

EBITDA up +12.3% in the first nine months of 2025 with sales growth of +2.9% at constant exchange rates

Agrate Brianza, November 6, 2025 - The Board of Directors of Intercos S.p.A. (ICOS.MI), at today's meeting chaired by Dario Gianandrea Ferrari, approved the Interim Report for the period ended September 30, 2025.

- **Net Sales** in the first nine months of the year of **€785.6 million**, up +2.9% at constant exchange rates (+1.4% at current exchange rates). Despite the challenging geopolitical and market environment, compared to 2024 sales were supported by the strong performance of the most innovative business unit, with Make-up expanding +8.8%, the substantially stable skincare result, while contract manufacturing business volumes (i.e. Hair&Body) contracted. The third quarter reported sales of **€260.7 million**, decreasing -2.7% at constant exchange rates (-5.3% at current exchange rates) compared to the previous year. The performance reflects the high comp. base (+11.6% in 3Q24 vs. 3Q23), the lower packaging invoiced to customers, together with the highly unfavorable exchange rates.
- **Adjusted EBITDA** in the first nine months of the year was **€115.9 million**, growth of **+12.3% (+€12.7 million)**, thanks to a sharp rise in profitability for all three quarters of 2025. The third quarter saw growth of +5.4% to **€41.4 million**, with a sales margin of **15.9% (+161Bps on 2024)**.
- The **Net Financial Position** at September 30, 2025 was **€133.7 million**, up +€16 million on September 30, 2024, mainly reflecting the higher capex to expand the production capacity. **Financial leverage** (net financial position on adjusted EBITDA over the last twelve months) was **0.86x**, in line with the previous year (0.85x at September 30, 2024), despite the dividends distributed and the launch of the Buyback program. The net financial position at September 30, 2025, excluding the IFRS16 impact, was €95.5 million.

Renato Semerari, CEO of Intercos

"Following 3 years of strong sales growth (+16.5% CAGR) and in a year featuring significant geopolitical tensions, less stable market trends than expected and unfavorable currency movements, Intercos continues on its growth path by focusing on profitability. This enables us to confirm our EBITDA growth targets both for the first 9 months of the year and for the last quarter.

It is important in fact to highlight the significant increase in our Group's profitability for all the quarters of 2025, which after many years of strong sales expansion underlines the benefits delivered by the work of our team across the world.

Sales at constant exchange rates for the first nine months of the year in fact were up +2.9%, with EBITDA increasing +12.3% and the margin on net sales increasing 143Bps on the previous year to 14.7%. This margin however strengthened further in the third quarter reaching 15.9% (+161Bps).

We believe that this is the best way to consolidate the strong sales growth achieved to date, in anticipation of a global beauty market recovery and particularly for the categories in which our Group is the undisputed market leader. Ahead of this recovery, which is expected to emerge in 2026, internal activities have been significantly intensified: the Group has expanded its production capacity in Asia (both in China and South Korea) and has continued to invest in innovation, with a marked focus on Advanced Research. Moreover it has revised the

organization and internal processes to improve the ability to respond in a timely manner to the emerging expectations of local customers. We believe in fact that the era of major globalization has concluded and that it has become increasingly important to provide our branches with a more decisive level of autonomy on innovation than in the past. Our global presence is a competitive advantage, which we are confident will become an increasingly important factor and which we intend to increasingly capitalize upon.

Sales by Business Unit, Commercial area, customer type at CURRENT EXCHANGE RATES

€/mln	9M25	9M24	Var.	% vs. 9M24	3Q25	3Q24	Var.	% vs. 3Q24
<u>Business Unit</u>								
Make-up	495.0	455.0	40.0	8.8%	161.9	171.6	(9.8)	(5.7%)
Skincare	121.2	125.2	(4.0)	(3.2%)	43.2	42.2	1.0	2.3%
Hair&Body	169.4	194.9	(25.5)	(13.1%)	55.7	61.3	(5.7)	(9.2%)
Total Net Sales	785.6	775.1	10.5	1.4%	260.7	275.2	(14.5)	(5.3%)
<u>Commercial Company</u>								
EMEA	399.9	404.3	(4.4)	(1.1%)	139.2	140.9	(1.7)	(1.2%)
Americas	216.9	215.5	1.4	0.6%	69.5	80.0	(10.5)	(13.1%)
Asia	168.9	155.4	13.5	8.7%	52.0	54.3	(2.3)	(4.2%)
Total Net Sales	785.6	775.1	10.5	1.4%	260.7	275.2	(14.5)	(5.3%)
<u>Customer Type</u>								
Multinationals	392.6	348.7	43.9	12.6%	131.8	128.2	3.5	2.8%
Emerging Brands	341.1	378.8	(37.6)	(9.9%)	112.6	129.4	(16.8)	(13.0%)
Retailers	51.9	47.6	4.3	9.0%	16.4	17.6	(1.2)	(6.8%)
Total Net Sales	785.6	775.1	10.5	1.4%	260.7	275.2	(14.5)	(5.3%)

Group Net Sales in the first nine months of the year amounted to **€785.6 million**, growth of **+2.9%** at constant exchange rates (+1.4% at current exchange rates). The third quarter reported sales of **€260.7 million**, decreasing -2.6% at constant exchange rates (-5.3% at current exchange rates), substantially due to the reduced packaging invoiced to end customers, which had increased significantly in the third quarter of 2024.

Analyzing revenues by business unit:

- **Make-up** reported sales in the first nine months of **€495 million**, up **+8.8%** on 2024. The Multinationals have supported the growth of the business unit in all regions in which the Group operates, and primarily Asia and EMEA. The prestige segment saw the strongest growth. The contraction in the third quarter reflects the very high comparative figure (+14.6% in 2024 compared to 2023), which was driven by an elevated “packaging” component (i.e. “Full-Service” sales).
- **Skincare** for the first nine months of 2025 reports sales of **€121.2 million**, a slight decrease on 2024 (-3.2% or -€4 million), mainly due to the gap generated in the first quarter (third quarter +2.3%). The business unit continues to report increasing sales in EMEA and Asia, both for the Multinationals and the Emerging Brands, offset however by lower USA sales, mainly due to the fluctuating market trends and the uncertainties arising from the tariff policies.

- **Hair&Body** in the first nine months reported sales of **€169.4 million**, a contraction of **-13.1%** and reflecting, as reported for the half-year, a number of new product launches to EMEA customers that positively impacted 2024 (+13.7% on 2023).

In terms of sales by **commercial area**:

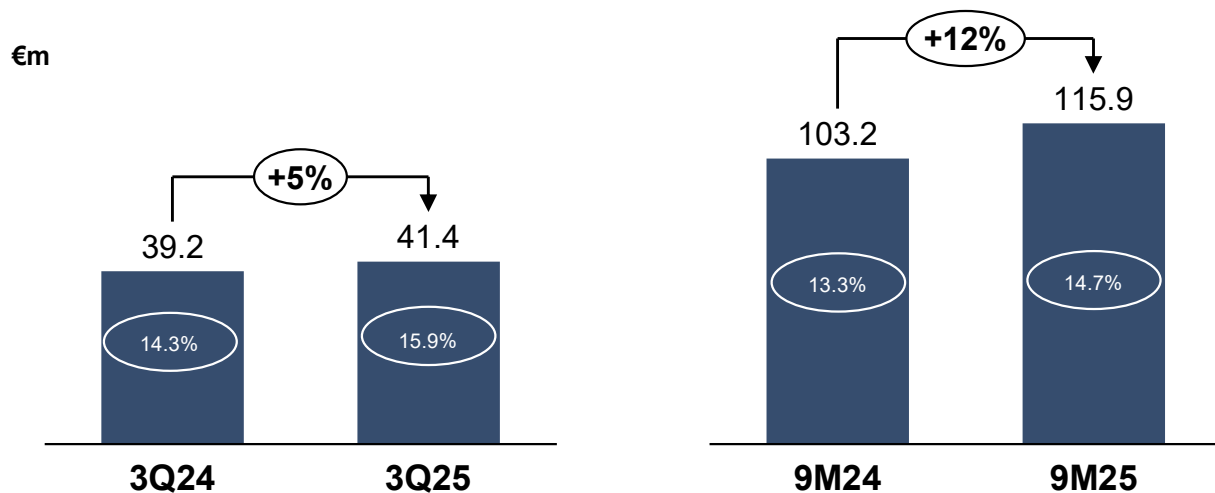
- **EMEA** reported sales in the first nine months of 2025 of **€399.9 million**, a slight contraction on the previous year (**-1.1%**), reflecting the strong Make-up and Skincare Multinationals performance, offset however by the Hair&Body business unit contraction. The prestige customers performed well. This trend was visible also in the third quarter, which also saw a slight contraction (**-1.2%**).
- The **Americas** reported a slight increase in net sales in the first nine months (**+0.6%**) to **€216.9 million**. The prestige segment performed the best, particularly the Multinationals. Make-up saw significant growth, while Skincare was more moderated. Following the good performance for the first two quarters, the third quarter declined (**-13.1%** on the previous year). The market continues to be highly volatile, with customers taking a more cautious approach than in the past, as they wait to understand the real impacts on end customers from the tariff policies introduced during the year.
- **Asia**, despite a highly challenging 2024 figure (**+28.9%** on 2023), continues to see the highest growth rates (**+8.7%** on the first nine months of 2024), reporting sales of **€168.9 million**, thanks to good growth both in China and Korea and particularly for the Make-up segment. The Emerging Brands and the Multinationals also contributed strongly, with the latter recovering on the previous year. The contraction in sales in the third quarter of **-4.2%** (or **-€2.3 million**) was mainly due to the unfavorable currency movements affecting both the Korean Won and the Chinese Renminbi. The expected medium-term growth trends remain unchanged.

Finally, with regards to sales by **customer type**:

- The **Multinationals** reported sales for the first nine months of **€392.6 million**, growth of **+12.6%** on 2024. The Make-up business unit drove growth across all Regions. The prestige segment saw the strongest growth. This customer type grew also in the third quarter (**+2.8%**).
- The **Emerging Brands** however saw a reduction in sales of **-9.9%**, with revenues of **€341.1 million**. The EMEA and USA Hair&Body results affected the overall performance. Within the customer groups, the performance was positive in Asia, both for Skincare and for Make-up. The same dynamics characterized the third quarter of the year, which contracted **-13%**.
- The **Retailer** customers reported sales of **€51.9 million** in the first nine months of the year, up **+9%**, following on from the year of 2024 which featured a marked decline. The growth was mainly driven by the good Hair&Body performance.

EBITDA

Group **Adjusted EBITDA** in the first nine months amounted to **€115.9 million**, increasing **+12.3%** (or **+€12.7 million**), thanks to a significant expansion in profitability to **14.7%** (**+143Bps**) and a slight increase in sales. The EBITDA margin on net sales was up significantly for all quarters (+225Bps in the first quarter, +103Bps in the second and +161Bps in the third). This result was made possible by (i) the actions undertaken by the operations team to improve processes, (ii) the growth in Make-up sales, which returned to account for more than 60% of total Group business and (iii) a rebalancing of the sales mix between “full-service” and “free-issue” which, particularly in the second half of 2024, resulted in a significant increase in the packaging sold to customers, a factor which while supporting sales had eroded margins.



Outlook & Guidance

2025 continues to be a very particular year for the Beauty market globally, with the Group’s focus on higher added-value categories and on operations, allowing Intercos to increase profitability in a tangible way.

While Europe continues to see low growth rates, although in line with expectations, the US market - the most important for the Beauty sector globally - continues to see significant volatility, with often contracting volumes across the various categories in which our Group operates, and increased average prices most likely also related to the tariffs introduced over the preceding months. Asia, and in particular China, reports stronger growth on the previous year, although is now the market most highly dependent on specific promotional activities such as the “Double Eleven” (the largest online shopping event) or the “6/18” (the second largest online event in China).

Against this market backdrop, we expect, after two years of mixed trends, 2026 to see a tangible recovery, driven by the recovery in the US market and an improved performance in China. At the same time, the emerging markets such as India shall increasingly contribute to the development of the overall Beauty market globally, and particularly for the Make-up segment.

Outlook & Guidance

During this period of market transition, our Group, while on the one hand consolidating the sharp sales growth of the preceding years, on the other is strongly recovering profitability. At the same time, it is executing multiple initiatives to gain market share over the short-term.

The initiative to increase production capacity is continuing as expected, which in the first nine months of 2025 saw the South Korea plant double, alongside one of the Chinese plant. At the same time, new technologies are being developed at our various research centers across the world, and new product processing technologies are at an advanced stage of development.

Finally, we are making organizational changes to strengthen the capacity and autonomy of our regional research centers to be able to anticipate locally emerging trends more quickly and efficiently.

Looking to the short-term, for the remainder of the year we confirm the guidance provided on publishing the first half results, and therefore a Full-Year 2025 adjusted EBITDA of approximately €155 million, reflecting a growth of more than €10 million on 2024 and in line with the current consensus expectations.

OTHER INFORMATION

DECLARATION OF THE EXECUTIVE OFFICER FOR FINANCIAL REPORTING

Mr. Vittorio Brenna, as Executive Officer for Financial Reporting, declares - in accordance with paragraph 2, Article 154-bis of Legislative Decree No. 58/1998 ("Consolidated Finance Act") - that the accounting information included in this press release corresponds to the underlying accounting records.

RESULTS PRESENTATION CONFERENCE CALL

The first nine months 2025 results shall be presented to analysts and investors on November 6, 2025 at 6.30PM (CET). The conference may be followed by connecting to the following numbers: +39 02 8020911 (from Italy), +44 1 212818004 (from UK), +1 718 7058796 (from USA), (for journalists +39 02 8020927). The supporting presentation for the conference call shall be made available on the company website www.intercos-investor.com in the "Investor Relations" section at the following link: <https://www.intercos-investor.com/investors/documenti-finanziari/presentazioni/> and on the "1info" storage mechanism at www.1info.it. From the day subsequent to the call, a recording of the call shall be made available on the same website.

UPCOMING FINANCIAL CALENDAR EVENTS

The date of publication of the Annual Financial Report at December 31, 2025 will be announced on the publication of the next financial calendar.

IDENTIFICATION CODES

ISIN Code of the Shares: IT0005455875

Symbol: ICOS

INTERCOS GROUP

Intercos is one of the leading business-to-business operators internationally in the creation, production and marketing of cosmetics (Make-up) and Skincare products, in addition to hair and body care products (Hair&Body), for leading domestic and international brands, emerging brands and retailers serving the cosmetics market and the wider beauty sector. Founded in 1972 by Dario Ferrari, Intercos lists the top cosmetics brands among its customers, with a staff of over 6,000, 12 research centers, 16 production facilities and 16 commercial offices across three continents. Intercos for over 50 years has interpreted beauty, creating cosmetic products and becoming a trend setter which predicts, anticipates and influences new cosmetic trends, meeting the demands of a range of customers with products for all price ranges.

NOTE AND DEFINITIONS

Alternative performance measures, not covered by IFRS, are used by management for a better assessment of the Group's operating and financial performance and are in line with the Group's performance policies and control parameters. These measures should not be considered to replace those set out in the IFRS.

The alternative performance measures not stemming directly from the financial statements are outlined below:

- EBITDA: this is defined as the sum of net profit for the period, plus income taxes, financial income and expense, and the effects of valuing equity investments held as financial investments using the equity method and amortization and depreciation.
- Adjusted EBITDA: this is obtained by deducting from EBITDA those components evaluated by the Company as non-recurring, i.e., particularly significant events that are not linked to the ordinary performance of the core businesses or that do not determine cash flows and/or changes in the amount of equity.
- Net debt (cash) or net financial position: the sum of current and non-current financial payables, net of current and non-current financial receivables, including cash and cash equivalents;

Other definitions:

- Order-in-take: means all orders legally placed and processed by a company during the accounting period or fiscal year under review.
- Order Book: open order book at a certain date

OTHER INFORMATION

APPOINTMENT OF THE NEW GROUP CHIEF FINANCIAL OFFICER AND EXECUTIVE OFFICER FOR FINANCIAL AND SUSTAINABILITY REPORTING

It is recalled that, following the resignation of Mr. Stefano Zanelli, Group Chief Financial Officer of Intercos Group, Executive Officer for Financial Reporting (e.g. Dirigente Preposto) and Senior Director with Strategic Responsibilities of the Company (DIRS), as of September 13, 2025, Mr. Vittorio Brenna, Group Chief Operating Officer, has been appointed as – ad interim – Group Chief Financial Officer and Executive Officer for Financial Reporting, for the time required to the search for a suitable candidate to fill these roles.

It is announced that the selection process has been concluded with the identification of Mrs. Paola Agasso as new Group Chief Financial Officer of Intercos Group, considering her high managerial profile and proven professional experience in the economic and financial sector, gained in Italian and multinational companies.

The Board of Directors of Intercos S.p.A. on November 6, 2025, after consulting the Nomination and Remuneration Committee, therefore appointed Mrs. Paola Agasso as the new Group Chief Financial Officer of Intercos Group, with effect from December 1, 2025. Mrs. Paola Agasso will report directly to Mr. Vittorio Brenna, who will hold his role as Chief Operating Officer of Intercos Group.

In addition, today the Board of Directors of the Company, subject to the favorable opinion of the Board of Statutory Auditors, in compliance with the requirements of the law and the Articles of Association, appointed Mrs. Paola Agasso as the new Executive Officer for Financial Reporting (e.g. Dirigente Preposto) as of December 1, 2025 and until revocation, with responsibility for the certifications pursuant to art. 154-bis of the TUF, including the certification on sustainability reporting.

It should be noted that, as of today, on the basis of the information available, Mrs. Paola Agasso does not hold any shares of the Company.

DISCLAIMER

The information presented in this document has not been audited. This document may contain forward-looking statements relating to future events and results of operations, financial position and cash flows of Intercos. These statements by nature contain an element of risk and uncertainty in that they depend on future events and developments. The actual results may even diverge significantly from those announced, due to a range of factors.

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