DEXELANCE

INTERIM FINANCIAL INFORMATION

AS AT 31.03.2025

CRAFTING DESIGN FOR EXCELLENCE

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Gervasoni

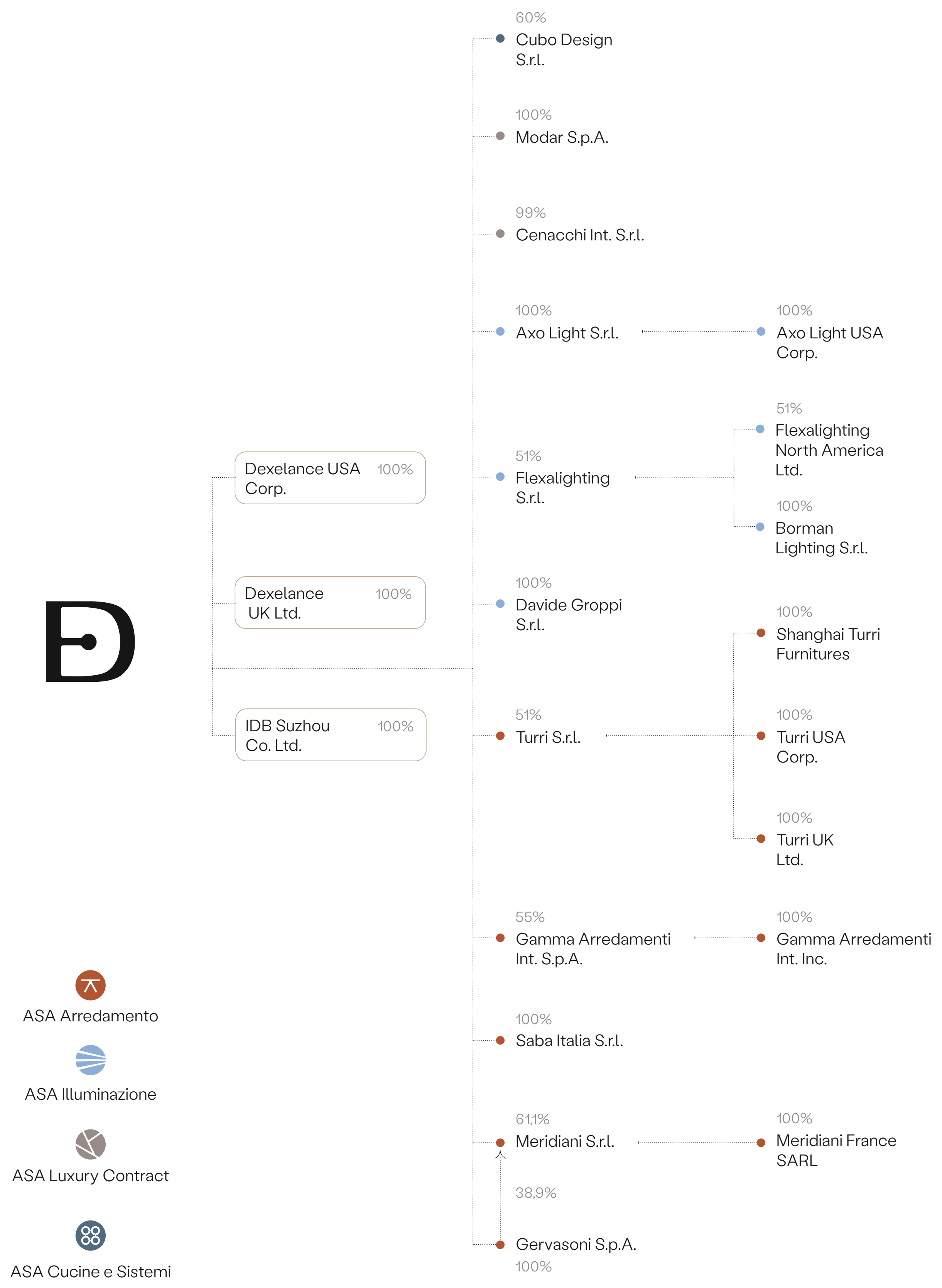
GENERAL INFORMATION

THE GROUP

Dexelance S.p.A. has its registered office in Milan. It was first listed for trading on the Borsa Italiana stock exchange on 18 May 2023. Dexelance stock forms part of the FTSE Italia Small Cap Index. The Company was established on 10 March 2015 with the aim of promoting an Italian design hub in the furniture, lighting and, since 2023, high-end modular kitchen solutions and systems. Dexelance is one of the most important Italian groups operating in high-quality design; is composed of numerous companies, each with its own precise identity, united by a coherent strategic project with activities that are complementary to each other.

Axolight

The structure of the Dexelance Group as at 31 March 2025 is provided below:



The financial report as at 31 March 2025 includes the financial statements of the parent company, Dexelance S.p.A., and the companies over which the parent company has the right to exercise control, determining their financial and management decisions and obtaining the related benefits. The fully consolidated companies as at 31 March 2025 are listed below. Please note that the criteria adopted for the consolidation of subsidiaries is consistent with the criteria used for the preparation of the financial statements for the period ended 31 December 2024.

Company name	Registered office	Share capital	ASA	% direct ownership	% indirect ownership
Gervasoni S.p.A.	Pavia di Udine (UD)	1,000,000	furniture	100%	0%
Meridiani S.r.l.	Misinto (MB)	120,000	furniture	61.11%	38.89%
Meridiani France SARL	Paris (FR)	100,000	furniture	0%	100%
Dexelance UK Ltd.	London (UK)	GBP 779,950	furniture	100%	0%
Cenacchi International S.r.l. (*)	Ozzano dell'Emilia (BO)	10,000	luxury contract	99%	0%
Davide Groppi S.r.l.	Piacenza	20,000	lighting	100%	0%
Saba Italia S.r.l.	S.Martino di Lupari (PD)	50,000	furniture	100%	0%
Modar S.p.A.	Barlassina (MB)	500,000	luxury contract	100%	0%
IDB Suzhou Co. Ltd.	Suzhou (Cina)	CNY 15,838,686	other	100%	0%
Flexalighting S.r.l. (*)	Pontassieve (FI)	10,000	lighting	51%	0%
Borman Lighting S.r.l. (*)	Pontassieve (FI)	10,000	lighting	0%	51%
Dexelance USA Corp.	New York (USA)	USD 10,000	other	100%	0%
Flexalighting North America Ltd. (*)	Surrey (CAD)	CAD 105	lighting	0%	26%
Gamma Arredamenti S.p.A. (*)	Forlì (FC)	2,000,000	furniture	55%	0%
Gamma Arredamenti Inc. (*)	High Point (USA)	USD 5,000	furniture	0%	55%
Cubo Design S.r.l. (*)	Notaresco (TE)	84,000	kitchen & systems	60%	0%
Axo Light S.r.l. (*)	Scorzè (VE)	119,000	lighting	100%	0%
Axo Light USA Corp. (*)	New York (USA)	USD 100,000	lighting	0%	100%
Turri S.r.l. (*)	Carugo (CO)	1,000,000	furniture	51%	0%
Turri UK Ltd. (*)	London (UK)	GBP 10,000	furniture	0%	51%
Turri USA Corp. (*)	Miami (USA)	USD 100	furniture	0%	51%
Shanghai Turri Furnitures (*)	Shanghai (Cina)	CNY 8,576,479	furniture	0%	51%

(*) Fully consolidated companies due to the put and call agreement with minority shareholders; the outstanding amount of the financial debts arising from these agreements is recognised under Other current and non-current financial liabilities. The Parent Company currently holds the majority of the shares, but based on the agreements signed with the minority shareholders and the put option that they may exercise, it has the obligation to repurchase the remaining shares held under predefined contractual conditions.

It should be noted that the scope of consolidation has not changed since 31 December 2024.

The Group has drawn up its interim financial statements as at 31 March 2025 in compliance with the recognition and measurement principles of IFRS and in accordance with the principles applied in the preparation of the annual consolidated financial statements as at 31 December 2024. The information contained in this management report relates to the three-month period ending on 31 March 2025 and 2024.

The values shown in the accounting statements are in thousands of euros.

INFORMATION ON OPERATIONS

This financial information as at 31 March 2025 was approved by the Company's Board of Directors on 12 May 2025 and has not been audited, as this is not required by current legislation. This report on operating performance should be read in conjunction with the consolidated summary financial statements as at 31 March 2025, which are recorded below.

To gain the best understanding of the Group's situation and operating performance, the tables below show a brief analysis of the consolidated financial statements for the period ended 31 March 2025, made up of the reclassified income statement and the reclassified statement of financial position.

To enable a better assessment of operating performance, the Dexelance Group uses certain alternative performance indicators.

The indicators represented are not identified as accounting measures under IFRSs and should therefore not be considered as alternative measures to those provided in the model financial statements for assessing the performance of the Group and its financial position. The Group considers that the financial information set out below is an additional important benchmark for assessing the Group's performance, as it allows for more analytical monitoring of the Group's economic and financial performance.

Since such financial information is not a measure that can be determined by the underlying accounting standards for the drawing up of consolidated financial statements, the criterion applied for its determination may not be consistent with that adopted by other groups and therefore such data may not be comparable with any data presented by such groups. The definition of these alternative performance indicators is as follows.

Added value is defined as the sum of revenue for goods and services and other revenue and income less the sum of costs for the purchases of raw materials, changes in inventories, costs for services and use of third-party goods and other operating costs.

EBITDA is defined as the sum of the net profit for the year, plus the profit (loss) of discontinued assets, plus income taxes, financial income and charges, plus amortisation, depreciation and writedowns of fixed assets.

Adjusted EBITDA is defined as the sum of net profit for the year, plus the profit (loss) of discontinued assets; income taxes; financial income and expenses; amortisation, depreciation and writedowns of fixed assets and excluding non-recurring costs/revenues.

EBIT is defined as the sum of net profit for the year, plus the profit (loss) of discontinued assets, plus income taxes, financial income and charges.

Adjusted EBIT is defined as the sum of net profit for the year, plus the profit (loss) of discontinued assets, plus income taxes, financial income and charges, excluding Special Items and amortisation and depreciation of intangible assets with a finite useful life, models and customer lists, recorded during purchase price allocation (PPA), and which are due to terminate at the end of the relevant depreciation process.

The **net result from adjusted operating assets** is defined as the net result from operating assets, excluding (i) non-recurring costs/revenue, (ii) amortisation and depreciation of intangible assets with a finite useful life, models and customer lists, recorded during purchase price allocation (PPA), and which are due to terminate at the end of the relevant depreciation process, (iii) the effects of the remeasurements of put and call options and earn-out and (iv) the related tax effect.

Working capital is calculated as the net balance of customer relationships, supplier relationships, inventories and assets and liabilities arising from contracts, customer advances, while net working capital is calculated by adding to operating working capital income taxes credits and other current assets and liabilities.

Invested capital is calculated as the balance between net working capital, non-current assets, liabilities for employee benefits, and provisions for risks and charges and other non-current liabilities.

The **net financial position** is represented by financial debts, net of cash and other cash equivalents.

Reclassified income statement

The income statement is reclassified in multiple-step format to show the gross operating profit (EBITDA) generated by the Group, namely the difference between revenue and costs associated with the purchase/transformation/sales cycle, regardless of amortisation, depreciation and writedowns, the financing methods adopted and the level of taxation.

RECLASSIFIED INCOME STATEMENT *amounts are shown in €/1,000*	Three months 2024		Three months 2025		Change	
	amount	%	amount	%	amount	%
Revenue	72,743	100.0%	72,113	100.0%	(630)	-0.9%
Other income	1,012	1.4%	1,374	1.9%	362	35.8%
Total revenue and income	73,755	101.4%	73,487	101.9%	(268)	-0.4%
External operating costs (*)	(51,335)	-70.6%	(53,930)	-74.8%	(2,595)	5.1%
Added value	22,420	30.8%	19,557	27.1%	(2,863)	-12.8%
Staff costs	(13,264)	-18.2%	(14,401)	-20.0%	(1,136)	8.6%
Provisions and writedowns	(237)	-0.3%	(106)	-0.1%	131	-55.4%
Gross operating profit (EBITDA)	8,919	12.3%	5,051	7.0%	(3,868)	-43.4%
Amortisation, depreciation and writedowns of fixed assets	(5,089)	-7.0%	(5,649)	-7.8%	(560)	11.0%
Operating profit (EBIT)	3,830	5.3%	(599)	-0.8%	(4,428)	-115.6%
Financial result	(2,432)	-3.3%	(2,421)	-3.4%	11	-0.4%
Gross result	1,398	1.9%	(3,020)	-4.2%	(4,417)	-316.0%
Income tax	(1,085)	-1.5%	412	0.6%	1,497	-138.0%
Group consolidated net result	313	0.4%	(2,607)	-3.6%	(2,921)	-932.2%

(*) includes the following income statement items: materials consumption, costs for services and leased assets and other operating costs.

Revenues for the first three months of 2025 are in line with the same period of the previous year, going from EUR 72.7 million to EUR 72.1 million, a slight decrease of EUR 0.6 million, or -0.9%.

The Group's revenue by operating segment or strategic business area (SBA) and by geographic area in the first three months of 2025 and in the previous financial year are broken down as follows, and they reveal:

- a 4% decrease in the 'Furniture' sector due to the slowdown in the reference market;
- a 9% increase in the 'Lighting' sector, entirely organic and achieved by most of the Group companies belonging to the sector;
- a 9% decrease in the 'Luxury Contract' sector due to a physiological normalization of the projects' delivery cycle, following the acceleration recorded in the last quarter of 2025;
- a 15% growth in the 'Kitchens and Systems' sector, higher than the reference market trend.

amounts are shown in €/1,000	Three months 2024	Three months 2025
Furniture	30,890	29,679
Lighting	7,715	8,409
Luxury Contract	21,396	19,394
Kitchen & Systems	12,743	14,631
Total	72,743	72,113

amounts are shown in €/1,000	Three months 2024	Three months 2025
Italy	16,640	18,963
EU	16,773	16,879
Non-EU	39,331	36,271
Total	72,743	72,113

Considering the importance of some non-recurring economic components on the result for the period, also related to M&A activities that characterise the Dexelance Group, the management also wishes to highlight the following economic values: Adjusted EBITDA, adjusted EBIT and adjusted net result.

Specifically, the Adjusted EBITDA is determined without the non-recurring costs and revenues, essentially considering the costs related to the acquisition of the new companies, and other non-recurring costs and revenues.

Adjusted EBIT was calculated gross of both non-recurring costs and the amortisation and depreciation of intangible assets with a finite useful life (models, order book and customer relations) recorded during the purchase price allocation (PPA) and which will terminate at the end of the relevant amortisation process.

Finally, the Adjusted Net Result is calculated excluding non-recurring costs/revenues and of the aforementioned amortisation of certain intangible assets with a finite useful life and without taking into account the positive and negative economic effects resulting from the restatement of "figurative" financial charges for put and call options and earn-outs of minority shareholders.

amounts are shown in €/1,000	Three months 2024		Three months 2025	
	Effective data	Adjusted data	Effective data	Adjusted data
Revenue	72,743	72,743	72,113	72,113
Other income	1,012	1,012	1,374	1,374
Total revenue and income	73,755	73,755	73,487	73,487
External operating costs	(51,335)	(50,755)	(53,930)	(53,930)
Added value	22,420	23,000	19,557	19,557
Staff costs	(13,264)	(13,247)	(14,401)	(14,175)
Provisions and writedowns	(237)	(237)	(106)	(106)
Gross operating profit (EBITDA)	8,919	9,516	5,051	5,276
Amortisation, depreciation and writedowns of fixed assets	(3,376)	(3,376)	(3,406)	(3,406)
Amortisation, depreciation and writedowns of fixed assets arising from the PPA process	(1,713)	-	(2,243)	-
Operating profit (EBIT)	3,830	6,139	(599)	1,870
Financial result	(2,432)	(1,208)	(2,421)	(1,391)
Gross result	1,398	4,931	(3,020)	479
Income tax	(1,085)	(1,596)	412	(168)
Group consolidated net result	313	3,335	(2,607)	311

In addition to the above-mentioned revenues, there was an increase in operating costs resulting in particular from the effect of the mix of Luxury Contract orders and an increase in personnel costs as part of the strengthening of the organisational structure, operations initiated during year 2024.

The reconciliation of the above values is shown below. Starting with the actual amounts, the components taken into account to calculate the adjusted values as at 31 March 2024 and 31 March 2025 are listed below:

Davide Groppi

amounts are shown in €/1,000	Actual data, three months 2024	Non-recurring income and costs	PPA depreciation, amortisation and writedowns	Remeasurement of put and call options and earn-outs	Adjusted data, three months 2024
Revenue	72,743				72,743
Other income	1,012				1,012
Total revenue and income	73,755	-	-	-	73,755
External operating costs	(51,335)	580			(50,755)
Added value	22,420	580	-	-	23,000
Staff costs	(13,264)	17			(13,247)
Provisions and writedowns	(237)				(237)
Gross operating profit (EBITDA)	8,919	597	-	-	9,516
Amortisation, depreciation and writedowns of fixed assets	(3,376)				(3,376)
Amortisation, depreciation and writedowns of fixed assets arising from the PPA process	(1,713)		1,713		-
Operating profit (EBIT)	3,830	597	1,713	-	6,139
Financial result	(2,432)	(369)		1,592	(1,208)
Gross result	1,398	228	1,713	1,592	4,931
Income tax	(1,085)	(77)	(434)		(1,596)
Group consolidated net result	313	151	1,279	1,592	3,335

amounts are shown in €/1,000	Actual data, three months 2025	Non-recurring income and costs	PPA depreciation, amortisation and writedowns	Remeasurement of put and call options and earn-outs	Adjusted data, three months 2025
Revenue	72,113				72,113
Other income	1,374				1,374
Total revenue and income	73,487	-	-	-	73,487
External operating costs	(53,930)				(53,930)
Added value	19,557	-	-	-	19,557
Staff costs	(14,401)	225			(14,175)
Provisions and writedowns	(106)				(106)
Gross operating profit (EBITDA)	5,051	225	-	-	5,276
Amortisation, depreciation and writedowns of fixed assets	(3,406)				(3,406)
Amortisation, depreciation and write-downs of fixed assets arising from the PPA process	(2,243)		2,243		-
Operating profit (EBIT)	(599)	225	2,243	-	1,870
Financial result	(2,421)			1,030	(1,391)
Gross result	(3,020)	225	2,243	1,030	479
Income tax	412	(63)	(517)		(168)
Group consolidated net result	(2,607)	162	1,726	1,030	311

There is no need to present a full-year income statement, as there were no changes in the scope of consolidation during the reporting periods.

Reclassified statement of financial position

The statement of financial position is reclassified in order to highlight the investment structure and the composition of the financing sources.

RECLASSIFIED STATEMENT OF FINANCIAL POSITION	31/12/2024		31/03/2025	
amounts are shown in €/1,000	amount	%	amount	%
Intangible assets	235,484	87.8%	233,427	81.5%
Right of use	34,427	12.8%	36,309	12.7%
Property, plant and equipment	28,223	10.5%	27,282	9.5%
Holdings and other non-current assets	8,708	3.2%	8,856	3.1%
Non-current assets (A)	306,842	114.5%	305,875	106.8%
Inventories	45,529	17.0%	50,271	17.6%
Trade receivables	41,632	15.5%	41,884	14.6%
Other current assets	8,824	3.3%	12,282	4.3%
Current assets (B)	95,985	35.8%	104,438	36.5%
Trade payables	(53,611)	-20.0%	(46,877)	-16.4%
Other current liabilities	(43,205)	-16.1%	(39,552)	-13.8%
Current liabilities (C)	(96,817)	-36.1%	(86,429)	-30.2%
Net working capital (D = B – C)	(832)	-0.3%	18,009	6.3%
Provisions for risk and severance pay	(12,163)	-4.5%	(12,273)	-4.3%
Other non-current liabilities	(25,748)	-9.6%	(25,243)	-8.8%
Medium/long-term assets (liabilities) (E)	(37,911)	-14.1%	(37,516)	-13.1%
Net invested capital (A + D + E)	268,099	100.0%	286,367	100.0%
Shareholders' equity	170,452	63.6%	167,305	58.4%
Net financial position, banks	(5,180)	-1.9%	13,215	4.6%
Net financial position, others	102,827	38.4%	105,847	37.0%
Net financial position	97,647	36.4%	119,062	41.6%
Equity and debt	268,099	100.0%	286,367	100.0%

Regarding to the value of intangible assets, it should be noted that there were no indicators of possible impairment in the first three months of 2025.

With reference to the increase in the value of net working capital, it should be noted that this reflects the normal trend for the period and, in particular:

- the trend in advances payments, which are generally higher at 31 December;
- the inventories, which usually have a higher value during the year than at year-end as a result of the operations.

Net financial position

The net financial position, as defined and monitored by the Company's and the Group's management, breaks down as follows:

amounts are shown in €/1,000	Balance at 31/03/2024	Balance at 31/12/2024	Balance at 31/03/2025	Changes Mar 24 – Mar 25	Changes Dec 24 – Mar 25
Short-term bank loans	20,912	23,604	22,611	1,700	(993)
Medium/long-term bank debt	61,002	39,510	32,184	(28,818)	(7,326)
Cash	(42,475)	(33,681)	(22,966)	19,509	10,714
Other current financial assets	(18,966)	(34,614)	(18,614)	352	16,000
NFP, banks	20,472	(5,180)	13,215	(7,257)	18,395
Current earn-out payable	6,967	4,790	4,656	(2,310)	(134)
Non-current earn-out payable	11,096	1,780	2,068	(9,028)	289
Current payable for purchase of minority shares through the exercise of the put option	-	9,747	9,727	9,727	(20)
Non-current payable for purchase of minority shares through the exercise of the put option	55,487	45,656	46,454	(9,033)	798
NFP, other than banks	73,550	61,972	62,905	(10,645)	932
Current financial payables to lessors	5,988	6,512	6,574	587	62
Non-current financial payables to lessors	27,921	29,430	31,381	3,460	1,951
NFP, payables to lessors (IFRS 16)	33,909	35,942	37,955	4,046	2,013
Other non-current financial liabilities	882	4,913	4,988	4,106	75
NFP, total	128,813	97,647	119,062	(9,750)	21,415

The increase in net bank debt compared to 31 December 2024 mainly reflects the temporary and cyclic increase in interim net working capital that is observed each year, accentuated in the quarter by the aforementioned normalization of the value of advances payments from customers and inventories of Luxury contract ASA.

Gross indebtedness to banks as at 31 March 2025 amounted to €54.8 million, and the decrease compared to the previous period is due to the repayment of principal on loans. It should be noted that some Group companies have voluntarily repaid their loans early with respect to the original amortisation schedules to reduce the marginal cost of debt by using cash and cash equivalents. The net indebtedness is stated considering the EUR 23.0 million in cash and EUR 18.7 million in restricted cash and cash equivalents.

The earn-out debt at 31 March 2025 refers to the debt owed to the sellers of SUR (merged into Gervasoni during the 2022 financial year), Cubo Design and Turri. It represents the update of the best possible estimate of the earn-out, which was determined at the time of the acquisition and accounted for at fair value at 31 March 2025. The earn-out is directly linked to the performance of the acquired companies, usually the EBITDA and net financial position as contractually defined between the parties.

Debts for put options amounted to EUR 56.2 million at 31 March 2025 and concern the fair value of the liability for the exercise of the put option (in favour of the seller) and the call option (in favour of the Group) for the acquisition of the residual stake of 1% in Cenacchi International, 49% of Flexalighting and Flexalighting North America, 45% of Gamma Arredamenti International, 40% of Cubo Design, and 49% of Turri. The acquisition value of the minority stake through the put option was also subject to a contractual definition that links its value to actual company performance and, for this reason, is periodically reassessed based on a contractually predefined calculation between the parties (usually EBITDA and net financial position).

The total increase in debts for earn out and put options (EUR 932 thousand) reflects the interest accrued during the period.

The change in bank debts is reported below:

amounts are shown in €/1,000	Balance at 31/12/2024	Business combinations	Loans taken out	Capital repayments / Interest payments	Interest payable accrued	Balance at 31/03/2025
Bank loans:						
Loans for acquisitions	45,779	-	-	(7,666)	795	38,909
Loans pursuant to the Liquidity Decree	3,060	-	-	(536)	28	2,552
Other loans to banks	13,592	-	1,000	(1,981)	63	12,674
Derivative financial instrument liabilities	684	-	-	-	(22)	661
Total	63,115	-	1,000	(10,184)	864	54,795

The decrease in debt of EUR 8.3 million is mainly due to the repayment of loans in the amount of EUR 10.2 million.

Regarding to the Group's net financial debt, the following financial information has been drawn up in accordance with the format required by the CONSOB Communication, updated with the requirements of ESMA Guidance 32-382-1138 of 4 March 2021 as transposed by CONSOB warning notice no. 5/21 of 29 April 2021, indicating the intention to align its supervisory practices with the aforementioned ESMA Guidelines.

The financial debt of the Dexelance Group according to the format adopted by Consob is as follows:

amounts are shown in €/1,000	Balance at 31/12/2024	Balance at 31/03/2025	Change
A Cash	33,681	22,966	(10,714)
B Cash equivalents	-	-	-
C Other current financial assets	34,614	18,614	(16,000)
D Cash and cash equivalents (A + B + C)	68,294	41,580	(26,714)
E Current financial debt (including debt instruments but excluding the current portion of non-current financial debt)	(21,049)	(20,957)	92
F Current portion of current financial debt	(23,604)	(22,611)	993
G Current financial indebtedness (E + F)	(44,653)	(43,568)	1,085
H Net current financial indebtedness (G - D)	23,641	(1,988)	(25,629)
I Non-current financial debt (excluding the current portion and debt instruments)	(116,375)	(112,087)	4,289
J Debt instruments			-
K Non-current trade and other payables	(4,913)	(4,988)	(75)
L Non-current financial indebtedness (I + J + K)	(121,288)	(117,074)	4,214
M Total financial indebtedness (H + L)	(97,647)	(119,062)	(21,415)

SHAREHOLDERS' EQUITY

Please see the statement of changes in shareholders' equity for a description of the change in shareholders' equity at 31 March 2025.

The share capital is fully paid up and subscribed. It totals EUR 26,926 thousand, divided into 26,926,298 ordinary shares with no par value. This is unchanged compared with 31 December 2024.

The changes that affected the equity reserves in the first nine months of the financial year 2025 are as follows:

- the purchase of treasury shares for EUR 0.4 million;
- the effect of the fair value valuation of financial hedging instruments (cash flow hedges in the positive amount of EUR 30 thousand, net of the tax effect of EUR 7 thousand, which was recognised in the statement of comprehensive income as at 31 March 2025;
- following the resolution to adopt the 2024-2029 Performance Shares Plan, the sum of EUR 23 thousand was allocated to a reserve for shares granted to directors and employees.

RELATED PARTIES

amounts are shown in €/1,000	Related party of	Rental costs without the application of IFRS 16	Costs for services
Il Castello S.p.A.	Gervasoni S.p.A.	126	
AGP 2 S.r.l.	Cubo Design S.r.l.	159	
T Group S.r.l.	Turri S.r.l.	213	
Ir-Ma S.r.l.	Modar S.p.A.	112	
Directors	Dexelance Group		1,442
Total		610	1,442

amounts are shown in €/1,000	Related party of	Trade payables	Financial payables	Other payables
Giaro Componenti S.r.l.	Cubo Design S.r.l.	(345)		
T.M.R. S.r.l.	Cubo Design S.r.l.	(129)		
T Group S.r.l.	Turri S.r.l.		(294)	
Ir-Ma S.r.l.	Modar S.p.A.			
Directors	Dexelance Group		(4,989)	(1,189)
Totale		(474)	(294)	(6,179)

The Group companies have leases in place with related parties with rental instalments paid in advance, the cost of which amounted to EUR 610 thousand in the first three months of 2025.

The 'Directors' line item includes the remuneration and the estimated share of the Long-Term Incentive Plan and the Performance Shares for the period, as well as the loans granted by the directors and minority shareholders.

TREASURY SHARES AND SHARES OF PARENT COMPANIES

As at 18 December 2023, the programme aimed at increasing the portfolio of treasury shares of the parent company Italian Dexelance S.p.A. became operative in order to (i) equip itself with a portfolio of treasury shares to be used to service transactions consistent with the Group's strategic development lines in view of or within the scope of agreements with strategic partners, including, but not limited to, transactions involving sales and/or exchanges, swaps, contributions, assignments or other acts that include other extraordinary finance transactions (ii) use treasury shares for transactions to support market liquidity, so as to facilitate trading in the securities themselves at times of low market liquidity and to encourage regular trading, in accordance with the provisions of the law on market abuse and accepted market practices. The aforementioned share buy-back programme was resolved by the Shareholders' Meeting of 17 November 2023.

On 22 April 2024, the Shareholders' Meeting resolved a share buyback programme which, in addition to the above objectives, also provided for the allocation of treasury shares to the implementation of incentive plans based on Company shares for directors and employees in key function roles within the Company.

On 22 April 2025, the Shareholders' Meeting resolved a new share buyback programme up to a maximum number of two million for the above-mentioned purposes after the previous authorisation of 22 April 2024 had been revoked to the extent that it had not been used.

It should be noted that from 18 December 2023 to 31 March 2025, 251,236 treasury shares, equal to 0.93% of the share capital, had been purchased for a total amount of EUR 2.3 million.

DEXELANCE S.P.A. ON THE STOCK EXCHANGE

The shares of the parent company Dexelance S.p.A. were listed on the Euronext STAR Milan segment of Borsa Italiana S.p.A. on 18 May 2023. Dexelance stock forms part of the FTSE Italia Small Cap index.

The chart below shows the price trend of the Dexelance stock and the related trading volumes during the first three months of 2025, from 1 January to 31 March 2025.

Source: borsaitaliana.it

CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH 2025

The Group has drawn up its interim financial statements in compliance with the recognition and measurement principles of IFRS and in accordance with the principles applied in the preparation of the annual consolidated financial statements as at 31 December 2024.

Consolidated statement and financial position

(amounts in thousands of euros)	31/03/2025	31/12/2024
NON-CURRENT ASSETS		
Intangible assets	233,427	235,484
Goodwill	134,621	134,811
Brands	57,460	57,461
Models	5,757	6,085
Customer relations and order book	33,296	35,211
Other intangible assets	2,292	1,916
Right of use	36,309	34,427
Property, plant and equipment	27,282	28,223
Deferred tax assets	4,489	4,122
Equity investments	6	6
Other non-current assets	4,361	4,580
Total non-current assets	305,875	306,842
CURRENT ASSETS		
Inventories	40,421	37,096
Contract assets	9,850	8,433
Trade receivables	41,884	41,632
Income tax credits	929	1,440
Other current assets	11,354	7,385
Other current financial assets	18,614	34,614
Cash and cash equivalents	22,966	33,681
Total current assets	146,018	164,279
TOTAL ASSETS	451,892	471,121

(amounts in thousands of euros)	31/03/2025	31/12/2024
SHAREHOLDERS' EQUITY		
Share capital	26,926	26,926
Other reserves and retained earnings, including profit (loss) for the period	140,378	143,526
Total Group shareholders' equity	167,305	170,452
Shareholders' equity – minority interests	0	0
Total shareholders' equity	167,305	170,452
NON-CURRENT LIABILITIES		
Post-employment benefits	7,448	7,363
Provisions for risks and charges	4,826	4,801
Medium/long-term bank loans	32,184	39,510
Other non-current financial liabilities	48,522	47,435
Other medium/long-term loans	4,988	4,913
Non-current financial payables to lessors	31,381	29,430
Other non-current liabilities	1,924	1,858
Deferred taxes	23,319	23,889
Total non-current liabilities	154,591	159,199
CURRENT LIABILITIES		
Short-term bank loans	22,611	23,604
Other current financial liabilities	14,383	14,537
Other short-term loans	0	0
Current financial payables to lessors	6,574	6,512
Trade payables	46,877	53,611
Income tax payables	1,354	1,039
Other current liabilities	38,198	42,166
Payables to staff and social security organisations	10,185	10,609
Contract liabilities	8,749	16,557
Other payables	19,265	15,000
Total current liabilities	129,997	141,470
TOTAL LIABILITIES	284,588	300,669
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	451,892	471,121

Consolidated income statement

(amounts in thousands of euros)	Three months 2025	Three months 2024
Revenue for goods and services	72,113	72,743
Other income	1,374	1,012
Total revenue and income	73,487	73,755
Purchases of raw materials	(34,766)	(29,194)
Change in inventories	4,447	1,283
Staff costs	(14,401)	(13,264)
Costs for services and use of third-party assets	(22,780)	(22,812)
Other operating costs	(831)	(612)
Provisions and writedowns	(106)	(237)
Amortisation, depreciation and writedowns of fixed assets	(5,649)	(5,089)
Operating profit/(loss) (EBIT)	(599)	3,830
Financial income	416	962
Financial expenses	(2,837)	(3,394)
Profit/(loss) before taxes resulting from continuing operations	(3,020)	1,398
Income tax	412	(1,085)
Net profit/(loss)	(2,607)	313
Attributable to:		
Profit/(loss) pertaining to the Group	(2,607)	313
Profit/(loss) pertaining to third parties	0	0
Basic earnings per share	(0.10)	0.01
Diluted earnings per share	(0.10)	0.01

Consolidated statement of comprehensive income

(amounts in thousands of euros)	Three months 2025	Three months 2024
Profit/loss for the year	(2,607)	313
Profit/(loss) from cash flow hedge	30	206
Tax effects	(7)	(49)
Total profit/(loss) from cash flow hedges, net of tax	23	156
Foreign currency translation differences	(209)	23
Other movements	5	43
Total comprehensive income items that will subsequently be reclassified to profit/loss for the year	(181)	222
Actuarial profits/(losses)	-	-
Tax effects	-	-
Total actuarial profit/(loss), net of taxes	-	-
Comprehensive income items that will not subsequently be reclassified to profit/loss for the year	-	-
Comprehensive income statement net of taxes	(181)	222
Total comprehensive net profit/loss for the period	(2,788)	535
Attributable to:		
Shareholders of the parent company	(2,788)	535
Minority shareholders	-	-

Consolidated Statement of changes in shareholders' equity

(amounts in thousands of euros)	Share capital	Share premium reserve	Cash flow hedging reserve	Actuarial gains/ (losses)	Other reserves	Retained earnings	Profit/(loss) for the period	Total Group shareholders' equity	Capital and reserves – minority interests	Profit – minority interests	Shareholders' equity – minority interests	Total shareholders' equity
Balance at 1 January 2024	26,926	66,971	(520)	183	(709)	33,521	28,007	154,378	-	-	-	154,378
Allocation of result for the year						28,007	(28,007)	-			-	-
Other income statement items			156		66			222			-	222
Purchase of treasury shares					(692)			(692)			-	(692)
Profit for the period							313	313			-	313
Balance at 31 March 2024	26,926	66,971	(364)	183	(1,336)	61,528	313	154,222	-	-	-	154,222

(amounts in thousands of euros)	Share capital	Share premium reserve	Cash flow hedging reserve	Actuarial gains/ (losses)	Other reserves	Retained earnings	Profit/(loss) for the period	Total Group shareholders' equity	Capital and reserves – minority interests	Profit – minority interests	Shareholders' equity – minority interests	Total shareholders' equity
Balance at 1 January 2025	26,926	66,971	(561)	115	(2,431)	61,528	17,904	170,452	-	-	-	170,452
Allocation of result for the year						17,904	(17,904)	-			-	-
Other income statement items			23		(204)			(181)			-	(181)
Purchase of treasury shares					(383)			(383)			-	(383)
Share Incentive Plan					23			23			-	23
Profit for the period							(2,607)	(2,607)			-	(2,607)
Balance at 31 March 2025	26,926	66,971	(538)	115	(2,994)	79,432	(2,607)	167,305	-	-	-	167,305

Consolidated statement of cash flows

(amounts in thousands of euros)	Three months 2025	Three months 2024
A. Cash flows from operating activities (indirect method)		
Profit/(loss) for the period	(2,607)	313
Income tax	(412)	1,085
Interest expense/(interest income)	2,071	2,446
Other non-monetary income and expenses	319	38
Capital (gains)/losses on disposals	(32)	3
1. Profit/(loss) before income taxes, interest, dividends and capital gains/losses from transfer	(662)	3,884
Severance Indemnity Provision	304	549
Provisions	214	237
Depreciation and amortisation of fixed assets	5,649	5,089
Impairment losses	31	(55)
Other adjustments for non-monetary items	(181)	193
2. Cash flow before changes in net working capital	5,355	9,898
Decrease/(Increase) in inventories	(3,326)	(2,354)
Decrease/(Increase) in contract assets	(1,417)	1,983
Decrease/(Increase) in trade receivables	(579)	(3,520)
Increase/(Decrease) in trade payables	(6,738)	(7,306)
Increase/(Decrease) in contract liabilities	(7,808)	2,540
Decrease/(Increase) in other changes in net working capital	744	(1,083)
Interest received/(paid) on loans	(179)	133
Disbursement of severance payments and other provisions	(336)	(715)
3. Cash flow after other adjustments	(19,639)	(10,320)
Cash flow of operating activities (A = 2 + 3)	(14,284)	(422)
B. Cash flows from investment activities		
Investments in tangible fixed assets, net of divestments	(506)	(2,315)
Investments in intangible assets, net of divestments	(292)	(78)
Investments in other financial assets, net of divestments	16,000	9,655
Exercise of options and earn-out	0	(973)
Cash flow of investment activities (B)	15,202	6,290
C. Cash flows from financing activities		
Third-party financing		
Increase (decrease) in short-term payables to banks	(377)	(217)
Loans taken out	1,000	643
Loan repayment	(9,743)	(2,669)
Payments for lease liabilities	(2,129)	(1,914)
Equity		
Purchase of treasury shares	(383)	(692)
Cash flow of financing activities (C)	(11,632)	(4,849)
Increase (decrease) in cash (A ± B ± C)	(10,714)	1,019
Cash at 1 January	33,681	41,457
Cash and cash equivalents at 31 March	22,966	42,475
Change in cash	(10,714)	1,019

MAIN RISKS AND UNCERTAINTIES TO WHICH THE GROUP IS EXPOSED

Credit risk

Credit risk is connected to the inability of counterparties to meet their obligations and essentially relates to sales. Given the business segment, the customer portfolio of the Group companies is divided into many, often small, entities, and exposure is therefore limited. Subsidiaries Cenacchi International S.r.l., Modular S.p.A. and Turri S.r.l., which have a higher degree of customer concentration that the other companies of the Group, operate on the global market with renowned clients. It should be noted here that there is a concentration towards several companies that are traceable to a few economic entities with which the company management's relationships are very well established.

Credit risk is managed through the close and timely monitoring of customers and by assigning an exposure level to each of them, over which supply may be suspended. However, the risk is limited; for many EU customers and all non-EU customers, the Group companies normally require advance payment or guarantees.

Liquidity risk

Liquidity risk may arise when it is not possible to obtain, under favourable economic conditions, the financial resources necessary for the operation of the Group companies. Liquidity risk relates to the cash flows generated and absorbed by day-to-day operations and the resulting need to access financing to support business expansion. Liquidity risk is also linked to the existence of contractual obligations to comply with certain financial ratios ("covenants") to be calculated on the financial statements of the individual subsidiaries.

The evolution of cash flows and the use of credit facilities are closely monitored by the Group Finance Department and the directors in order to ensure that financial resources are used efficiently and effectively, including in terms of expenses and interest.

Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of an exposure will change due to fluctuations in exchange rates.

The Group has a limited exposure to the risks arising from exchange rate fluctuations, which may affect profit or loss and shareholders' equity as the main transactions are in euros and because the Group's net investments in foreign entities (currency translation risk) are limited. Since receipts and payments in US dollars are partly offset, currency risks are contained and therefore the provision of foreign exchange hedges was not considered necessary. The use of currencies beyond the euro, US dollar and British pound in commercial transactions is almost zero.

The Group has entered into financial derivative transactions to hedge against the risk of exchange rate fluctuations in connection with sales in foreign currency.

As at 31 March 2025, the fair value of the above-mentioned derivatives hedging exchange rate fluctuations was positive by EUR 70 thousand.

Interest rate risk

Interest rate risk can be defined as the risk that changes in market interest rates will result in a decrease in business profitability. The Group makes use of external financial resources in the form of debt. Changes in market interest rates influence the cost and return of various forms of financing by affecting financial expenses. Interest rate risk is partially managed through the use of derivative financial instruments in the form of interest rate swaps.

As at 31 March 2025, the Group had financial exposure to banks for various technical forms of financings for a total amount of EUR 54.8 million, on which variable interest rates accrued ranging from 3.8% to 6.3% (excluding low-interest loans) during the first three months of 2025, as well as cash and cash equivalents totalling EUR 41.6 million.

Interest rate swap agreements are in place to cover this exposure, with a total notional residual amount of EUR 20.1 million, equal to approximately 37% of the total gross debt.

Financial liability remeasurement risk for earnouts and put and call options

Financial liabilities include the best estimate of the present value of earn-outs and put and call options entered into with the minority shareholders of the acquired companies. The earnout and put and call option values are directly linked to the achievement of certain economic and financial targets by the companies acquired (generally contractually defined EBITDA and NFP) in the periods following the taking over of control.

Risk of restatement of the long-term incentive plan and the performance shares

The value and recognition of the incentive plans is linked to the increase in value of the Company's share price, recorded for a period of at least 30 consecutive days on the trading market compared to the IPO price, during the first 3 years of office and/or during the second 3 years of office in the case of renewal of office and failure to meet the objectives during the first 3 years of office. This is calculated and paid in cash by the Company during the month, following a positive verification by the Board of Directors that the long-term incentive has accrued. These liabilities are restated at every period-end or when a liquidation event occurs. Their effects are then reflected in the income statement under financial income in the income statement, together with the estimated discount cost for these liabilities.

With regard to the Performance Shares plan, the Group recognises share-settled transactions on the basis of IFRS 2, which requires the cost of transactions to be determined on the basis of their fair value at their allocation date. At each reporting date, the Group also determines the fair value of the instrument based on the probability of achieving the defined performance targets.

Reflections arising from the global geopolitical situation

The Group is exposed to the risks associated with the current and future global, European and Italian economic and political situation, which is also aggravated by recent political and military tensions in Ukraine and in Israel, where the development and political and economic impact are still uncertain and hard to assess. Therefore, it cannot be excluded that the occurrence and/or continuation of any economic downturn and/or political instability and any future negative impact, including any significant impact, on the global, European and/or national economy may lead to a weakening of demand for the Group's products, with potential adverse effects on the Group's business and prospects, as well as on its economic, capital and financial position.

The global geopolitical situation is undergoing a period of extreme tension and complexity, especially as a result of the conflicts between Russia and Ukraine and between Israel and Palestine. These dramatic events have further stimulated inflationary phenomena and the already existing speculative dynamics, with particular reference to energy and raw material prices. The Group has very limited involvement in the areas affected by the conflict and its business model is not particularly exposed to inflationary commodity phenomena or higher energy costs; however, it cannot be excluded that the continuation of this situation may lead to margin pressures or impacts on the propensity to consume durable goods.

Looking ahead, there are unknowns related to the effects of the fiscal and trade policy that the US administration will decide to implement. Specifically, the introduction of duties and tariffs on numerous countries and geographical areas to make imports less advantageous and competitive compared to domestic products or services could undermine international trade in goods and services. In this context, despite the risks associated with the drift towards protectionism in the United States, the Group does not foresee any particular risks or concerns to date, especially in view of the high-end market to which its products are aimed, which are not very sensitive to price changes. However, it cannot be ruled out that fiscal policy may have an impact on the propensity to consume and, therefore, the Group pays continuous attention to developments in the external environment.

Reflections arising from climate change

In preparing the annual consolidated financial statements, taking into account the priorities expressed by ESMA in light of the findings of The Global Risks Report 2024 drafted by the World Economic Forum, Dexelance's management has assessed the effect of climate risks on the Group on the basis of the historical probability of the occurrence of climate events.

Specifically, by defining the potential impacts of physical risks and transition risks (relating to technological innovations, regulatory changes, and changing market expectations), management was able to obtain a sufficiently complete picture of the situation at the Group level. The Group considers climate-related issues in its estimates and assumptions when necessary. This assessment includes a broad spectrum of possible impacts for the Group from both physical and transitional risks. Although the Group believes that its business model and products will still be attractive as a result of the transition to a low-emissions economy, climate-related issues increase the uncertainty of estimates and assumptions concerning numerous elements or items in the financial statements. Although climate-related risks may not have a significant impact on measurement at present, the Group is closely monitoring developments and changes, such as new climate-related regulations and standards.

Fully aware of the strategic importance of responsible and sustainable operations, the Group decided some time ago to take a proactive stance on sustainability, by communicating information to its stakeholders on environmental, social and governance factors. The Group recognises the fundamental role played by strong and long-lasting cooperation with all stakeholders and its commitment to an increasingly sustainable business.

Saba / Axolight

SUBSEQUENT EVENTS

On 2 April 2025, Dexelance announced that it had signed a letter of intent to create a strategic partnership by acquiring shares in Roda S.r.l., a leader in luxury outdoor furniture.

The letter of intent initially envisages Dexelance's acquisition of a minority shareholding in Roda, partly through the purchase of shares and partly through the subscription of a capital increase to support new investments and to initiate a new growth phase for the Roda Group, and in a second phase, Dexelance's purchase of the majority of Roda's share capital through the exercise of the relevant call and put options.

In line with the Dexelance merger model, the Roda Group's operational governance will remain unchanged. Dexelance will provide strategic support through its sales and retail network, with communication and marketing initiatives, digital transformation projects, and by giving Roda access to its relationships with the world's most prestigious architecture and interior design studios.

The contractual documentation and the transaction are expected to be finalised by mid-May.

Turri

BUSINESS OUTLOOK

The Group continuously monitors both the performance of the relevant markets and developments in the geopolitical situation, regarding to the previously discussed aspects of exogenous risk factors, which call for a continuously cautious approach to macroeconomic.

It should be noted that the Group is pursuing its growth strategy by external lines and negotiations are currently underway that may materialise in the coming months.

Milan, 12 May 2025

On behalf of the Board of Directors
The Chief Executive Officer

Andrea Sasso

Turri

DECLARATION OF THE DIRECTOR IN CHARGE OF DRAWING UP THE CORPORATE ACCOUNTING DOCUMENTS PURSUANT TO ARTICLE 154-BIS, PARAGRAPH 2 OF LEGISLATIVE DECREE NO. 58 OF 24 FEBRUARY 1998

I, the undersigned, Alberto Bortolin, Chief Financial Officer of the Dexelance Group, in my capacity as Financial Reporting Manager, hereby declare that the Interim Financial Information as at 31 March 2025 corresponds to the company documents, books and accounting records.

Milan, 12 May 2025

Chief Financial Officer and
Director in charge of drawing up the
corporate accounting documents

Alberto Bortolin

DEXELANCE S.p.A.

Registered Office in Milan (MI) - Corso Venezia, 29
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Milan Economic and Administrative Index No. 2062252
Tax code and registration no. in the Milan Business and Trade Registry: 09008930969

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