

May 7th 2025

EARNINGS CALL

1Q25 RESULTS

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Stefano Zanelli, the Manager in charge of preparing the corporate accounting documents, declares that, pursuant to art. 154-bis, paragraph 2, of the Legislative Decree no.58 of February 24, 1998, the accounting information contained herein correspond to document results, books and accounting records.

Agenda

**1Q25 Results
Overview**

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**1Q25 Sales
Performance**

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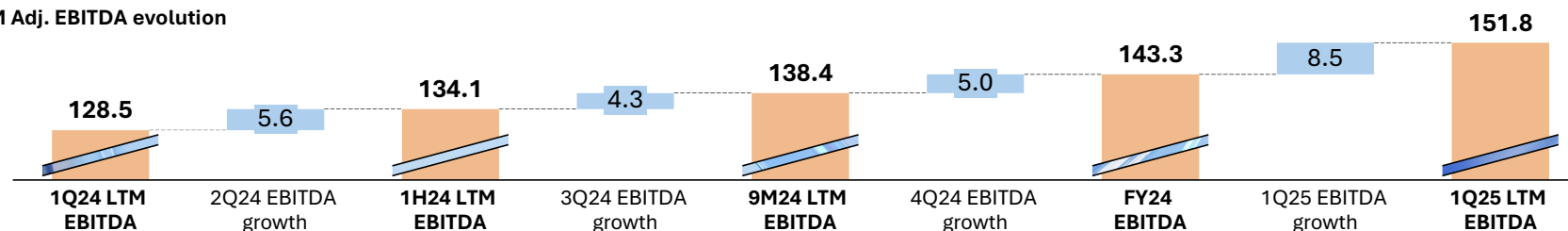
**Outlook &
Guidance**

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1Q25 Results Overview

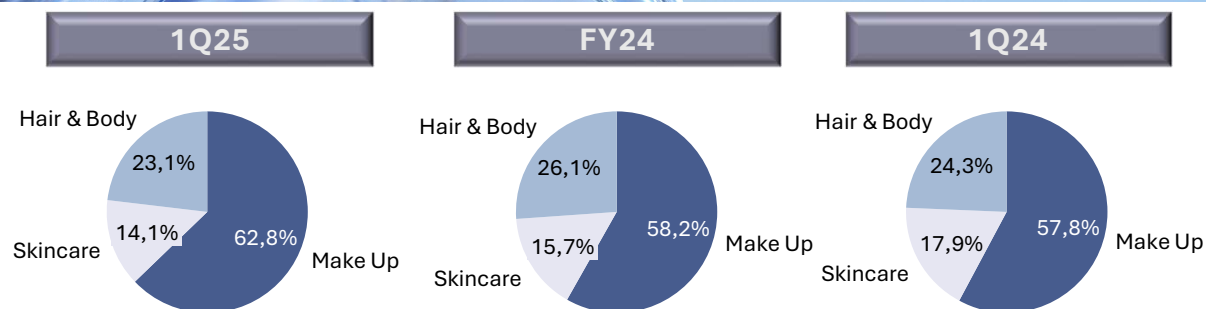
€m	1Q25	1Q24	% vs 1Q24	
			Rep FX	c FX
Revenues	250.8	221.1	13%	13%
Adj. EBITDA	29.3	20.8	41%	
Adj. EBITDA %	11.7%	9.4%	225Bps	
Net Debt	126.9	102.7		
Net Debt/Adj. EBITDA	0.84x	0.80x		

€m – LTM Adj. EBITDA evolution



- 1Q25 **Net Sales** amounted to **€250.8m** (+13.4% at reported FX, and +13.1% at constant FX), increasing by **+€29.7m** compared to 1Q24. Despite a challenging start of the Beauty market in FY25, the Group continued to grow both vs. 1Q24 - the quarter LY was impacted by the Cyber Attack, and vs. 1Q23 (+6.9%). Make-up was the main source of growth, with multinationals recovering well vs. 1Q24.
- 1Q25 **Adjusted EBITDA** was equal to **€29.3m** (+40.6% vs. 1Q24), growing by **+€8.4m** vs. LY. The growth was driven by higher sales but even more by higher profitability, which grew by **+225Bps** vs. 1Q24. **Last Twelve Months Adj. EBITDA** surpassed **€150m**.
- 31Mar25 **Net Debt** stood at **€126.9m**, or €84.4m once the IFRS16 impact is excluded, reflecting a slight increase mainly due to the expansion plans currently undergoing. Leverage ratio (Net Debt on LTM Adjusted EBITDA) amounted to 0.84x, well below the 1x threshold.

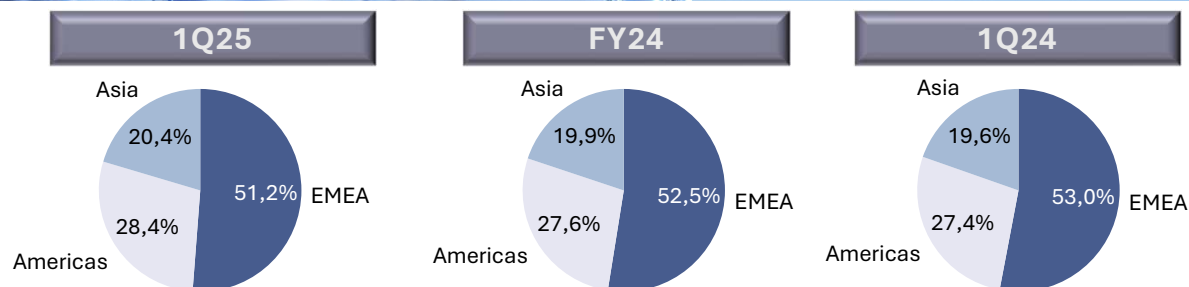
1Q25 Sales Performance – Revenues by BU



€m	1Q25	1Q24	% vs 1Q24
Revenues	250.8	221.1	13%
Make Up	157.5	127.9	23%
Skincare	35.4	39.5	(10%)
Hair & Body	57.9	53.7	8%

- **Make-up** reported revenues of **€157.5m (+23.2%** compared to 1Q24). The growth (also vs. 1Q23) characterized all Regions, including Asia, which posted good growth rates also in 1Q24, and all customer types, with Multinationals outstanding. Sales to prestige clients were the ones growing the most.
- **Skincare** closed 1Q25 with revenues of **€35.4m**, decreasing vs. 1Q24 (-€4.1m), also in consideration of the high comp base. Despite the volatility of the BU on a quarterly basis, the Group continues to remain confident on the performance of Skincare for the residual part of FY25.
- **Hair & Body** recorded revenues of **€57.9m**, increasing by **+8%** vs. 1Q24. Fragrances performance was stable vs. 1Q24, while other categories allowed to achieve the result. As anticipated, after years of strong growth, the BU is expected to consolidate its business volumes in FY25.

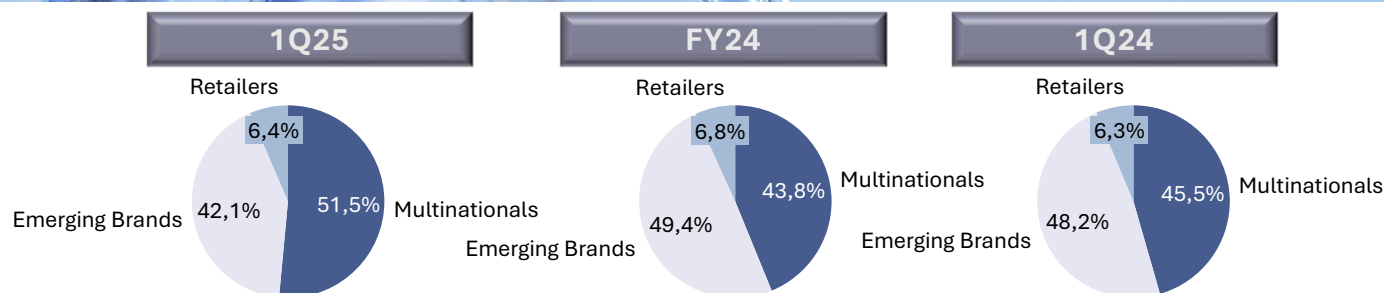
1Q25 Sales Performance – Revenues by Region



€m	1Q25	1Q24	% vs 1Q24
Revenues	250.8	221.1	13%
EMEA	128.4	117.1	10%
Americas	71.1	60.6	17%
Asia	51.2	43.4	18%

- **EMEA** reported revenues of **€128.4m**, up **+9.7%** compared to 1Q24, also due to last year easy comps. Both Make-up and skincare contributed to the positive performance with a positive support coming from Multinationals, mainly in the prestige segment.
- **Americas** recorded revenues of **€71.1m**, increasing by **+17.3%** compared to the previous year. Make-up and Hair&Body were the two business units growing in 1Q25, both in prestige and in mass segments, despite a soft market environment.
- **Asia** continued to grow at a fast pace, now weighting 20.4% of total Group sales. Despite the high comp base, 1Q25 continued to record high double-digit sales growth (**+18%**), closing the quarter at **€51.2m**. Both Korea and China have contributed to this result, with local brands and Multinationals reporting excellent performances, both in make-up and skincare.

1Q25 Sales Performance – Revenues by Customer Type



€m	1Q25	1Q24	% vs 1Q24
Revenues	250.8	221.1	13%
Multinationals	129.1	100.7	28%
Emerging Brands	105.6	106.5	(1%)
Retailers	16.1	13.9	16%

- **Multinational** customers are those who grew the most (+28.2%) closing 1Q25 with **€129.1m** of sales. Make-up business unit performed very well, in all the Regions of the World and in both mass and prestige segments.
- **Emerging Brands** remained overall stable vs. 1Q24, reaching **€105.6m** of net sales, consolidating the good performance achieved last year in 1Q24. The performance was mixed, with Asian brands outstanding and US ones reflecting a softer market environment.
- **Retailers** recorded revenues of **€16.1m**, reporting a good growth in sales (+15.5%), even if representing less than 7% of total Group Sales.

Please note that as per every year, the classification of some customers has been revised to reflect updated brands status (i.e. some Emerging Brands recently acquired/dismissed by multinationals; other retailers which, by developing their own brands, have expanded their distribution channels). The reclassification was also applied to the comparative 2024 data.

Outlook & Guidance

<u>Topic</u>	<u>Update</u>
Where we stand	<p><i>Innovation continues to be central to our business model and it ensures the unique position of our Group in the global Beauty market. This is all the more critical in a context of general market softness as brands tend to beef up their innovation pipeline to sustain market shares. In addition to this, diversification is another pillar of our Group, becoming more and more important nowadays. During Cosmoprof, the biggest Beauty fair worldwide, the Group had approx. 450 meetings with customers, interested in discovering new trends and new formulations proposed by Intercos for the years to come. We continue to develop new formulations and new patents, developed regionally for the local markets in which we and our clients operate.</i></p>
Current Scenario and our view	<p><i>In a context of trade wars triggered by tariff policies, Intercos continues to benefit from the high level of diversification that sets the Group apart: with two manufacturing plants in the USA, one in Brazil, five in Italy, one in Switzerland, one in Poland, one in India, four in China, and one in South Korea, Intercos' presence, close to end markets, represents a natural alternative in the global Beauty landscape, that can provide innovation to clients in a more efficient way. We believe that, in the current environment, the Group's widespread geographic footprint will, in the medium term, provide strong alternatives for the supply chains of Beauty brands around the world, which are reasonably expected to increase the outsourcing of production for products to be launched in various markets. On top of this, main part of Intercos' direct competition won't have the possibility to switch production from one plant to another like our Group can do, as they normally leverage on a regional presence only.</i></p>
Updated FY25 Guidance	<p><i>The Group confirms therefore the FY25 Net Sales expected to increase vs. FY24 in a range between +5%/+7% at constant FX, also thanks to the good order-in-take development.</i></p>

Definitions

For the purpose of providing information in line with the performance analysis and control parameters of the Group, non-IFRS alternative performance measures are used by management to provide information for a better assessment of the results of operations and the financial position of the Group as described below. Such performance measures should not be interpreted as a substitute for the conventional performance measures established by IFRS.

The details of the content of the alternative performance measures not arrived at directly from the financial statements are defined as follows:

- **EBITDA:** is defined as the sum of profit for the year plus income taxes, financial income and expenses and the effects of the valuation of investments using the equity method net of equity investments held for financial investment purposes and amortization, depreciation and write-downs.
- **Adjusted EBITDA:** is given by EBITDA less items of a non-recurring nature, that is, by particularly significant events that are not in the ordinary course of business or that have no effect on cash flows and/or changes in equity.
- **Net indebtedness (cash) or net financial position/net debt:** is given by the sum of current and non-current financial payables net of current and non-current financial receivables, including cash and cash equivalents.