3,054,343</b>
Changes during the year							
Increases for acquisitions		369,891	4,064			3,630	377,585
Reclassifications (of book value)		15,000					15,000
Decreases due to disposals and divestments (of book value)							
Revaluations carried out during the year							
Depreciation for the year		475,561	3,150	76,316		133,438	688,465
Write-downs during the year							
Other variations		(288)	(1)	1		(3,942)	(4,230)
<b>Total changes</b>		<b>(90,958)</b>	<b>913</b>	<b>(76,315)</b>		<b>(133,750)</b>	<b>(300,110)</b>
Year-end value							
Cost		5,107,732	94,367	1,450,011		1,943,750	8,595,860
Revaluations							
Depreciation ( )		3,181,935	79,529	1,257,139		1,323,023	5,841,626
Write-downs							
<b>Balance sheet value</b>		<b>1,925,797</b>	<b>14,838</b>	<b>192,872</b>		<b>620,727</b>	<b>2,754,234</b>

Industrial patent and intellectual property rights, licenses, concessions and trademarks are amortized at an annual rate of 20%.

It should be noted that in 2020 the Parent Company exercised the right laid down in Article 110 of Italian Law 126/2020 to write up the patent covering the elastic “Flex’it” mesh. This item was written up to the extent of €1.49 million. The value was determined by an appraisal prepared by an independent expert and did not exceed the maximum amount attributable to the patent.

The increase in the item “Industrial patent and intellectual property rights” relates to costs incurred for the SAP S/4HANA ERP system project.

Goodwill relates to the purchase, by Vesco e Sambo di Anita Vesco e C. S.a.s., of the previously leased business unit. Goodwill is amortized within the 10-year limit provided for in OIC 24 and Article 2426, Section 1(6) of the Italian Civil Code based on its estimated useful life.

The item “Other intangible fixed assets”, totalling €620,727, includes costs incurred for leasehold improvements, with special reference to those related to the renovation of the single-brand store in Venice and the Milan showroom. These costs are amortized based on the term of the lease on the property, such term being at any rate shorter than the future lifespan of such costs.

The costs incurred for the design and furnishing of the single-brand store in London at Old Bond Street 1, opened in cooperation with our business partner The Watches of Switzerland, the costs incurred for the headquarters in Solihull (UK) and those for the store opened in Tokyo in 2022 were also held under the same account.

## TANGIBLE FIXED ASSETS

### ANALYSIS OF CHANGES IN TANGIBLE FIXED ASSETS

This item is broken down as follows:

	LAND AND BUILDINGS	PLANT AND MACHINERY	INDUSTRIAL AND COMMERCIAL EQUIPMENT	OTHER TANGIBLE FIXED ASSETS	TANGIBLE FIXED ASSETS UNDER CONSTRUCTION AND ADVANCES	TOTAL TANGIBLE FIXED ASSETS
<b>Value at start of year</b>						
Cost	10,312,387	6,568,886	4,851,757	2,048,798	200,018	23,981,846
Revaluations						
Depreciation ( )	3,148,702	4,607,843	3,448,244	1,277,320		12,482,109
Write-downs						
<b>Book value</b>	<b>7,163,685</b>	<b>1,961,043</b>	<b>1,403,513</b>	<b>771,478</b>	<b>200,018</b>	<b>11,499,737</b>
Changes during the year						
Increases due to acquisitions		467,773	616,637	66,162	83,070	1,233,642
Reclassifications (of book value)		24,684	4,715	6,230	(51,999)	(16,370)
Decreases for disposals and divestments (of book value)		20,206				20,206
Revaluations during the year						
Depreciation for the year	139,266	231,288	328,651	100,106		799,311
Write-downs made during the year						
Other variations		(739)	(31,999)	(8,506)	(4,682)	(45,926)
Total changes	(139,266)	240,224	260,702	(36,220)	26,389	351,829
<b>Year-end value</b>						
Cost	10,312,387	6,830,442	5,436,684	2,108,054	226,407	24,913,974
Revaluations						
Depreciation ( )	3,287,968	4,629,175	3,772,469	1,372,796		13,062,
Write-downs						
<b>Balance sheet value</b>	<b>7,024,419</b>	<b>2,201,267</b>	<b>1,664,215</b>	<b>735,258</b>	<b>226,407</b>	<b>11,851,566</b>

“Land and buildings” comprise the building where the Parent Company’s headquarters are located.

The value attributed to the land on which the building stands, i.e. €1,027,985, was identified as at 31 December 2005 on the basis of a flat-rate appraisal criterion corresponding to 30% of the original cost of the building, net of capitalized incremental costs and any revaluations applied.

Consequently, starting from the financial year ended 31 December 2006, depreciation is no longer allocated to the value of the aforesaid land, as it is considered, based on updated company estimates, to be an asset not subject to deterioration and having an unlimited useful life. These criteria were applied to determine the value of the land also in respect of the portion of the building purchased in 2012.

In 2024, the full exclusive ownership of real estate forming a part of apartment buildings, consisting of a warehouse in a basement adjacent to the headquarters, was acquired.

“Other assets”, totalling €735,258, include the following items:

Description	30/06/2025	31/12/2024	CHANGE
Furniture and	473,840	515,492	(41,652)
Computer equipment	117,760	112,411	5,349
Cars	140,571	138,199	2,372
Miscellaneous equipment	748	1,050	(302)
Other	2,339	4,326	(1,987)
Total other tangible assets	735,258	771,478	(36,220)

The amount recorded under “Tangible assets in progress and advances,” equal to €226,407, mainly refers to advances paid to companies for the construction of a new electrical system at the headquarters and commercial equipment, which will be capitalized during the 2025 second semester.

## FINANCIAL FIXED ASSETS

### SHAREHOLDINGS

Name	CITY, IF ITALY, OR FOREIGN COUNTRY	TAX CODE (FOR ITALIAN COMPANIES)	CAPITAL IN EURO	LAST YEAR'S PROFIT (LOSS) IN EURO	SHAREHOLDERS' EQUITY IN EURO	SHARE HELD IN EURO	SHARE HELD IN %	BOOK VALUE OR CORRESPONDING CREDIT	PRODUCTION VALUE
Milan 1919 s.r.l.	MILANO	06412160969	137,500	(399,138)	379,056	27,500	20	250,000	765,960
Provision for write-down of investment								(250,000)	

The item "Equity investments in associated companies" refers to the equity investment held in Milano 1919 S.r.l., in which FOPE S.p.A. holds 20% of the Share Capital.

The 2024 financial statements of Milano 1919 S.r.l. show a production value of €765,960, net equity of €379,056, and a loss of €399,138. The equity investment was fully written down in 2019.

"Other equity investments held under financial fixed assets" relate to the small stakes that Group companies hold in national trade fairs and associations.

### LONG-TERM RECEIVABLES

Description	BOOK VALUE
Lloyds credit card guarantee deposit	28,054
Miscellaneous security deposits	14,583
Lease advance	6,235
<b>Total</b>	<b>48,871</b>

As at June 30, 2025, there were no receivables related to repurchase agreements.

### OTHER SECURITIES

This item includes bonds purchased in 2022 from Cornèr Bank Ltd. totalling €750,000 and maturing on 19 August 2025.



## CURRENT ASSETS INVENTORIES

A breakdown of inventories is provided in the table below:

	VALUE AT BEGINNING OF YEAR	CHANGE DURING FINANCIAL YEAR	YEAR-END VALUE
Raw, ancillary and consumable materials	3,965,350	-347,030	3,618,320
Work in progress and semi-finished products	4,964,616	1,616,314	6,580,930
Finished goods and merchandise	6,810,197	1,764,827	8,575,024
Advances for goods	6,724	16,372	23,096
<b>Total inventories</b>	<b>15,746,887</b>	<b>3,050,483</b>	<b>18,797,370</b>

Inventories are measured at the lower of the purchase or manufacture cost and the estimated realizable value according to market trends. The cost is determined based on the following criteria:

- Weighted average cost for fine gold inventories;
- Average purchase cost, including ancillary charges (shipping costs, customs duties and other directly attributable costs) for other raw and ancillary materials;
- Production cost, determined based on the average cost criterion, pertaining to finished and unfinished products.

The valuation of finished product inventories and work in progress includes production costs and external processing costs.

Production cost includes all direct costs as well as indirect costs for the portion reasonably attributable to the product related to the period of production and up to the moment from which the good can be marketed.

For the purposes of fair representation, the value of inventories of stones and pearls is reduced by the provision for inventory obsolescence, amounting to €121,474.

The value of the free loan as of June 30, 2025 amounts to €29,652,386.

The customizations and implementations made to the SAP ERP allow for warehouse management in line with FOPE's production and distribution profile, with a more precise definition and measurement of the level of processing achieved in semi-finished products.

## RECEIVABLES

The balances of consolidated receivables, after derecognition of intercompany values, are broken down as follows based on maturities:

	VALUE AT BEGINNING OF YEAR	CHANGE DURING FINANCIAL YEAR	YEAR-END VALUE	PORTION DUE WITHIN THE YEAR	PORTION DUE AFTER THE YEAR
Receivables entered in current assets					
Receivables from customers	17,255,853	1,070,217	18,326,070	18,326,070	
Receivables from subsidiaries					
Receivables from associated companies					
Receivables from parent companies					
Receivables from companies controlled by parent companies					
Tax Credits	940,979	401,367	1,342,346	1,342,346	
Deferred tax assets	1,005,707	176,977	1,182,684		
Receivables from others	516,522	(180,756)	335,766	335,658	108
<b>Total receivables recorded in current assets</b>	<b>19,719,061</b>	<b>1,467,805</b>	<b>21,186,866</b>	<b>20,004,074</b>	<b>108</b>

Receivables recorded under current assets were recognized in the financial statements at amortized cost, as defined in Article 2426, paragraph 2 of the Italian Civil Code, taking into account the time factor and the estimated realizable value. The adjustment to the estimated realizable value was made by allocating a provision for doubtful receivables.

Regarding receivables for which the application of the amortized cost method and/or discounting was determined to be irrelevant for the purpose of giving a true and fair view of the Company's financial situation and performance, recognition at estimated realizable value was maintained.

Receivables are written off from the financial statements when the contractual rights to the cash flows arising therefrom have been extinguished or when all risks relating to receivables being assigned are transferred.

"Trade receivables recorded under current assets" were shown net of the related provisions for doubtful receivables.

"Amounts due from Inland Revenue", totalling €1,342,346, mainly includes the tax credit accrued by the Parent Company pursuant to Article 48-bis of Italian Law Decree 34/2020 (€535,793), the IRES (corporate income tax) advance payment of €281,082 and the IRAP (regional business tax) advance payment of €68,183. This item also includes amounts due from the Italian tax authorities for R&D activities and capital expenditure, as well as payments on account made by the US subsidiary.

Deferred tax assets stood at €1,182,684. Deferred tax assets were recognized only insofar as there is a reasonable certainty of taxable income in future years that would allow them to be unwound.

"Amounts due from others" refers mainly to advance payments made to suppliers.

It should be noted that there were no receivables with a maturity of more than five years, nor were there any receivables relating to repurchase agreements.

The percentage breakdown of receivables by geographical area is shown below:

<b>Receivables from customers</b>	
Italian customers	15.53%
EU Customers	36.24%
Non-EU customers	48.23%

The table below shows changes in provisions for doubtful receivables during the year:

<b>Description</b>	<b>WRITE-DOWN RESERVE EX ART. 2426 CIVIL CODE</b>	<b>WRITE-DOWN RESERVE EX ART. 106 PRESIDENTIAL DECREE 917/1986</b>	<b>TOTAL</b>
Balance as at 31/12/2024	470,167	82,144	552,311
Utilization during the year			
Provision for the year	113,580		113,580
<b>Balance as at 30/06/2025</b>	<b>583,747</b>	<b>82,144</b>	<b>665,891</b>

Changes in “Deferred tax assets” are described in the table below:

	<b>VALUE AS AT 31/12/2024</b>	<b>ALLOCATION FOR THE YEAR</b>	<b>UTILIZATION FOR THE YEAR</b>	<b>VALUE AS AT 30/06/2025</b>
Deferred tax assets	274,421	115,108	24,829	364,700
Tax effect of hedging derivatives	110,422	220,785	110,423	220,784
Prepaid taxes - Fope USA Inc.				
Deferred (prepaid) taxes from consolidated adjustments	620,863	597,199	620,863	597,199
Rounding	1			1
<b>Total deferred tax assets</b>	<b>1,005,707</b>	<b>933,092</b>	<b>756,115</b>	<b>1,182,684</b>

The table below shows the breakdown of deferred tax assets as at June 30, 2025.

<b>Description</b>	<b>30/06/2025</b>	<b>IRES 24% PREPAID</b>	<b>IRAP 4,08% ADVANCED</b>	<b>TOTAL DEFERRED TAX ASSETS</b>
Acc.to supplementary customer allowance	45,619	10,949	1,861	12,810
Provision for product warranties	32,231	7,735	1,315	9,050
Write-down of receivables	82,144	19,715		19,715
Commodity inventory write- down	121,474	29,154	4,956	34,110
Goodwill write-down	100,000	24,000	4,080	28,080
Provision for sundry risks	357,831	85,879	14,600	100,479
Provision for litigation risks	23,000	5,520	938	6,458
Goodwill amortization	546,091	131,062	22,281	153,342
Derivatives receivable - commodities	679,823	163,158	27,737	190,894
Derivative assets - interest rate/currency	124,544	29,891		29,891
Consolidation entries - reversal of profit in stock	2,126,778	510,427	86,773	597,199
Rounding/ exchange rate %				655
<b>Total</b>	<b>4,239,535</b>	<b>1,017,488</b>	<b>164,540</b>	<b>1,182,684</b>

## CURRENT FINANCIAL ASSETS

The Group recognized derivative financial instrument (assets) in the amount of €3,722,853 under current financial assets, since pertaining to the hedging of cash flows and fair value of assets held under current assets.

For more information, as required by Article 2427, section 1(19) of the Italian Civil Code, please refer to the specific section of these Notes.

## CASH AND CASH EQUIVALENTS

“Bank and postal deposits” primarily include active bank accounts that the companies hold with national and foreign credit institutions.

The criteria adopted in measuring and translating figures denominated in foreign currencies are set out in the first part of these Notes to the Financial Statements.

	VALUE AT BEGINNING OF YEAR	CHANGE DURING FINANCIAL YEAR	YEAR-END VALUE
Bank and postal deposits	15,101,771	2,476,050	17,577,821
Cheques	33,396	(33,396)	
Cash and other valuables on hand	10,303	253	10,556
<b>Total cash and cash equivalents</b>	<b>15,145,470</b>	<b>2,442,907</b>	<b>17,588,377</b>

The year-end figure reflects the Group's operational requirements, as it needs to hold adequate balances in bank accounts to meet payments due at the beginning of the following year.

## ACCRUED INCOME AND PREPAYMENTS

	VALUE AT BEGINNING OF YEAR	CHANGE DURING FINANCIAL YEAR	VALUE AT END OF YEAR
Accrued income			
Prepaid expenses	367,137	369,747	736,884
<b>Total accrued income and prepaid expenses</b>	<b>367,137</b>	<b>369,747</b>	<b>736,884</b>

They measure income and charges that are accounted for earlier or later than the actual date of payment and/or documentary evidence; they are reflected irrespective of the date of receipt or payment of the relevant income and charges, common to two or more years and prorated over the applicable timeframe.

Below is a breakdown of this item.

Description	AMOUNT
Directors' fees	375,000
Miscellaneous insurance	92,054
Theft insurance	90,099
User licenses	55,952
AIM consultancy	25,878
Nomad and Specialist activities	22,917
Leasing	21,765
Waste disposal fee	15,574
Software licenses	8,096
DPO assignment	7,000
Advertising expenses	3,142
Minor costs	19,407
<b>Total</b>	<b>736,884</b>

There are no accrued income and prepaid expenses with a duration exceeding five years.

## SHAREHOLDERS' EQUITY

The following table provides an overview of the differences between the Parent Company's financial statements and the consolidated financial statements with respect to items that have an impact on the profit/(loss) for the period and on shareholders' equity:

	<b>NET ASSETS (EXCLUDING RESULT)</b>	<b>RESULT</b>
Shareholders' equity and result for the year as reported in the financial statements of the Parent Company	39,361,210	5,299,251
Adjustments made in application of accounting principles		
Elimination of the carrying value of consolidated subsidiaries:		
(a) difference between book value and pro-rata value of equity	2,885,291	
b) pro-rata results achieved by the investees		210,909
c) capital gains/losses attributed at the date of acquisition of the investees		
d) consolidation difference		
Other consolidation entries	(1,604,546)	75,132
Elimination of the effects of transactions between Subsidiaries	(21,564)	21,564
Net equity and result for the year pertaining to the Group	40,620,392	5,606,857
Minority interest in shareholders' equity and result for the year	182,009	23,657
Consolidated shareholders' equity and net result	40,802,401	5,630,514

Statement of changes in the Group's consolidated Shareholders' Equity:

	ALLOCATION OF PREVIOUS YEAR'S RESULT				OTHER CHANGES			YEAR-END VALUE
	VALUE AT BEGINNING OF YEAR	ALLOCATION OF DIVIDENDS	OTHER DESTI-NATIONS	INCREASES	DECREASES	RECLASSIFI-CATIONS	PROFIT/(LOSS) FOR THE YEAR	
Capital	5,399,608							5,399,608
Share premium reserve	3,433,505							3,433,505
Revaluation Reserves	1,469,295							1,469,295
Legal reserve	1,202,499							1,202,499
Statutory reserves								
Other reserves								
Extraordinary reserve	24,440,606		3,757,081	526,448		38		28,724,173
Reserve for unrealized exchange gains								
Consolidation Reserve								
Various other reserves	(1,097,436)				489,085	(191)		(1,586,712)
Miscellaneous other reserves - Translation difference reserve	48,669				179,863			(131,194)
Total other reserves	23,391,839		3,757,081	526,448	668,948	(153)		27,006,267
Reserve for expected cash flow hedging transactions	1,926,917			182,303				2,109,220
Retained earnings (losses)	(153)					153		
Profit (loss) for the year	8,346,748	(4,589,667)	(3,757,081)				5,606,857	5,606,857
Loss set-off in the financial year								
Negative reserve for treasury shares held in portfolio								
Profit (loss) for the year	151,583		37,040		6,614			182,009
Loss set-off in the financial year	37,040		(37,040)				23,657	23,657
<b>Total consolidated shareholders' equity</b>	<b>45,358,881</b>	<b>(4,589,667)</b>		<b>708,751</b>	<b>675,562</b>		<b>5,630,514</b>	<b>46,432,917</b>

## CHANGES IN RESERVE FOR EXPECTED CASH FLOW HEDGING TRANSACTIONS

This reserve changed to account for future cash flows from derivative instruments that are designated as “cash flow hedging instruments” and is shown net of the tax effect.

## PROVISIONS FOR RISKS AND CHARGES

Below is a breakdown of this item.

	PROVISION FOR PENSIONS AND SIMILAR OBLI- GATIONS	PROVISION FOR TAXES, INCLUDING DEFERRED TAXES	DERIVATIVE FINANCIAL INSTRUMENTS LIABILITIES	OTHER PROVISIONS	TOTAL PROVISIONS FOR LIABILITIES AND CHARGES
Value at beginning of year	987,363	1,007,963	460,095	51,455	2,506,876
Changes during the year					
Provision in the financial year	34,171	1,102,011	804,367	368,607	2,309,156
Use in the financial year		886,046	460,095	7,000	1,353,141
Other changes					
Total variations	34,171	215,965	344,272	361,607	956,015
<b>Year-end value</b>	<b>1,021,534</b>	<b>1,223,928</b>	<b>804,367</b>	<b>413,062</b>	<b>3,462,891</b>

The provision for pensions refers to the provision for agents' termination indemnity established by the Parent Company.

With reference to Italian agents, provisions for the period were determined in accordance with the economic agreements for the industry sector (*Accordi Economici Collettivi* - A.E.C.) and were commensurate with the services actually provided by the agent. It should be noted that, compared to the previous year, the amount of the provision was adequately increased to take account of the merit-based allowance that, effective 1 April 2017, must also be recognized in agency contracts executed before 1 January 2004 (Article 11 of the A.E.C.). With regard to foreign agents, considering the different reference legislation, the amount of the provision was estimated taking account of the estimated liability that the Group might incur should it decide to terminate the business relationship.

Derivative instruments (liabilities) relate to the mark-to-market valuation notified by the reference banks in respect of hedging derivative contracts on exchange rates and commodities opened at the end of the period.

The item “Other provisions,” amounting to €413,062, relates to the “provision for future returns” for €357,831, the “product warranty” provision for €32,231 and “legal expenses for ongoing litigation” for €23,000.

The “provision for future returns” was set aside starting from the current financial year in compliance with the accounting standard OIC 34 - Revenues, which requires the recognition of returns related to sales made during the half-year period, expected to occur after its closing, through a provision offset against a reduction in sales revenues.

The provision for taxes relates to deferred taxes accrued on temporary differences between statutory and fiscal values.



The table below shows changes in the provision for deferred taxes:

	31/12/2024	ALLOCATION FOR THE YEAR	UTILIZATION FOR THE YEAR	30/06/2025
Provision for deferred taxes		71,955		71,955
Hedging derivative effect	880,545	1,030,051	880,545	1,030,051
Deferred taxes from leasing	(10)	5		(5)
Deferred taxes Fope Jewellery Ltd.	102,939			102,939
Deferred taxes Fope Usa Inc.	21,130			21,130
Translation Exchange Differences	3,358		5,501	(2,143)
Rounding	1			1
<b>Total provision for deferred taxes</b>	<b>1,007,963</b>	<b>1,102,011</b>	<b>886,046</b>	<b>1,223,928</b>

## EMPLOYEE SEVERANCE PAY

The following table shows the changes in the period.

	EMPLOYEE SEVERANCE PAY
Value at the beginning of the year	1,411,589
Changes during the year	
Provision in the financial year	83,291
Utilization in the financial year	34,200
Other changes	(6,604)
Total changes	42,487
<b>Year-end value</b>	<b>1,454,076</b>

This item refers to an amount due to employees of the Parent Company and reflects the actual amount due to employees pursuant to law and current labor agreements in Italy, taking into account any type of remuneration paid on a continuous basis.

This provision reflects the total amount of the individual entitlements accrued by employees at the reporting date, net of payments on account made, and corresponds to the amount that would be due to employees should their employment relationship cease on such date.

## PAYABLES

Below is a breakdown of amounts due based on maturity:

	VALUE AT BEGINNING OF YEAR	CHANGE DURING YEAR	YEAR-END VALUE	PORTION DUE WITHIN THE YEAR	PORTION DUE BEYOND THE FINANCIAL YEAR
Bonds					
Convertible bonds					
Payables shareholders for					
Due to banks	11,885,785	2,461,916	14,347,701	5,431,489	8,916,212
Payables lenders	49,350	(4,777)	44,573	44,573	
Advances	257,685	(159,033)	98,652	98,652	
Payables to suppliers	5,565,634	443,293	6,008,927	6,008,927	
Payables represented by credit instruments					
Payables subsidiaries					
Payables to associated companies					
Payables to parent companies					
Payables to companies controlled by parent companies					
Amounts due to Inland Revenue	1,034,364	2,897,977	3,932,341	3,932,341	
Payables to social security institutions	386,721	2,558	389,279	389,279	
Other debts	805,886	267,467	1,073,353	1,073,353	
<b>Total payables</b>	<b>19,985,425</b>	<b>5,909,401</b>	<b>25,894,826</b>	<b>16,978,614</b>	<b>8,916,212</b>

Below is a breakdown of the balance of total amounts due to banks as at June 30, 2025, standing at €14,347,701.

	AMOUNT
accounts payable	
loans	14,347,701
other payables	
<b>Total</b>	<b>14,347,701</b>

With regard to outstanding loans with banks, the following table provides an overview of the main aspects. For a more detailed analysis of the debt ratio with credit institutions, reference should be made to information provided in the Consolidated Report on Operations.

Credit institution	ORIGINAL AMOUNT	DUE DATE	REMAINING AMOUNT AS AT 30/06/2025	PORTION WITHIN 12 MONTHS	PORTION BEYOND 12 MONTHS
Unicredit S.p.A.	3,000,000	30/04/2028	2,839,859	976.693	1.863.166
Simest S.p.A.	400,000	10/12/2025	40,000	40,000	
Banco di Desio e della Brianza S.p.A.	2,000,000	10/05/2025	343,803	343,803	
Credem S.p.A.	5,500,000	12/10/2026	5,500,000	1,068,986	4,431,014
Credem S.p.A.	3,000,000	28/05/2025	1,838,325	1,216,293	622,032
Intesa San Paolo S.p.A.	4,000,000	24/04/2028	3,000,000	1,000,000	2,000,000
<b>Total</b>			<b>14,347,701</b>	<b>5,431,489</b>	<b>8,916,212</b>

It should be noted that these loans are not secured by collateral on Group assets and that the loan of €400,000 granted by Simest S.p.A. includes a financial covenant that has been met.

The amount of circulating gold required to meet production cycle needs is partly provided by credit institutions on the basis of "loan for use" contracts. The overall commitment as at June 30, 2025 in respect of the availability of gold owned by credit

institutions, on the basis of the aforementioned contracts, was equal to €29,652,386.

With regard to the analysis of amounts due to Credit Institutions, as shown in the table above, reference should be made to the information provided in the Report on Operations.

The item “Payments on account” includes advance payments received from customers in respect of goods and services not yet supplied.

Trade payables, all having a maturity of less than 12 months, are recognized at face value net of trade discounts, while cash discounts are recognized at the time of payment.

The face value of these payables was adjusted for returns or allowances (billing adjustments) to the extent of the amount agreed upon with the counterparty.

The item “Amounts due to Inland Revenue” mainly refers to liabilities that the parent company has accrued with the national Inland Revenue.

It should also be noted that there are no payables with a maturity of more than five years. The breakdown of payables by geographical area is not significant.

## ACCRUED EXPENSES AND DEFERRED INCOME

	VALUE AT BEGINNING OF YEAR	CHANGE DURING YEAR	YEAR-END VALUE
Accrued expenses	137,992	(23,737)	114,255
Deferred income	97,151	(14,027)	83,124
<b>Total accrued expenses and deferred income</b>	<b>235,143</b>	<b>(37,764)</b>	<b>197,379</b>

Below is a breakdown of this item:

Description	AMOUNT
Tax credits ex L.160/19	83,124
Bank commissions and interest	81,085
Usage loan fees	33,170
<b>Total</b>	<b>197,379</b>

It should also be noted that accrued expenses and deferred income over five years stood at €8,131.

Below is a breakdown of this item.

Description	30/06/2025	30/06/2024	CHANGE
Revenues from sales and services	43,017,388	29,636,071	13,381,317
Change in product inventories	3,213,625	10,259,906	(7,046,281)
Other revenue and income	418,651	283,098	135,553
<b>Total</b>	<b>46,649,664</b>	<b>40,179,075</b>	<b>6,470,589</b>

Below is the percentage breakdown of revenues by geographical area.

Revenues by area	
Customers Italy	14.53%
Customers EU Area	30.80%
Non-EU Customers	54.67%

Revenues from the sale of products are recognized when the risks and benefits are transferred, usually occurring at the time of delivery or shipment of the goods.

Revenues of a financial nature and revenues from the provision of services are recognized on an accrual basis.

Revenues and income, costs and charges related to foreign currency transactions are calculated based on the exchange rate prevailing on the date on which the transaction took place.

The breakdown of revenues by category is not significant.

## COSTS OF PRODUCTION

Below is a breakdown of this item.

Description	30/06/2025	30/06/2024	CHANGE
Raw and ancillary materials and goods	20,820,424	15,302,930	5,517,494
Change in raw material inventories	139,852	7,969,694	(7,829,842)
Services	10,357,124	9,350,179	1,006,945
Use of third-party assets	425,714	384,553	41,161
Wages and salaries	2,963,918	2,449,448	514,470
Social security charges	820,047	660,119	159,928
Staff leaving indemnities	156,608	121,146	35,462
Pensions and similar obligations			
Other personnel costs	164,552	77,628	86,924
Amortization of intangible assets	688,465	618,819	69,646
Depreciation of tangible fixed assets	799,311	636,220	163,091
Other depreciation of fixed assets			
Write-downs of receivables from current assets	120,496	73,500	46,996
Provision for risks			
Other provisions	10,776		10,776
Sundry operating expenses	80,327	91,475	(11,148)
<b>Total</b>	<b>37,547,614</b>	<b>37,735,711</b>	<b>(188,097)</b>

“Services” include €357,285 in fees for loans for use.

“Use of third-party assets” include the rent for single-brand stores and showrooms.

“Labor costs” include the entire expenditure related to employees, including merit-based pay raises, promotions, cost of living increases, cost of holiday not taken, and provisions required by law and under collective labor agreements.

With regard to amortization/depreciation, it should be noted that it was calculated based on the useful life of the asset and its use in the production phase.

## FINANCIAL INCOME AND CHARGES

The tables below show the nature and amount of financial income and charges recognized during the year.

	FINANCIAL INCOME
From investments in subsidiaries	
From equity investments in other companies	
Other income other than the above	101,912
<b>Total</b>	<b>101,912</b>

Income other than the above relates to interest income.

	FINANCIAL INCOME
From bonds	
From bank borrowings	326,202
From others	2,786
<b>Total</b>	<b>328,988</b>

## EXCHANGE RATE GAINS/(LOSSES)

	EXCHANGE GAINS	FOREIGN EXCHANGE LOSSES	NET BALANCE
Realized component	1,104,659	1,157,219	(52,560)
Unrealized component	221,899	1,094,920	(873,021)
<b>Total</b>	<b>1,326,558</b>	<b>2,252,139</b>	<b>(925,581)</b>

## INCOME TAXES FOR THE PERIOD

<b>Taxes</b>	<b>BALANCE AS AT 30/06/2025</b>	<b>BALANCE AS AT 30/06/2024</b>	<b>CHANGES</b>
Current taxes:	2,313,584	781,745	1,531,839
IRES (corporate income tax)	1,809,510	604,000	1,205,510
IRAP (regional business tax)	408,607	137,760	270,847
Leasing taxes			
Current taxes - Fope Usa Inc.	24,471	14,357	10,114
Current taxes - Fope Jewelry Ltd.	14,558	5,548	9,010
Current taxes - Fope Deutschland GmbH	14,753	20,080	(5,327)
Current taxes - Fope Japan	41,685		41,685
Taxes relating to previous financial years	(135)	21,117	(21,252)
Deferred taxes (prepaid)	5,431	(119,109)	124,540
IRES (corporate income tax)	(608)	78,740	(79,348)
IRAP (regional business tax)	(17,715)	(1,404)	(16,311)
Other deferred taxes (prepaid)	85	409	(324)
Deferred taxes (prepaid) from consolidation adjustments	23,669	(196,854)	220,523
<b>Total</b>	<b>2,318,880</b>	<b>683,753</b>	<b>1,635,127</b>

Taxes are set aside on an accrual basis; they therefore include:

- Provisions for taxes paid or to be paid during the year, calculated according to current rates and legislation;
- The amount of deferred tax assets or liabilities calculated based on the tax rates in force when the temporary differences are charged back.

Deferred tax asset and liability rates for the period are directly recognized in the income statement, with the exception of those relating to items directly recognized in shareholders' equity, in which case, the related deferred taxes are also recorded at the same time, without being recognized in the income statement.



## DEFERRED TAX ASSETS/LIABILITIES

To provide a more detailed view of reconciliation between theoretical tax burden and actual tax burden recognized in the financial statements, below is reconciliation of the consolidated theoretical tax rate with the actual tax rate for the period compared with that for the period ended June 30, 2024.

	30/06/2025		30/06/2024	
	TAXABLE	TAX	TAXABLE	TAXES
Profit/(loss) for the year before tax (parent company)	7,499,044		2,806,390	
IRES - Theoretical tax charge (rate 24%)		(1,799,771)		(673,534)
IRAP - Theoretical tax burden (tax rate 4.08% on EBIT)		(368,284)		(111,540)
Total taxes		(2,168,055)		(785,074)
Theoretical tax rate		-28.91%		-27.97%
IRES differences				
Permanent increases	235,724	(56,574)	241,192	(57,886)
Increases feeding prepaid taxes	404,613	(97,107)	114,120	(27,389)
Increases that adjust deferred taxes			28,992	(6,958)
Total increases	640,337	(153,681)	384,304	(92,233)
Permanent decreases	(241,248)	57,900	(202,839)	48,681
Decrease changes adjusting prepaid taxes	(102,262)	24,543	(303,395)	72,815
Decreasing variations feeding deferred taxes	(256,248)	61,500	(167,795)	40,271
Decreasing variations	(599,758)	143,942	(674,029)	161,767
IRAP differences				
Personnel costs	454,476	(18,543)	246,349	(9,608)
Provisions and bad debts	124,356	(5,074)	73,500	(2,867)
Other permanent increases	708,688	(28,914)	570,238	(22,239)
Total increases feeding in prepaid taxes	393,837	(16,069)	36,006	(1,404)
Total increases	1,681,357	(68,599)	926,093	(36,117)
Permanent decreases	(436,786)	17,821	(253,789)	9,898
Decrease variations feeding deferred taxes	(256,248)	10,455		
Total decreases	(693,034)	28,276	(253,789)	9,898
Total current IRES taxes		(1,809,510)		(604,000)
Total current taxes IRAP		(408,607)		(137,760)
Previous years' taxes		135		(21,117)
Taxes paid by foreign subsidiaries		(95,466)		(39,985)
Tax effect of leasing accounting		(5)		(24)
Deferred (prepaid) taxes Parent Company		18,323		(77,336)
Deferred (prepaid) taxes of foreign subsidiaries		(85)		(409)
Deferred (prepaid) taxes from consolidation adjustments		(23,664)		196,878
Total taxes for the year		(2,318,879)		(683,753)
Profit/(loss) for the year before taxes (consolidated)		7,949,364		2,272,301
<b>Effective tax rate</b>		<b>29.17%</b>		<b>30.09%</b>

Regarding the calculation and measurement methods of deferred tax assets/liabilities, reference should be made to the information provided in the introduction section of these Notes to the Financial Statements.

The financial statements for the period ended June 30, 2025 were prepared in accordance with the indirect method as under OIC 10, adjusting the profit for the period shown in the Income Statement.

During 2025, the Group generated total cash flows of €2,442,907. Cash and cash equivalents increased from €15,145,470 as at the end of the previous year to €17,588,377 as at June 30, 2025.

#### A. Cash flows from operating activities

The Group closed the year 2025 with a net profit of €5,630,514 (€8,383,788 as of December 31, 2024). Taxes for the period totaled €2,318,879 (reference should be made to the specific section in the Notes to the Financial Statements).

Cash flow from operating activities, which shows the liquidity generated or absorbed by the Group's operating activities (consisting of the normal operating process), amounted to €6,148,120, down from €11,034,645 at the end of the previous year.

The main adjustments for non-monetary items that did not have a balancing entry in net working capital include:

Allocations to provisions in the amount of €2,309,156, referring to provisions for supplementary customer allowance and other provisions.

Amortization, depreciation and write-downs, totalling €1,487,776.

Changes in net working capital were negative, totaling €(4,074,580), with an increase in trade receivables and in inventories.

Other adjustments were on the downside (€1,741,569) and mainly related to deferred tax liabilities.

#### B. Cash flows from investing activities

Cash flows from investing activities, which reflect cash inflows/outflows from investments (i.e., new purchases or sales) were negative and stood at €1,572,686.

The negative result was mainly due to investments made by the Group in tangible fixed assets.

#### C. Cash flows from financing activities

Cash flows from financing activities, which reflect cash inflows/outflows from activities pertaining to financing (i.e., taking out new loans or repaying debts and loans) were negative and stood at €2,132,527.

With reference to third-party funds, it should be noted that a new loan of €8,500,000 was taken out, while €6,042,860 was repaid in principal.

With regard to cash flows from equity, it should be noted that dividends in the amount of €4,589,667 were distributed during the first semester, while the remaining profit was allocated to equity reserves.

## INFORMATION REGARDING THE FAIR VALUE OF DERIVATIVE FINANCIAL INSTRUMENTS

In compliance with the provisions of Article 2427-bis of the Italian Civil Code, the following information is provided.

Type of contract	PURPOSE	UNDERLYING RISK	NOTIONAL AMOUNT AS AT 30/06/2025	FAIR VALUE AS AT 30/06/2025
Commodity swap	HEDGING DERIVATIVE	PRECIOUS METALS	46,884,125	2,667,393
Currency options	HEDGING DERIVATIVE	USD/EUR EXCHANGE RATE	14,150,000	349,402
Currency options	HEDGING DERIVATIVE	AUD/EUR EXCHANGE RATE	1,050,000	11,213
Currency options	DERIVATIVE HEDGING	GBP/EUR EXCHANGE RATE	4,350,000	-34,006
Currency options	HEDGING DERIVATIVE	JPY/EUR EXCHANGE RATE	40,000,000	10,114
Interest Rate Swap	HEDGING DERIVATIVE	INTEREST RATES	12,125,573	-85,630

The Parent Company performs forward hedging on currency risks arising from its trade activities, the purpose being to protect the industrial operating profit from unfavorable fluctuations in exchange rates and prices of key raw materials.

The Company therefore uses derivatives within the scope of its “risk management” activities, while derivatives or similar instruments are not used and held for mere trading purposes.

### COMMODITY PRICE RISK

The objective of this type of hedge is to minimize changes in cash flows generated by the purchase of raw materials used in the production process. In order to stabilize the purchase price, the Parent Company fixes the price at the metal withdrawal date through financial hedging transactions. These transactions, which have a maximum duration of 24 months, are carried out on a rotation basis for a portion of the requirements calculated based on the Company’s budget.

### EXCHANGE RATE RISK

As the Parent Company operates internationally, it is exposed to exchange rate risk associated with different currencies, including, primarily, the US dollar and the British pound. The exchange rate risk arises from transactions of a commercial nature related to normal operations, and arises from the fluctuation of exchange rates between the time when the commercial relationship originates and the time of collection.

### INTEREST RATE RISK

To manage interest rate risk associated with medium/long-term loans, the Parent Company had some Interest Rate Swap transactions in place as at June 30, 2025, which allow the loan to switch from a floating rate to a fixed rate. This instrument has notional values and maturities aligned with those of the underlying hedged loan.

## Information relating to fees payable to the Independent Auditors

	VALORE
Statutory audit of annual accounts Fope Spa	27,505
Statutory audit of annual accounts Fope Jewellery Ltd	13,926
Statutory audit of annual accounts Fope Usa Inc	24,709
Tax advisory services	
Other audit services performed	
Other non-audit services	27,066
<b>Total fees payable to the statutory auditor or audit firm</b>	<b>93,206</b>

The statutory audit of the consolidated accounts was entrusted to the auditing firm BDO ITALIA S.p.A.

During 2025 first semester, the auditing firm also provided consulting services related to the preparation of the sustainability report. It also provided services related to the acquisition and management of whistleblowing reports.

## INFORMATION RELATING TO FEES PAYABLE TO DIRECTORS AND STATUTORY AUDITORS

Pursuant to law provisions, information is provided with regard to the total fees payable to Directors and members of the Board of Statutory Auditors of the parent company, including those for the discharge of such functions also in other companies included in the scope of consolidation.

	DIRECTORS	AUDITORS
Fees	625,505	33,325

It should be noted that no advance payments were made, no amounts were due and no guarantees were provided to Directors and Statutory Auditors.

## INFORMATION REGARDING FINANCIAL FIXED ASSETS ENTERED AT A VALUE HIGHER THAN THEIR FAIR VALUE

No financial fixed assets were recognized in the financial statements at a value higher than their fair value.

## INFORMATION REGARDING TRANSACTIONS WITH RELATED PARTIES

No significant transactions took place between Group companies and related parties.

## REVENUE OR COST ITEMS OF EXCEPTIONAL SIZE OR IMPACT

Pursuant to Article 2427, Section 13(1) of the Italian Civil Code, it should be noted that the income statement does not reflect any revenues or costs that, due to their size or impact on the result for the reporting period, are not repeatable over time.

Off-balance-sheet arrangements, guarantees and contingent liabilities not resulting from the balance sheet

Group companies do not have any arrangements in place that are not reflected in the Balance Sheet.

Commitments undertaken by the Parent Company towards third parties relate to the value of gold on free loan, amounting to €29,652,386.

## INFORMATION ON SIGNIFICANT EVENTS OCCURRING AFTER THE FIRST HALF OF 2025

There are no significant events to report since the end of the first half of 2025.

These consolidated financial statements, consisting of the balance sheet, the income statement and the notes to the financial statements, provide a true and fair view of the financial situation and performance, and tally with the Parent Company's accounting records and the information provided by the companies included in the scope of consolidation.

  
Diego Nardin  
FOPE S.p.A. CEO



# AUDITOR'S REPORT

## Fope S.p.A.

Consolidated Financial Statements as at June 30, 2025

*This report has been translated into English from the original, which was prepared in Italian and represents the only authentic copy, solely for the convenience of International Readers*





## INDEPENDENT AUDITOR'S INTERIM REVIEW REPORT

To Shareholders of  
Fope S.p.A.

Report on Review of Consolidated Interim Financial Statements

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### Introduction

We have reviewed the accompanying Consolidated Interim Financial Statements of FOPE S.p.A. and its subsidiaries (FOPE Group) comprising the balance sheet as of June 30, 2025, and the income statement, the statement of changes in equity and the statement of cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of this interim consolidated financial statements in accordance with Italian Accounting Principle OIC 30, governing interim financial information. Our responsibility is to express a conclusion on these Interim Consolidated Financial Statements based on our review.

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### Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than a full-scope audit conducted in accordance with International Standards on Auditing (ISA Italia) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the Consolidated Interim Financial Statements.

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### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Consolidated Interim Financial Statements do not give a true and fair view of the financial position of FOPE Group as of June 30, 2025, and of its financial performance and its cash flows for the six-month period then ended in accordance with Italian Accounting Principle OIC 30, governing interim financial information.

Verona, September 25, 2025

BDO Italia S.p.A.

Signed by

Marco Giuseppe Troiani  
Partner

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BDO Italia S.p.A. - Sede Legale: Viale Abruzzi, 94 - 20131 Milano - Capitale Sociale Euro 1.000.000 i.v.

Codice Fiscale, Partita IVA e Registro Imprese di Milano n. 07722780967 - R.E.A. Milano 1977842

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VICENZA

**FOPE**

DAL 1929