

(Translation from the Italian original which remains the definitive version)

KALEON S.r.l. single-member company

Registered office: Via Borromei 1/A – 20123 MILAN
Fully-paid up quota capital: €1,500,000.00
Milan, Monza, Brianza, Lodi company registration and tax code: 07040700150
Milan REA no. 1132883

Condensed interim consolidated financial statements as at and for the six months ended 30 June 2025

BALANCE SHEET**ASSETS****30 June 2025** **31 December 2024****B FIXED ASSETS****I Intangible fixed assets**

3 Industrial patents and intellectual property rights	775,421	0
4 Concessions, licences, trademarks and similar rights	1,245,430	1,428,418
5 Goodwill	47,495	61,618
6 Assets under development and payments on account	1,891,013	2,496
7 Other	10,480,471	9,655,684
Total intangible fixed assets (I)	14,439,830	11,148,216

II Tangible fixed assets

1 Land and buildings	130,072	69,744
2 Plant and machinery	4,766,649	5,015,481
4 Other assets	3,496,120	3,458,801
5 Assets under construction and payments on account	1,591,083	2,947,455
Total tangible fixed assets (II)	9,983,924	11,491,481

III Financial fixed assets

1 Equity investments in:		
a) unconsolidated subsidiaries	420,000	20,000
b) associates	5,000	5,000
Total equity investments (1)	425,000	25,000
2 Financial receivables:		
a) from subsidiaries		
- due within one year	200,000	0
b) from associates:		
- due after one year	80,000	50,000
Total financial receivables (2)	280,000	50,000
Total financial fixed assets (III)	705,000	75,000
TOTAL FIXED ASSETS	25,128,754	22,714,697

C CURRENT ASSETS**I Inventory**

1 Raw materials, consumables and supplies	582,210	518,126
Total inventory (I)	582,210	518,126

II Receivables

1 Trade receivables:		
- due within one year	607,340	359,266
3 From associates:		
- due within one year	0	278
5bis Tax receivables:		
- due within one year	49,902	51,375
5ter Deferred tax assets:		
- due within one year	484,145	516,839
5quater From others:		
- due within one year	177,450	63,532
Total receivables (II)	1,318,837	991,290

IV Liquid funds

1 Bank and postal accounts	141,174	51,446
3 Cash-in-hand and cash equivalents	183,110	34,476
Total liquid funds (IV)	324,284	85,922
TOTAL CURRENT ASSETS	2,225,331	1,595,338

D PREPAYMENTS AND ACCRUED INCOME

Other	763,130	770,035
TOTAL PREPAYMENTS AND ACCRUED INCOME	763,130	770,035
TOTAL ASSETS	28,117,215	25,080,070

LIABILITIES**30 June 2025** **31 December 2024**

A NET EQUITY		
I Quota capital	1,500,000	1,500,000
II Quota premium reserve	1,500,000	1,500,000
III Revaluation reserves	1,556,104	1,556,104
IV Legal reserve	300,000	300,000
VII Other reserves:		
- Negative goodwill	104,291	104,291
- Reserve for suspension of 2020 amortisation/depreciation	1,019,373	1,019,373
- Rounding reserve	1	4
VIII Retained earnings (losses carried forward)	259,207	(1,278,021)
IX Net profit for the period/year	1,287,851	1,537,227
Net equity pertaining to the group	7,526,827	6,238,978
C EMPLOYEES' LEAVING ENTITLEMENT	1,362,261	1,323,029
D PAYABLES		
3 Quotaholder loans:		
- due after one year	6,010,400	6,010,400
4 Bank loans and borrowings:		
- due within one year	5,878,108	4,224,533
- due after one year	1,605,904	2,550,011
6 Payments on account:		
- due within one year	82,332	103,338
7 Trade payables:		
- due within one year	2,670,715	2,761,363
9 Payables to subsidiaries:		
- due within one year	1,672	0
12 Tax payables		
- due within one year	911,216	508,725
13 Social security charges payable:		
- due within one year	349,872	243,980
14 Other payables:		
- due within one year	1,198,414	892,473
TOTAL PAYABLES	18,708,633	17,294,823
E ACCRUED EXPENSES AND DEFERRED INCOME		
Other	519,494	223,240
TOTAL ACCRUED EXPENSES AND DEFERRED INCOME	519,494	223,240
TOTAL LIABILITIES	28,117,215	25,080,070

A PRODUCTION REVENUES		
1 Turnover from sales and services	10,833,369	10,228,113
5 Other revenues and income:		
- sundry	560,672	17,188
- grants	42,659	10,800
Total other revenues and income	603,331	27,988
TOTAL PRODUCTION REVENUES (A)	11,436,700	10,256,101
B PRODUCTION COST		
6 Raw materials, consumables, supplies and goods	857,136	782,780
7 Services	2,079,047	2,198,197
8 Use of third party assets	1,114,468	824,975
9 Personnel expenses:		
a) wages and salaries	2,780,759	2,653,827
b) social security contributions	846,523	788,916
c) employees' leaving entitlement	195,137	181,711
e) other costs	21,481	18,062
<i>total personnel expenses</i>	<i>3,843,900</i>	<i>3,642,516</i>
10 Amortisation, depreciation and write-downs:		
a) amortisation of intangible fixed assets	616,413	485,587
b) depreciation of tangible fixed assets	768,216	728,068
c) other write-downs of fixed assets	28,361	0
<i>Total amortisation, depreciation and write-downs</i>	<i>1,412,990</i>	<i>1,213,655</i>
11 Change in raw materials, consumables, supplies and goods	(64,084)	(88,193)
14 Other operating costs	288,949	193,204
TOTAL PRODUCTION COST (B)	9,532,406	8,767,134
OPERATING PROFIT (A-B)	1,904,294	1,488,967
C FINANCIAL INCOME AND CHARGES		
16 Other financial income		
d) other income		
- from others	2	2
Total other financial income	2	2
17 Interest and other financial charges:		
- on other payables	127,307	138,384
Total interest and other financial charges	127,307	138,384
NET FINANCIAL CHARGES (15+16-17+-17bis)	(127,305)	(138,382)
PRE-TAX PROFIT (A-B+-C+-D+-E)	1,776,989	1,350,585
22 INCOME TAXES		
Current taxes	(454,141)	(242,606)
Deferred taxes	(32,694)	(384,991)
Taxes relative to prior years	(2,303)	2,957
TOTAL INCOME TAXES	(489,138)	(624,640)
23 Net profit for the period before minority interests	1,287,851	725,945
Net profit (loss) for the period pertaining to minority interests	0	0
Net profit for the period pertaining to the group	1,287,851	725,945

H1 2025

H1 2024

CASH FLOW STATEMENT

A) Cash flows from operating activities

Net profit for the period	1,287,851	725,945
Income taxes	456,444	624,640
Net interest expense	127,305	138,382
1) Profit for the period before income taxes, interest, dividends and gains/losses from the sale of assets	1,871,600	1,488,967
Non-monetary adjustments that did not affect net working capital		
Accruals to provisions	195,137	181,711
Amortisation and depreciation	1,384,629	1,213,655
Write-downs for impairment losses	28,361	0
Other non-monetary adjustments	(420,847)	0
Total non-monetary adjustments that did not affect net working capital	1,187,280	1,395,366
2) Cash flows before changes in net working capital	3,058,880	2,884,333
Changes in net working capital		
Decrease/(increase) in inventory	(64,084)	(88,193)
Decrease/(increase) in trade receivables	(248,074)	(587,135)
Increase/(decrease) in trade payables	(90,648)	299,950
Decrease/(increase) in prepayments and accrued income	6,905	(487,476)
Increase/(decrease) in accrued expenses and deferred income	296,254	154,519
Other decreases/(other increases) in net working capital	283,362	237,850
Total changes in net working capital	183,715	(470,485)
3) Cash flow after changes in net working capital	3,242,595	2,413,848
Other adjustments		
Net interest paid	(127,305)	(138,382)
Income taxes paid	0	1,736
Utilisation of provisions	(155,905)	(74,317)
Total other adjustments	(283,210)	(210,963)
Cash flow generated by operating activities (A)	2,959,387	2,202,885
B) Cash flows from investing activities		
Tangible fixed assets		
(Investments)	(358,611)	(304,739)
Disinvestments	47,406	0
Intangible fixed assets		
(Investments)	(2,889,286)	(1,868,962)
Disinvestments	0	0
Financial fixed assets		
(Investments)	(230,000)	(60,000)
Disinvestments	0	0
Cash flow used in investing activities (B)	(3,430,491)	(2,233,701)
C) Cash flows from financing activities		
Third-party funds		
Increase/(decrease) in short-term bank borrowings	1,653,575	1,211,358
(Loans repaid)	(944,107)	(783,569)
Cash flows generated by financing activities (C)	709,468	427,789
Increase in liquid funds (A+/-B+/-C)	238,362	396,973
Exchange rate gains/(losses) on liquid funds		
Opening liquid funds		
Bank and postal accounts	51,446	24,040
Cash and cash equivalents	34,476	26,598
Total opening liquid funds	85,922	50,638
Closing liquid funds		
Bank and postal accounts	141,174	136,605
Cash and cash equivalents	183,110	311,006
Total closing liquid funds	324,284	447,611
Increase	238,362	396,973

The following table summarises the group's financial position after the transfer of the business unit by Kaleon S.r.l. (the transferor) to Vigilo RE S.r.l. (the transferee) during the period. The balances shown below are those at the effective date of the contribution:

	01.02.2025
Tangible fixed assets	3,444
Goodwill	464,835
Other receivables	1,672
TOTAL ASSETS	469,951
Employees' leaving entitlement	43,990
Personnel expenses	25,961
TOTAL LIABILITIES	69,951
Goodwill arising from the transfer	400,000

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE SIX MONTHS ENDED 30 JUNE 2025

The condensed interim consolidated financial statements of the Kaleon S.r.l. Group (formerly SAG S.r.l.; the “group”) at 30 June 2025 show a net profit for the period of €1,287,851, entirely attributable to the group, after amortisation/depreciation and write-downs of €1,412,990 and income taxes of €489,138.

The directors have prepared these condensed interim consolidated financial statements in view of the Kaleon S.r.l.’s (the “parent”) plan to trade its future quotas on the Euronext Growth Milan and the Euronext Growth Paris managed by Borsa Italiana S.p.A. and Euronext Paris S.A., respectively.

Basis of consolidation

The accounting policies used to prepare the condensed interim consolidated financial statements are the same as those used for the parent’s consolidated financial statements at 31 December 2024.

Assets and liabilities with the same or similar name and content recognised in the financial statements of the group companies and classified in the same captions of the condensed interim consolidated financial statements are measured using uniform accounting policies.

The assets and liabilities, costs and revenues and cash flows of the companies directly and indirectly controlled by the parent are consolidated on a line-by-line basis.

Line-by-line consolidation is carried out by:

- making adjustments for consistency with the group accounting policies and any other adjustments necessary for consolidation purposes, such as reclassifications;
- combining the financial statements or reporting packages to be consolidated regardless of the group’s investment percentage. The profit and loss accounts of the companies purchased or sold during the period are combined based on the period during which the group held an investments therein;
- eliminating the carrying amounts of the investments in the consolidated companies against the group’s share of the subsidiaries’ net equity at the acquisition date.

Any positive difference is allocated, where possible, to each identifiable asset acquired, to the extent of the assets’ fair value, and, in any case, not exceeding their recoverable amount, and to each identifiable liability assumed, including the related tax.

Should any difference remain after such allocation, it is classified as goodwill arising on consolidation under intangible fixed assets, unless it should be entirely or partly recognised in the profit and loss account. The remaining difference is only allocated to goodwill if all the requirements for recognition as such are met under the relevant accounting standard.

If a negative difference emerges, it is recognised, where possible, as a decrease in the carrying amount of assets exceeding their recoverable amount or allocated to the liabilities that are carried at amounts smaller than their settlement amount, net of the related tax. Any negative difference that is not attributable to forecast losses but to a good deal is recognised in a specific net equity reserve, i.e., the consolidation reserve.

There are no investments attributable to minority interests.

Brief description of the group and scope of consolidation

The group’s activities are described below.

Ticketing

The group's core business is visitor management at the Borromeo palaces and gardens, located on Isola Bella and Isola Madre on Lake Maggiore, as well as Villa Pallavicino, Rocca d'Angera and Castelli di Cannero, buildings and gardens featuring rare animals and plants and exotic flowers, and exhibitions of artistic and cultural significance, including paintings, furniture, dolls and porcelain. The buildings, together with part of the collections of furnishings, paintings and furniture on public display therein, are mostly under the protection of the Ministry for Cultural and Environmental Heritage pursuant to the laws for the conservation of assets of historical, artistic and cultural interest.

In addition to the sites described above, there is also the Parco del Mottarone, to be enjoyed year-round, which is composed of separate business units owned by the subsidiary Parco del Mottarone S.r.l. and managed by the parent Kaleon through separate business unit leases which refer to:

- ski facilities and related activities: this business unit operates and manages ski lifts, ski facilities and slopes for Alpine skiing and winter sports and the sale of related equipment;
- rentals: this business unit manages the rental of bicycles, mountain bikes, as well as skis, ski boots and related sports equipment, chairs and deckchairs;
- "Parco Avventura": this business unit refers to the adventure park with aerial courses, consisting of paths placed at various heights above the ground which, with the help of lianas, Tibetan bridges, cableways, nets and walkways, which allow visitors to move from one tree to another in complete safety;
- restaurant – bar – lodge: this business unit manages bars, cafeterias, restaurants and restaurants with indoor and outdoor seating.

All sites target different categories of visitors such as individual tourists, companies, groups and also school groups of all levels.

Food & Beverage and Hospitality

The group seamlessly integrates the above activity with visits to Terre Borromeo and its museums, food & beverage services in Terre Borromeo restaurants and cafeterias, as well as the possibility of spending a weekend or several days relaxing in Terre Borromeo sites on Lake Maggiore thanks to its holiday apartments and/or for an even more exclusive solution, the two hotel suites located in the historic Albergo Ristorante Delfino.

Retail

The group also carries out retail activities, both through its own sales outlets and its e-commerce website, for the sale of goods and accessories, including Terre Borromeo souvenirs such as stationery, books, perfumes, jewellery and various accessories.

Events

Rocca di Angera also leases venues for events, ceremonies and weddings.

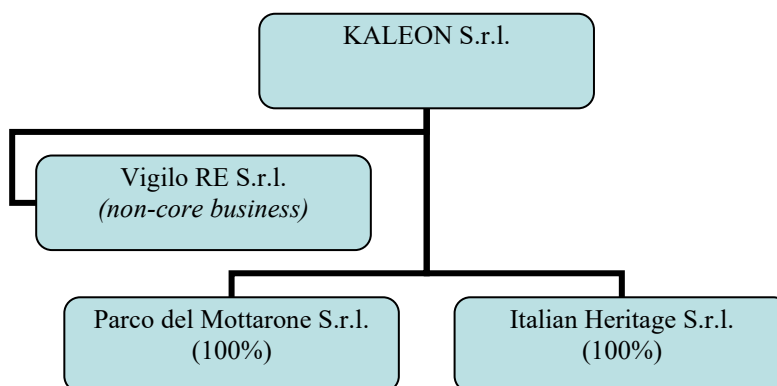
Administrative services

The parent also provided its group companies with data processing activities to support administrative and accounting operations, as well as real estate management activities, including lease management and organisational planning and assistance in the drafting of budgets and proposals to improve the profitability of properties. This business unit, which is not part of the group's core business, was transferred to the unconsolidated subsidiary Vigilo RE S.r.l. with effect from 1 February 2025. The latter company was subsequently sold on 29 July 2025.

The transfer entailed the administrative and management services carried out for the companies indirectly controlled by the sole quotaholder. However, this activity will continue to be carried out for the subsidiaries Parco del Mottarone S.r.l. and Italian Heritage S.r.l. and for the associate Scuola Sci Stella Alpina Mottarone S.t.p. S.r.l., which will generate annual revenues of about €16 thousand.

The group's activities are still in the consolidation and expansion phase. Indeed, the group continues to invest, innovate and develop, on the one hand to further improve the offering on the sites it already manages and, on the other, by continuously searching for potential new tourist sites in order to consolidate and further increase its positioning in the Italian and international tourism sector, especially with regard to sites with artistic and cultural significance.

The following table shows the group's composition:



The group companies that perform the activities listed above and constitute the scope of consolidation are as follows:

- **KALEON S.r.l.**, the parent, registered office: Via Borromei 1/A, Milan, quota capital: €1,500,000; tax code, VAT no. and company registration no.: 7040700150);
- **Parco del Mottarone S.r.l.**, wholly-owned subsidiary, registered office: Via Borromei 1/A, Milan, quota capital: €165,000; tax code, VAT and company registration no.: 02445510031, consolidated on a line-by-line basis.

The following wholly-owned companies were not consolidated:

- Italian Heritage S.r.l., with registered office in Stresa (Verbania), quota capital €10,000, tax code, VAT and company registration no. 2789030034, incorporated on 30 October 2024. This company, which is still inactive will end its first year of operations on 31 December 2025. Consequently, it has not been consolidated also pursuant to article 28.2 of Legislative decree no. 127/91 as its inclusion would be immaterial for the purposes of presenting the group's financial position, financial performance and cash flows.
- Vigilo RE S.r.l., with registered office in Milan, quota capital €50,000, tax code, VAT and company registration no. 13812410960. This company provides data processing activities to support administrative and accounting operations, as well as real estate management activities, including lease management and organisational planning and assistance in the drafting of budgets and proposals to improve the profitability of properties. Specifically, Vigilo RE S.r.l. began these activities on 1 February 2025, the date the transfer of the business unit by Kaleon S.r.l. (the transferor) to Vigilo RE S.r.l. (the transferee) became effective. Therefore, the condensed interim consolidated financial statements of Kaleon S.r.l. only show the revenues from these activities pertaining to January 2025.

As mentioned earlier, Kaleon S.r.l. will continue to carry out these activities for the subsidiaries Parco del Mottarone S.r.l. and Italian Heritage S.r.l., as well as for the associate Scuola Sci Stella Alpina Mottarone S.t.p. S.r.l., while Vigilo RE S.r.l. will carry out those for the indirect subsidiaries/associates.

Revenues from the services rendered by Kaleon through the transferred business unit amounted to €77 thousand at the reporting date, compared to €212 thousand in the first half of 2024 (net of the €3 thousand relating to the subsidiary Parco del Mottarone S.r.l.). As part of the business unit transfer, Kaleon also transferred the employment contracts of three employees to Vigilo Re.

The latter company has not been consolidated since it is held for sale.
The sale was actually completed on 29 July 2025.

Structure and content of the condensed interim consolidated financial statements

These condensed interim consolidated financial statements have been prepared in accordance with OIC 30, which governs the preparation of interim financial statements, the Italian Civil Code and the provisions of Legislative decree no. 127 of 9 April 1991.

Captions with a nil balance in both the current period and previous period/year have been omitted.

The amounts presented in the balance sheet, profit and loss account, cash flow statement and these notes are in Euros.

These condensed interim consolidated financial statements have been prepared on a going-concern basis.

For information on transactions made with subsidiaries and other related parties, reference should be made to the relevant section of these condensed interim consolidated financial statements.

Basis of preparation

The condensed interim consolidated financial statements captions are measured in accordance with the general principles of prudence and accruals on a going-concern basis. Captions are recognised and presented in accordance with the substance over form principle, if in compliance with the Italian Civil Code and the OIC. The group also complies with the principles of measurement consistency, materiality and comparability of information.

As a result:

- the group measures the individual assets and liabilities separately, in order to avoid offsetting profits on certain items against losses on other items. Specifically, it recognises profits only if realised before the reporting date, whereas it considers risks and losses on an accruals basis, even when they become known after the reporting date;
- the group recognises income and expense pertaining to the period regardless of when it is collected or paid. They are, therefore, recognised in the profit and loss account on an accruals basis in order to be included in the net profit or loss for the period;
- the parent's directors assessed the group's ability to continue as a going concern in the foreseeable future, i.e., for at least twelve months from the reporting date. They did not identify any material uncertainties in this respect;
- the identification of rights, obligations and conditions is based on the contractual terms of transactions and the reporting standards to check the correctness of the recognition or derecognition of assets and liabilities; the materiality of the condensed interim consolidated financial statements captions was assessed by considering them as a whole and both qualitative and quantitative factors;
- under the principle of materiality set out in article 2423.4 of the Italian Civil Code, these notes do not include disclosures on the condensed interim consolidated financial statements captions whose amount or related disclosure are immaterial for the purposes of giving a true and fair view of the group's financial position, financial performance and cash flows, including those specifically required by article 2427 of the Italian Civil Code or other provisions.

Accounting policies

Intangible fixed assets

Intangible fixed assets are recognised at cost and amortised over their useful life. They include multi-year costs which are amortised over the contractual term of the asset and/or the asset's expected useful life. They include leasehold improvement costs and are amortised on a straight-line basis as follows:

	Rate
Start-up and capital costs	20%
Concessions, licences, trademarks and similar rights	5% -12.50% - 20%
Patents	20%
Goodwill	20%
Other	16.67% - 20% - 14.29% - 12.50% - 10% - 6.67% - 5% - 4.17%-5.56%

Starting from 2018, the parent has changed the amortisation criteria applied to leasehold improvements and charges. In particular, under OIC 24, the useful life of these costs has been estimated with greater reasonable certainty and in accordance with the principle of prudence, thereby bringing the useful life of the asset into line with their expected use. These new criteria are more appropriate considering the contract term of the leased buildings, are more in line with the current economic profile of the work performed and its ability to generate profit through cash flows.

In 2020, the parent also availed of the option provided by Law no. 126/2020, which converted Law decree no. 104/2020 (the "August Decree") and revalued only its trademarks. Accordingly, it recognised the increase in the trademarks' historical cost in the net equity caption Revaluation reserve pursuant to Law decree no. 104/2020, net of the substitute tax for the higher value of trademarks as the parent opted for the revaluation for both statutory and tax purposes. The net equity reserve - which derives from the revaluation of the asset (net of the above substitute tax), is a reserve taxable on distribution. The revalued amounts have been recognised for tax purposes as of the subsequent year (2021).

The higher amount attributed to trademarks (€1,600,000) is systematically amortised over 20 years and over 50 years for statutory and tax purposes, respectively.

Tangible fixed assets

Tangible fixed assets are recognised at purchase cost, net of accumulated depreciation.

Their carrying amount comprises the related charges and costs incurred to use the asset, net of trade and cash discounts of a significant amount.

Depreciation is expensed based on the use, allocation and useful life of the assets over their residual useful life. This criterion is held to be fairly represented by the following rates, which are halved in the first year in which the asset is available for use.

The depreciation rates applied during the period are as follows:

	Rate
Industrial and commercial equipment	12%
Plant and machinery	10% - 15%
Other assets:	
<i>Boats</i>	8%
<i>Vehicles</i>	25%
<i>Office equipment</i>	10%
<i>Furniture and fittings</i>	10%
<i>Mobile phones and fixed landlines</i>	25%
<i>Assets worth less than €516.46</i>	100%

Since 2018, the parent has recalculated the useful life of its lighting, intrusion detection, surveillance and irrigation systems, applying a depreciation rate of 10% instead of the previously-applied 15%, and of office and related equipment, applying a depreciation rate of 10% instead of the previously-applied 20%. This is mainly due to the changes in the original conditions of the assets and, in particular, to technical and functional considerations. Indeed, these assets now have a longer useful life due to the constant and significant interventions carried out in recent years.

Furthermore, the parent has leased the following business units from its subsidiary Parco del Mottarone S.r.l.:

- *ski facilities and related activities*, this business unit operates and manages ski lifts, ski facilities and slopes for Alpine skiing and winter sports and the sale of related equipment;
- *rentals*, this business unit manages the rental of bicycles, mountain bikes, as well as skis, ski boots and related sports equipment, chairs and deckchairs;
- "*Parco Avventura*", this business unit refers to the adventure park with aerial courses, consisting of paths placed at various heights above the ground which, with the help of lianas, Tibetan bridges, cableways, nets and walkways, which allow visitors to move from one tree to another in complete safety;
- *restaurant – bar – lodge*, this business unit manages bars, cafeterias, restaurants and restaurants with indoor and outdoor seating.

The individual leased business units also comprise the relevant tangible fixed assets. As no waiver was made to article 2561 of the Italian Civil Code, the parent, as the lessee, must ensure the efficiency of the leased assets and incurs the costs related to the wear and tear and the obsolescence of the leased assets. Therefore, it will recognise the depreciation charge for the period over the lease term by accruing an amount to the provision for the restoration of tangible fixed assets related to these business units. At 30 June 2025, this provision amounted to €863,836, and included the accruals for the period of €87,176.

As contractually agreed, the parent is also entitled, for tax purposes, to deduct the depreciation charges relating to the tangible fixed assets comprising the leased business units pursuant to article 102.8 of the Consolidated Income Tax Act (TUIR).

Equity investments

Equity investments which the parent intends and has the capacity to hold in the long term are recognised under financial fixed assets. Otherwise, they are recognised under current assets.

Transfers in or out of the two categories are recognised in accordance with the accounting policies applicable to the portfolio which the asset comes from.

Equity investments are measured at cost. They are initially recognised at acquisition or incorporation cost, including the related transaction costs. The latter comprise costs that are directly attributable to the transaction such as, for example, bank and financial brokerage fees, commissions, expenses and taxes. The carrying amount of equity investments rises as a result of capital increases against

consideration or waivers of repayment of receivables by the investor. Any bonus issue does not increase the equity investments' carrying amount.

They are written down for impairment, when their carrying amount decreases to below their recoverable amount at the reporting date. They are written down to the extent of the carrying amount. If the parent has an obligation to cover an investee's losses, it sets up a provision under liabilities to cover its share of the investee's deficit. Equity investments are written back up to their original cost if the reasons for the write-downs cease to exist.

Inventory

Inventory is recognised at the lower of the purchase cost (including related charges) and the estimated realisable value based on market trends. In particular, inventory, mainly relating to publications and sundry goods sold in museums, was measured using average purchase prices, taking into account the goods' market value.

Receivables

Receivables are rights to receive fixed or determinable amounts of cash or its equivalent from customers or other third parties at identified or identifiable due dates. They are recognised at amortised cost.

The amortised cost method is not applied when its effects are irrelevant, which is usually the case for current receivables or when transaction costs, commissions paid between the parties and any other difference between the original and recoverable amounts at the due date are insignificant.

In this case, receivables are initially recognised at their nominal amount, net of bonuses, discounts and allowances contractually provided for or, in any case, granted. They are subsequently measured at their nominal amount plus interest calculated at the nominal interest rate, reduced by principal and interest collected and net of estimated write-downs and expected credit losses recognised to adjust their carrying amount to their estimated realisable value.

The group did not apply the amortised cost method at the reporting date as its effect was immaterial at that date.

The nominal amount of receivables is adjusted to their estimated realisable value through the provision for bad debts, taking into account general economic and sector conditions, as well as the country risk.

Loans are recognised under financial fixed assets in the balance sheet.

Payables

Payables are specific and certain liabilities that are obligations to pay fixed or determinable sums of cash or its equivalent to financial backers, suppliers or other parties.

Payables arising from the purchase of goods are recognised when the substantial transfer of title has taken place, with the transfer of risks and benefits being the key parameter. Payables relating to services are recognised once the services have been delivered, i.e., when they have been carried out. Loans and borrowings and payables unrelated to the procurement of goods and services are recognised when the group has an obligation vis-a-vis the counterparty.

Payables are recognised at amortised cost, considering the time value of money.

The amortised cost method is not applied when its effects are irrelevant, which is usually the case for current payables or when transaction costs, commissions paid between the parties and any other difference between the original and settlement amounts at the due date are insignificant.

The group did not apply the amortised cost method at the reporting date as its effect was immaterial at that date.

Trade payables due after one year upon initial recognition that do not bear interest or bear contractual interest that significantly differs from market rates and the related costs are initially recognised at their present value by discounting future cash flows at market interest rates. The difference between the carrying amount at initial recognition and the terminal value is recognised in the profit and loss account as interest expense over the payable's life, using the effective interest method.

With regard to loans and borrowings, the group recognises the difference between the cash received and the present value of future cash flows calculated using the market rate as financial income or charges upon initial recognition, except when the transaction's or contract's substance requires its allocation to another caption and a different accounting treatment.

Payables are derecognised, in whole or in part, when the relevant contractual and/or legal obligations are extinguished for settlement or other reasons, or are transferred.

Liquid funds

They are recognised at their period-end balance.

Prepayments and accrued income, accrued expenses and deferred income

These are calculated on an accruals basis and include revenues, income, costs and charges pertaining to more than one year

Provisions for risks and charges

Provisions for risks and charges are recognised to cover specific liabilities that are certain or probable, but whose amount or due date is unknown at the reporting date. These provisions have been measured in accordance with the general principles of prudence and accruals, and no generic risk provisions were accrued without economic justification. Probable liabilities are recognised under provisions when the amount of the related outlay can be reasonably estimated.

Accruals to provisions for risks and charges are recognised in the profit and loss account section to which the transaction relates, privileging the classification of costs by nature.

The amount of the accruals to the provisions is based on the best estimate of costs, including the legal expenses, at each reporting date and is not discounted. If the measurement of the accruals gives a range of values, the accrual represents the best possible estimate between the upper and lower thresholds of the range.

The provisions are subsequently used directly and solely for those costs and liabilities for which they were originally set up. If they are not sufficient or are redundant, the shortfall or surplus is recognised in the profit and loss account in line with the original accrual.

These accruals are made on a best estimate basis.

Employees' leaving entitlement

The Italian employees' leaving entitlement (TFR) is the actual amount due to employees in compliance with the law and employment contracts, considering all types of continuous remuneration. The related liability is the amount that the group would have paid, net of advances, had all employees left at the reporting date.

Revenues and costs

Revenues from the sale of goods and the provision of services relating to both core and non-core operations are recognised in accordance with the accounting model introduced by OIC 34, which consists of the following steps:

- a) determining the transaction price;
- b) identifying performance obligations;
- c) measuring performance obligations; and
- d) recognising revenues.

The transaction price is inferred from the terms of the contract. Discounts, rebates, penalties and returns are accounted for as a reduction in revenues based on the best estimate of the consideration, taking into account historical information and/or statistical analyses.

When determining the transaction price, an entity shall also consider any consideration payable to the customer, which is similar to discounts and is, therefore, accounted for as a reduction in the transaction price. On the other hand, if the consideration payable to the customer is a payment for services received as part of the same contract, it is accounted for as an expense.

The group analyses sales contracts in order to identify the performance obligations, i.e., whether a single sales contract may give rise to several rights and obligations to be accounted for separately in relation to the individual goods, services or other obligations promised to the customer.

The individual performance obligations are not separated when the goods and services under the contract are complementary or inseparable, the services are unrelated to the group's core business, each of the services covered by the sales contract are performed in the same year, and, for contracts not particularly complex, the effect of the separation of the individual performance obligations is immaterial on total revenues.

Production cost is recognised net of returns, allowances, discounts and premiums. Costs related to purchases of goods are recognised on an accruals basis upon the substantial transfer of risks and benefits. Those related to purchases of services are recognised over time if the contract provides that the buyer pays for the service as the service is received and the amount of the cost can be measured reliably. If these conditions are not met, the cost is recognised upon completion of the service.

Grants related to income due in accordance with the law or under the relevant contractual provisions are recognised on an accruals basis when the right to receive them is certain.

Income taxes

Income (IRES - corporate income tax - and IRAP - regional tax on production) and other taxes are calculated on the basis of a forecast of the taxable profit and are stated in the balance sheet, net of payments on account, withholdings and receivables exceeding the taxes payable.

Taxes that, although pertaining to future years, are due in the current year (deferred tax assets) and those that, although pertaining to the current year, will become collectable in future years (deferred tax liabilities) have also been recognised. Deferred tax assets and liabilities are recognised on temporary differences between the carrying amount of assets and liabilities and their tax base. They are measured applying the tax rates reasonably estimated for the coming years.

Deferred tax assets not offset by deferred tax liabilities are recognised as tax receivables under current assets, as their future recovery is reasonably certain since the group will earn a taxable profit sufficient to offset the amount of the deductible temporary differences. No deferred tax assets have been recognised directly in net equity.

In the profit and loss account, current taxes include accruals for IRES and IRAP on the profit for the period. Changes in deferred tax assets reflect the recognition of deferred tax assets, net of those which arose in previous years and reversed during the current period.

BALANCE SHEET - ASSETS

B) FIXED ASSETS

I. Intangible fixed assets

Changes in this caption are broken down as follows:

	31.12.2024	Increases/ decreases	Amortisation of the period	30.06.2025
Industrial patents and intellectual property rights	0	869,451	(94,030)	775,421
Concessions, licences, trademarks and similar rights	1,428,418	(142,461)	(40,527)	1,245,430
Goodwill	61,618	0	(14,123)	47,495
Assets under development and payments on account	2,496	1,888,517	0	1,891,013
Other	9,655,684	1,292,520	(467,733)	10,480,471
Total	11,148,216	3,908,027	(616,413)	14,439,830

Industrial patents and intellectual property rights mainly refer to the costs of implementing the new ERP system and interfaces connected with other management and monitoring systems (e.g., treasury, logistics, order collection, sales planning and management control).

Concessions, licences, trademarks and similar rights mainly refer to the parent's software licences and trademarks, which were revalued in 2020 as permitted by Law no. 126/2020 (which converted Decree law no. 104/2020). They are amortised over 20 years, while the costs related to trademarks, similar rights and concessions are amortised over 5 and 8 years. The decreases are related to the reclassification of software under industrial patents and intellectual property rights. Therefore, there was no disposal.

Goodwill of €47,495 mainly relates to the business units acquired by the subsidiary Parco del Mottarone S.r.l..

Other mostly relates to the capitalisation of costs for extraordinary maintenance, improvements and expenses for compliance with safety regulations incurred on buildings and movable property owned by third parties and leased to carry out business activities.

Assets under development and payments on account relate to work or activities in progress but not yet completed at the reporting date. They mainly refer to extraordinary maintenance costs and renovation works in progress on the various tourist sites in which the company operates, such as Parco Pallavicino and Castelli di Cannero.

II. Tangible fixed assets

Changes in this caption are broken down as follows:

	31.12.2024	Increases/ decreases	Depreciation of the period and accumulated depreciation from the business unit	30.06.2025
Land and buildings	69,744	68,674	(8,347)	130,071
Plant and machinery	5,015,481	108,557	(357,389)	4,766,649

Other assets	3,458,801	439,799	(402,480)	3,496,120
Assets under construction and payments on account	2,947,455	(1,356,372)	0	1,591,083
Total	11,491,481	(739,342)	(768,216)	9,983,924

Land and buildings consist of light constructions and buildings owned by the subsidiary Parco del Mottarone S.r.l..

Plant and machinery include all installations on the various tourist sites where the group operates. The increase in the period mainly refers to the plants installed on the new Castelli di Cannero tourist site, which became operational in June 2025.

Other assets include residual assets instrumental to the business activity, such as furniture and fittings, electronic office machines, telephones and motor vehicles. Some assets included in this caption were fully written down during the period for a total of €28,361, as they have reached the end of their useful life.

Assets under construction and payments on account refer to the purchase costs of assets (e.g., boats) related to the company's operations purchased from third parties and not yet completed at 30 June 2025.

The depreciation of the assets belonging to the leased business units has been suspended in the financial statements of Parco del Mottarone S.r.l. and is provided for by Kaleon S.r.l. through the provision for the restoration of tangible fixed assets since the waiver permitted by article 2561 of the Italian Civil Code has not been applied. Indeed, the lessee (the parent) must ensure the efficiency of the leased assets and incurs the costs related to the wear and tear and the obsolescence of the leased assets.

III. Financial fixed assets

Changes in this caption are broken down as follows:

	30.06.2025	31.12.2024	Changes
Investments in unconsolidated subsidiaries	420,000	20,000	400,000
Total	420,000	20,000	400,000

They refer to:

- the investment in Italian Heritage S.r.l. (registered office: Stresa (Verbania); quota capital: €10,000; tax code, VAT and company registration no.: 2789030034) for a nominal amount of €10,000 comprising the entire quota capital, recognised for €10,000, equal to the subscription cost.
- the investment in the Vigilo RE S.r.l. (registered office: Milan; quota capital: €50,000; tax code, VAT and company registration no.: 13812410960) for a nominal amount of €50,000 comprising the entire quota capital, recognised for €410,000, equal to the subscription cost of €10,000 and the €400,000 increase from the business unit it received, effective from 1 February 2025 and comprising data processing activities to support administrative and accounting operations, as well as real estate management activities (purchasing, management, etc.).

The business unit transfer generated a gain of €465,785 for the transferor, which was recognised under other revenues and income.

As already stated in the introduction, Italian Heritage S.r.l. has not been consolidated as it is still inactive and its inclusion would be immaterial for the purposes of presenting the group's financial position, financial performance and cash flows, while Vigilo RE S.r.l. has not been consolidated as it was held for sale. This sale took place on 29 July 2025.

Finally, the parent did not receive any dividends during the period from its investees.

Equity investments in associates

These amount to €5,000 and refer to:

- the investment of €2,000, representing 33.33% of the quota capital of Scuola Sci Stella Alpina Mottarone S.t.p. S.r.l. (registered office: Stresa (Verbania); quota capital: €6,000) recognised for €2,000, equal to the subscription cost, the difference between new loans and waivers of receivables from said company equal to €155,000 net and shown net of the write-down of the previous period for the same amount.
- the investment of €3,000, representing 30% of the quota capital of Tutto Bene S.r.l. (registered office: Milan; quota capital: €10,000) recognised for €3,000, equal to the subscription cost.

Financial receivables from subsidiaries

This caption amounts to €200,000 and refers to the non-interest bearing loan expiring on 31 December 2026, granted to the unconsolidated subsidiary Vigilo RE S.r.l..

Financial receivables from associates

This caption amounts to €80,000 and refers to the non-interest-bearing loan expiring on 30 June 2025 granted to Scuola Sci Stella Alpina Mottarone S.t.p. S.r.l., which increased during the period as a result of the additional loan of €30,000 to meet the associate's business needs.

C) CURRENT ASSETS

I. Inventory

Inventory consists mainly of consumables for food & beverage activities and goods for resale for the retail business.

Considering the current high season, the increase is due to higher purchases of goods to meet the sales of the season.

Changes in this caption are broken down as follows:

	30.06.2025	31.12.2024	Changes
Raw materials, consumables, supplies and goods	582,210	518,126	64,084
Total	582,210	518,126	64,084

II. Current receivables

Before analysing the individual captions, the following table shows the composition and comparative figures of current assets:

	30.06.2025	31.12.2024	Changes
Trade receivables	607,340	359,266	248,074
Receivables from associates	0	278	(278)
Tax receivables	49,902	51,375	(1,473)
Deferred taxes	484,145	516,839	(32,694)
Receivables from others	177,450	63,532	113,918
Total	1,318,837	991,290	327,547

These receivables are all due within one year.

Trade receivables, all due within one year, also include invoices to be issued (€129,214), net of the provision for bad debts (€8,118). This provision did not change during the period as there is no risk of uncollectibility at the reporting date.

Taking into account the current high season, the increase in trade receivables compared to 31 December 2024 mainly refers to receivables from tour operators for the sale of tickets and receivables from venue leases.

Receivables from foreign customers amount to €76,854, while the residual amount relates to Italian entities.

Receivables from others mainly include guarantee deposits, amounts due from employees, receivables from INAIL (National Institute for Insurance against Accidents at Work) and advances to suppliers. The increase of the period mainly refers to higher guarantee deposits of €71 thousand and advances to suppliers of €13 thousand.

Tax receivables mainly refer to the VAT receivables for the period.

Deferred tax assets include the temporary differences which originated in current period and prior years that, based on a specific valuation, were recognised in accordance with OIC 25. Specifically, they were recognised on prior year tax losses and on the misalignment between statutory and tax amortisation of goodwill and the revalued trademark.

IV. Liquid funds

Liquid funds of €324,284 comprise current account balances held with banks with which the group operates (€141,174) and cash and cash equivalents (€183,110). Reference should be made to the cash flow statement for more information on changes in this caption during the period.

D) PREPAYMENTS AND ACCRUED INCOME

They refer to income or charges collected/paid before or after the period to which they pertain. They are recognised regardless of the payment or collection date when the related income and charges are common to two or more years and can be allocated over time. At 30 June 2025, there were no prepayments and accrued income relating to more than five years.

They amount to €763,130 and relate to accrued interest income and grants related to income and prepaid leases, insurance premiums, advertising costs and service fees.

* * * * *

BALANCE SHEET - LIABILITIES

A) NET EQUITY

Net equity consists of the following items which have changed as follows:

	30.06.2025	31.12.2024	Changes
Quota capital	1,500,000	1,500,000	0
Quota premium reserve	1,500,000	1,500,000	0
Revaluation reserve	1,556,104	1,556,104	0
Legal reserve	300,000	300,000	0
Rounding reserve	1	4	(3)
Negative goodwill	104,291	104,291	0
Reserve for suspension of 2020 amortisation/depreciation	1,019,373	1,019,373	0
Retained earnings/(losses carried forward)	259,207	(1,278,021)	1,537,228
Net profit for the year/period	1,287,851	1,537,227	(249,376)
Total	7,526,827	6,238,978	1,287,849

The table below details the changes in net equity compared to the previous year:

	Quota capital	Quota premium reserve	Revaluation reserve	Legal reserve	Negative goodwill	Rounding reserve	Reserve for suspension of 2020 amortisation/depreciation	Retained earnings (losses carried forward)	Net profit for the period/year	Total
Net equity at 31 December 2023	1,500,000	1,500,000	1,556,104	300,000	104,291	3	0	(3,153,478)	2,894,830	4,701,750
Allocation of 2023 net profit							1,019,373	1,875,457	(2,894,830)	0
Other changes						1				1
Net profit for 2024									1,537,227	1,537,227
Net equity at 31 December 2024	1,500,000	1,500,000	1,556,104	300,000	104,291	4	1,019,373	(1,278,021)	1,537,227	6,238,978
Allocation of 2024 net profit								1,537,227	(1,537,227)	0
Other changes						(3)				(3)
Net profit for the first half of 2025									1,287,851	1,287,851
Net equity at 30 June 2025	1,500,000	1,500,000	1,556,104	300,000	104,291	1	1,019,373	259,207	1,287,851	7,526,827

Quota capital

The parent's quota capital amounts to €1,500,000, is fully subscribed and paid up, and is divided into quotas in accordance with the law.

C) EMPLOYEES' LEAVING ENTITLEMENT

This caption has changed as follows:

	31.12.2024	Accruals	Utilisations	30.06.2025
Employees' leaving entitlement	1,323,029	195,137	(155,905)	1,362,261

This caption is the actual amount due to employees in compliance with the law and employment contracts, considering any type of continuous remuneration. The related liability is the amount that the group would have paid, net of payments on account, had all employees left at the reporting date. This provision does not include the amounts accrued from 1 January 2007 which were transferred to supplementary pension funds pursuant to Legislative decree no. 252 of 5 December 2005, or the INPS

(the Italian social security institution) treasury fund, which are taken directly to the profit and loss account.

D) PAYABLES

Payables amount to €18,840,086 at 30 June 2025.

Before analysing payables, the following table shows the composition and comparative figures of payables in the two periods:

	30.06.2025	31.12.2024	Changes
Quotaholder loans	6,010,400	6,010,400	0
Bank loans and borrowings	7,484,012	6,774,544	709,468
Payments on account	82,332	103,338	(21,006)
Trade payables	2,670,715	2,761,363	(90,648)
Payables to subsidiaries	1,672	0	1,672
Tax payables	911,216	508,725	402,491
Social security charges payable	349,872	244,076	105,796
Other payables	1,198,414	890,523	307,891
Total	18,708,633	17,294,823	1,413,810

All payables are due within one year, except for bank loans and borrowings as specified below.

Quotaholder loans of €6,010,400 refer to the non-interest-bearing loan granted to the parent by the sole quotaholder to be repaid on 31 December 2025.

Bank loans and borrowings relate to temporary current account overdrafts and the parent's two bank loans, namely:

- loan of €2,300,000, taken out in 2020 from a leading bank, bearing interest at one-month Euribor 360 + 0.834% spread, expiring on 16 September 2028, repayment in 96 monthly instalments in arrears, first instalment due on 16 October 2020, of which the first 36 instalments will be interest only. Therefore, at 30 June 2025, the residual payable was €1,497,314, of which €192,133 is due after one year;
- loan of €5,000,000, taken out in 2021 from a leading bank, interest rate of 1.10%, expiring on 30 September 2027, repayment in 25 quarterly instalments in arrears, first instalment due on 30 September 2021, of which the first seven instalments will be interest only. Therefore, at 30 June 2025, the residual payable was €2,530,893, of which €1,413,771 is due after one year. Finally, this loan has a covenant that subordinates the repayment of the quotaholder loan to the bank loan.

Taking into account the current high season, the increase on the balance at 31 December 2024 is due to the higher utilisation of bank account overdrafts.

Trade payables include invoices to be received of €570,249 and consist mainly of services received and the acquisition of fixed assets.

Payables to subsidiaries refer to the settlement of the transfer of the business unit for administrative and data management services described in the introduction, to the unconsolidated subsidiary Vigilo RE S.r.l..

Tax payables relate to IRPEF (personal income tax) withholdings to be paid, regional and municipal surtaxes, virtual stamps on fees, and IRES and IRAP payables pertaining to the period, net of advances paid.

Social security charges payable relate to contributions for personnel and similar workers (INPS, INAIL, CAU, ENPAIA, etc.).

Other payables relate to payables to personnel (wages and salaries, holidays, leave and other) of €1,043,186, withholdings of €111,510, credit cards of €14,300 and sundry amounts. The increase for the period mainly reflects higher deferred personnel expenses of around €251 thousand and amounts retained as a guarantee of €36 thousand.

E) ACCRUED EXPENSES AND DEFERRED INCOME

They refer to income or charges collected/paid before or after the period to which they pertain. They are recognised regardless of the payment or collection date when the related income and charges are common to two or more years and can be allocated over time.

At 30 June 2025, there were no accrued expenses and deferred income relating to more than five years.

They amount to €519,494 and relate to accrued expenses, mainly bank interest and charges, insurance and contributions, and deferred income that chiefly refers to revenue pertaining to the subsequent year.

..*.*.*.*.*

PROFIT AND LOSS ACCOUNT

A) PRODUCTION REVENUES

The following table shows the breakdown of this caption:

	H1 2025	H1 2024	changes
Turnover from sales and services	10,833,369	10,228,113	605,256
Other revenues and income:			
- <i>sundry</i>	560,672	17,188	543,484
- <i>grants</i>	42,659	10,800	31,859
Total other revenues and income	603,331	27,988	575,343
Total	11,436,700	10,256,101	1,180,599

Turnover from sales and services

The following table shows the breakdown of the core business revenues:

	H1 2025	H1 2024	changes
Ticketing	8,377,779	7,657,048	720,731
F&B	1,439,788	1,300,259	139,529
Retail	448,632	471,201	(22,568)
Hospitality	77,055	55,365	21,690
Events	99,837	220,842	(121,005)
Administrative services	44,913	211,781	(166,868)
Other services	345,364	311,617	33,747
Total	10,833,369	10,228,113	605,256

Core business revenues showed a net increase of 6% compared to the first half of the previous year. This increase mainly refers to the rise in revenues from ticketing, which increased by approximately 10% compared to the same period of the previous year, while the fall in revenues from accounting and administrative services is due to, as already mentioned, the transfer of the related business unit, effective from 1 February 2025, to the subsidiary Vigilo RE S.r.l. (a company which was subsequently sold as it was not part of the core business). Therefore, as of the same date, revenues from accounting and administrative services pertain to Vigilo RE S.r.l..

Other revenues and income

Other revenues include €94,887 in repayments, prior-year income, and sundry revenues, while the remaining €465,785 refers to the gain on the transfer of the business unit described in detail in the introduction.

Grants related to income

This caption amounts to €42,659 and refers to the grant obtained during the first half of 2025 for the 2023/2024 ski season.

Production cost

The following table shows the breakdown of this caption:

	H1 2025	H1 2024	changes
Raw materials, consumables, supplies and goods	857,136	782,780	74,356
Services	2,079,047	2,198,197	(119,150)
Use of third party assets	1,114,468	824,975	289,493
Personnel expenses:			
a) <i>wages and salaries</i>	2,780,759	2,653,827	126,932
b) <i>social security contributions</i>	846,523	788,916	57,607
c) <i>employees' leaving entitlement</i>	195,137	181,711	13,426
e) <i>other costs</i>	21,481	18,062	3,419
Total personnel expenses	3,843,900	3,642,516	201,384
Amortisation, depreciation and write-downs:			
a) <i>amortisation of intangible fixed assets</i>	616,413	485,587	130,826
b) <i>depreciation of tangible fixed assets</i>	768,216	728,068	40,148
c) <i>other write-downs of fixed assets</i>	28,361	-	28,361
Total amortisation, depreciation and write-downs	1,412,990	1,213,655	199,335
Change in raw materials, consumables, supplies and goods	(64,084)	(88,193)	24,109

Other operating costs	288,949	193,204	95,745
Total	9,532,406	8,767,134	765,272

Raw materials

Costs for raw materials relate to food and beverage products necessary for the catering services, the animal and plant food for the wellbeing of the flora and fauna on the islands and to the generic material for onsite administration services.

Services

This caption comprises the costs incurred by the group to obtain the services necessary to carry out its core business. This includes costs paid to consultants, the independent auditors, telephone services, electricity, advertising, transport and other services related to the performance of core business activities.

Use of third party assets

This caption essentially refers to rental/occupancy fees buildings used to carry out business activities, leases of business units and various rentals.

Personnel expenses

This caption includes all personnel expenses, including merit-based raises, promotions, seniority raises, accrued holidays and accruals required by the law and national labour contracts.

Amortisation, depreciation and write-downs

This caption amounts to €1,412,990 and consists of amortisation and depreciation of €1,384,629, of which €616,413 related to intangible fixed assets and €768,216 to tangible fixed assets, as well as €28,361 in write-downs of tangible fixed assets.

Other operating costs

This caption includes sundry taxes and duties (chamber of commerce fees, government concessions tax, etc.), prior year costs, losses, entertainment expenses, fines and penalties and other items.

Financial income and charges

Net financial charges amount to €127,305 and are the net balance of income of €2 and charges of €127,307 from banks and similar institutions.

Income taxes, current and deferred

Income taxes for the period amount to €489,138 and consist of current IRES/IRAP taxes of €454,141, the release of deferred taxes of €32,694, and taxes relative to prior years of €2,303.

POST-BALANCE SHEET EVENTS

The group ended the first half of 2025 on an upward trend from the same period last year. The group is confident that 2025 will be another positive year, both in terms of increased tourist flow and from a financial point of view. Indeed, July, August and September, known as the high season, are still to come and the new Castelli di Cannero tourist site will open soon.

Furthermore, the group continues to invest, innovate and develop its business, which includes the restructuring, renovation and improvement of the sites it already manages, and the constant search for new tourist sites to be developed and opened up to the public, with the continuous objective of consolidating and further increasing its position in the Italian tourist sector and possibly also internationally, especially with regard to sites with artistic and cultural significance.

Finally, on 27 July 2025, the group sold its investment in Vigilo RE S.r.l., with registered office in Milan, quota capital €50,000, tax code, VAT and company registration no. 13812410960. This company provides data processing activities to support administrative and accounting operations, as well as real estate management activities, including lease management and organisational planning and assistance in the drafting of budgets and proposals to improve the profitability of properties.

As already described in the introduction, this subsidiary has not been consolidated as its operations are different from the group's core business. Furthermore, from inception, it has been held for sale.

RELATED PARTY TRANSACTIONS

Related party transactions are detailed in the following table:

	30.06.2025	30.06.2025	H1 2025	H1 2025
	Receivables	Payables	Revenues	Costs
Indirect sole quotaholder (lease payments)		7,935		589,803
Direct sole quotaholder	4,282	6,010,400	510	
Companies held by the indirect sole quotaholder (property leases)				111,824
Companies held by the indirect sole quotaholder (accounting? and administrative services)	74,457		41,626	
Board of directors				92,000
Key management personnel				324,083

	31.12.2024	31.12.2024	H1 2024	H1 2024
	Receivables	Payables	Revenues	Costs
Indirect sole quotaholder (lease payments)		2,360		560,634
Direct sole quotaholder (non-interest bearing loan)	3,000	6,010,400		
Companies held by the indirect sole quotaholder (property leases)				110,802
Companies held by the indirect sole quotaholder (accounting? and administrative services)	237,076		210,415	
Board of directors				92,718
Key management personnel				271,830

Subsidiaries and associates	30.06.2025	30.06.2025	H1 2025	H1 2025
	Receivables	Payables	Revenues	Costs
Parco del Mottarone S.r.l. (consolidated subsidiary)	2,153,654	331,230	18,621	269,268
Vigilo RE S.r.l. (unconsolidated subsidiary)	236,428		35,510	
Italian Heritage S.r.l. (unconsolidated subsidiary)	3,660			
Scuola Sci Stella Alpina Mottarone S.t.p. S.r.l. (associate)	81,472		2,456	

Subsidiaries and associates	31.12.2024	31.12.2024	H1 2024	H1 2024
	Receivables	Payables	Revenues	Costs
Parco del Mottarone S.r.l. (consolidated subsidiary)	2,134,703	165,615	19,930	271,282
Vigilo RE S.r.l. (unconsolidated subsidiary)	3,000			
Italian Heritage S.r.l. (unconsolidated subsidiary)	3,000			
Scuola Sci Stella Alpina Mottarone S.t.p. S.r.l. (associate)	52,008		2,026	752

In particular, pursuant to article 2427.22-bis of the Italian Civil Code, the transactions carried out by the parent with related parties are part of its ordinary operations and are not particularly critical due to their characteristics or risks inherent in the nature of the counterparty or the time of their completion.

OTHER INFORMATION

Off-balance sheet agreements

Pursuant to article 2427.22-ter of the Italian Civil Code, it is noted that the group has not entered into any off-balance sheet agreements or other arrangements, including related ones, which may expose the group to significant risks or generate significant benefits, the knowledge of which is useful for an assessment of the group's financial position, financial performance and cash flows.

Off-balance sheet commitments, guarantees and contingent liabilities

At 30 June 2025, there are two guarantees given by the parent Kaleon S.r.l. to the subsidiary Parco del Mottarone S.r.l. for a total of €124,500.

Furthermore, the parent has leased business units from Parco del Mottarone S.r.l., namely, ski facilities and related activities, rentals and "Parco Avventura", restaurant - bar - lodge. They all comprise tangible fixed assets pertaining to the business units, concessions, contracts pertaining to the business units and leases.

Finance leases

None.

Workforce

The workforce, broken down by category, underwent the following changes:

	31/12/2024	Increases	Decreases	30/06/2025	Changes	Average
Directors	4	0	0	4	0	4
Managers	3	0	0	3	0	3
Junior managers	5	0	0	5	0	5
White collars and blue collars	75	134	(23)	186	111	131
Total	87	134	(23)	198	111	143

CONCLUSION

These condensed interim consolidated financial statements, comprising the balance sheet, profit and loss account, cash flow statement and these notes, give a true and fair view of the group's financial position, financial performance and cash flows and are consistent with the accounting records.

On behalf of the board of directors
Chairman

(Vitaliano Borromeo Arese)

(signed on the original)