

A photograph of five women of diverse ages and ethnicities, all wearing black dresses, standing on a large, flowing red fabric. The background shows a clear blue sky and a body of water. The women are arranged in a group, with some placing their hands on the shoulders of others, conveying a sense of unity and support.

ANNUAL REPORT

| 2025 |

Overview of Key Figures (5 YEARS)

KEY EARNINGS FIGURES		2025	2024	2023	2022 restated	2021*
Sales	in EUR million	75.59	88.37	125.80	124.93	108.95
EBIT	in EUR million	-40.16	-42.63	-17.70	-30.62	-5.26
Loss before taxes	in EUR million	-57.31	-51.48	-27.40	-36.86	-9.41
Loss after tax	in EUR million	-57.25	-51.67	-30.75	-36.85	-12.33
Free cash flow	in EUR million	-34.60	-19.39	-9.52	-8.82	-0.22
Employees (average)	Number	684	859	1,008	1,096	1,081

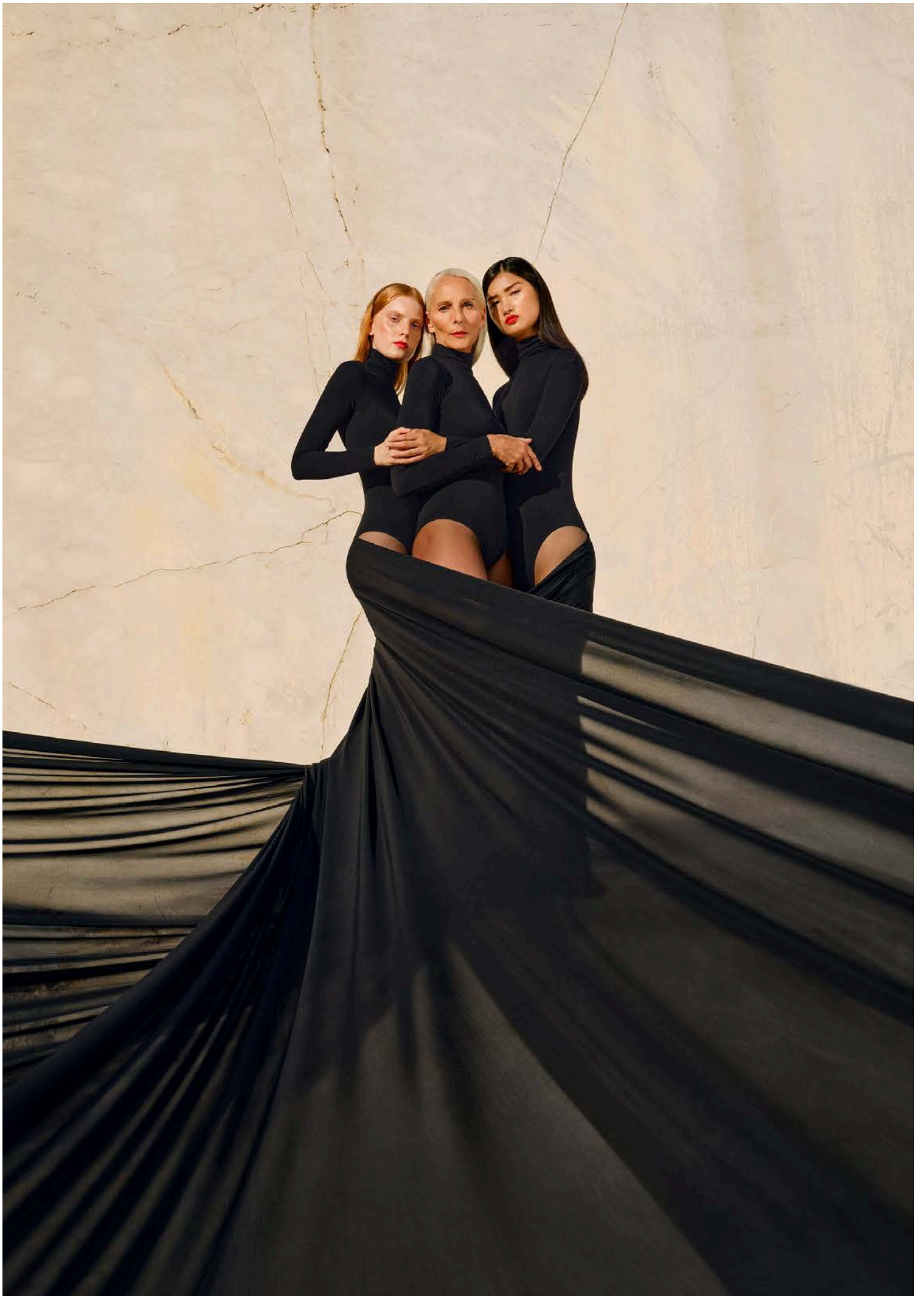
KEY BALANCE SHEET FIGURES

		12/31/2025	12/31/2024	12/31/2023	12/31/2022 restated	12/31/2021
Equity	in EUR million	-114.63	-88.44	-34.41	-21.03	15.24
Net debt	in EUR million	119.19	84.25	43.95	31.06	0.29
Working capital	in EUR million	16.09	6.20	20.41	19.74	32.13
Balance sheet total	in EUR million	87.14	98.44	134.18	126.54	134.65
Equity ratio	in %	-131.56	-89.8	-25.6	-16.6	11.3
Gearing	in %	-1.04	-95.3	>100	>100	10.17

KEY SHARE FIGURES

		2025	2024	2023	2022 restated	2021*
Loss per share	in EUR	-4.59	-5.40	-3.34	-5.26	-1.86
Dividend per share	in EUR	0.00	0.00	0.00	0.00	0.00
Equity per share	in EUR	0.00	0.00	0.00	0.00	0.00
Annual high	in EUR	4.14	5.00	7.10	7.60	10.30
Annual low	in EUR	3.00	2.20	4.30	5.15	6.55
Share price at end of period	in EUR	3.50	3.90	4.76	5.70	7.20
Numbers of shares (weighted average)	in thousands shares	12,466	9,654	9,196	6,631	6,631
Market capitalization at end of period	in EUR million	43.63	37.65	45.95	37.80	47.74

* May to December



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WOLFORD

Founded in 1950 in Bregenz, Austria, is a market leader in the area of skinwear. In the decades of our existence, we have produced countless product innovations, many of which are still bestsellers today. With 132 monobrand points of sale and approximately 1,068 wholesale partners, we have a global presence in around 41 countries. Our company has been listed on the Vienna Stock Exchange since 1995.

01

THE COMPANY

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Letter From the Management Board

Dear Shareholders, Investors, and Stakeholders,

Following the Year 2024 - marked with significant disruption - 2025 began under significant pressure, as the Company continued to work through the operational, liquidity and organizational challenges that had emerged. The operating disruptions suffered across the value chain, most notably the logistics transition in 2024, significantly weighed on deliveries, cash generation, and business continuity. Liquidity pressure during the year was partially offset by Shareholder loans, and an equity measure for the first half of 2025 was resolved in December 2024. The opening months of 2025 were still difficult, dealing with the tail end of 2024's legacy issues and the consequent financial fragility that followed. Against this backdrop, the Company's Management urgently prioritized a disciplined stabilization program.

The turning point of this journey was achieved in the first half of 2025. The management team acted with discipline and urgency, tightening cash governance, re-engaging suppliers, prioritizing operations and production, and sharpening decision rights—so that tight financial control could be achieved. Clearing out of obsolete stock simplified assortments and supported cash generation; and our retail perimeter was streamlined with the closure of non-profitable stores, improving structural efficiency.

In parallel, the continued support of shareholders provided us with the financial headroom required to re-channel liquidity toward supply, production and level of service. Taken together, these elements formed the foundation of our recovery.

In the second half of 2025 operations stabilized gradually. Supply and delivery reliability increased; and momentum returned with wholesale partners and direct to consumer customers. Consistent with our plan, we expect to fully recover the NeverOutOfStock (NOOS) backlog in the first quarter of 2026, further strengthening product availability and commercial execution.

Our product path remains grounded in what Wolford does best. Essentials continue to anchor our offer proposition, supporting agility, delivery speed and disciplined use of working capital. Alongside this, we are keeping newness sharply curated with faster reads and tighter edits. Importantly, the AW26 product development pathway was initiated ahead of the second half of 2025, as part of the transition from stabilization to development, ensuring continuity between design and operations.

Looking outward, industry sources pointed to a modest market in 2025 and a moderate return to growth for personal luxury goods in 2026. *Bain-Alttagamma* expects a reacceleration of roughly 3%–5% at constant exchange rates, while *McKinsey & The Business of Fashion* describe 2026 as challenging but improving, with low single digit growth across the main fashion markets.

Our agenda is therefore clear: convert operational stability into sustainable, cash generative performance. We will consolidate the gains achieved in 2025 in supply reliability, lead times and service; elevate product productivity—especially within Essentials—while maintaining a disciplined approach to newness; reinforce wholesale key accounts and the online experience; protect the cost base while investing selectively where it improves service and quality; and maintain the organizational cadence that underpins execution.

We thank our teams, whose resilient work in the first half of 2025 was decisive in restoring financial operational alignment, and our Shareholders, whose continued support provided the necessary headroom to enable that recovery work.

With a clearer operating model and a focused plan, Wolford enters 2026 on firmer grounds.

Sincerely,
Management Board



The Wolford Share

CAPITAL MARKET DEVELOPMENTS

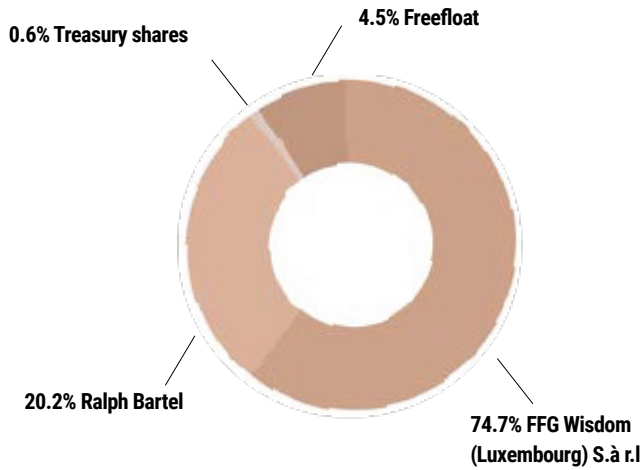
In 2025, global markets were shaped primarily by geopolitical tensions and trade disputes. The war in Ukraine and the ongoing conflict in Gaza continued to weigh on energy markets and investor confidence, while renewed tariff disputes between major economies, particularly the U.S., China, and Europe, added uncertainty to global trade. Energy prices remained volatile, and supply chains were still adjusting to geopolitical disruptions, recently exacerbated by the U.S.– Iran conflict. Despite these challenges, stock markets proved resilient, with the Austrian benchmark index ATX finishing the year up 45.41%. Major European indices, such as the DAX (+23.01%) and the EURO-STOXX 50 (+18.29%), recorded solid gains. In the U.S., the Dow Jones increased by 12.97%. The MSCI World Index gained 19.49%, while the MSCI World Textiles, Apparel, and Luxury Goods Index rose by 2.82%.

WOLFORD'S SHARE PRICE PERFORMANCE

Wolford stock continued to be volatile in 2025. After starting the year at 3.82, the stock climbed to a high of EUR 4.14 in mid-January. Subsequently, the stock declined and reached its annual low of EUR 3.00 in April. The year-end closing price was 3.50. On average, 485 shares (previous year: 1,013 shares) were traded per day. The average closing price was EUR 3.63. The share price performance was –10.26%.

SHARE FIGURES in EUR/share		2025	2024
Loss per share	in EUR	-4.59	-5.40
Dividend per share	in EUR	0.00	0.00
Equity per share	in EUR	0.00	0.00
High	in EUR	4.14	5.00
Low	in EUR	3.00	2.20
Closing price	in EUR	3.50	3.90
Number of shares (weighted average)	Shares	12,465,801	9,565,526
Year-end market Capitalization	in Mio. EUR	43.63	37.65
Average shares traded daily	Shares	485	1.013

01 // OWNERSHIP STRUCTURE OF THE WOLFORD SHARE, in percent



ISIN	AT00000834007
Stock Exchange	Vienna Stock Exchange (Standard Market) Frankfurt a.M. (Open Market)
Ticker Symbols	Vienna: WOL Reuters: WLF.D.VI Bloomberg: WOL:AV, WLF.DY:US, WOF:GR
Opening Price	02/14/1995
Stock Type	Bearer shares (no-parvalue)
Number of shares (December 31, 2025)	14,868,447 shares
Of which with dividend entitlement	14,780,307 shares

As of March 31, 2026

SHAREHOLDER STRUCTURE

As of March 31, 2026, Fosun Fashion Group Wisdom (Luxembourg) S.à r.l. is the majority shareholder, holding around 74.7% of the shares in Wolford. The private investor Ralph Bartel holds around 20.2% of the bearer shares. Wolford AG owns approximately 0.6% of the shares as treasury shares. The remaining almost 4.5% of the shares are in free float.

INVESTOR RELATIONS

As a listed company, Wolford accords high priority to communicating professionally and reliably with the financial markets. Here, the company adheres to the principles of continuity, equal treatment of all shareholders, and transparency and consistency of information.

Wolford regularly and comprehensively informs both its existing owners and potential shareholders about developments in the company.

It does this via regular reporting in the form of annual and interim reports, by participating in capital market conferences, and by engaging in direct dialogue. In the current phase of strategic positioning, engaging in dialogue with the capital market is very important to the Management Board. The communication with private and institutional investors was, as a result, correspondingly close during the year under review. The company was also available at short notice to answer questions from capital market participants.

Corporate Governance Report

CORPORATE GOVERNANCE AT WOLFORD

Commitment to the Corporate Governance Code

Wolford strongly believes that corporate governance, when diligently applied and practiced, represents a vital contribution towards strengthening the trust placed by capital markets in the company. In September 2002, the Austrian Working Group for Corporate Governance introduced a framework for responsible corporate management and control geared towards sustainable value creation. The aim of this framework is to protect the interests of all whose well-being is linked to the success of the company.

The Austrian Corporate Governance Code prescribes a high standard of transparency for all the company's stakeholders. Wolford has been committed to the principles of the Code since the 2002/2003 financial year. The Austrian Working Group for Corporate Governance is responsible for publishing the Corporate Governance Code in each of its versions. The most recent revision of the Code, effective from January 1, 2025, focuses on sustainable corporate governance.

The code is based on the requirements of Austrian law governing stock corporations, the stock exchange and the capital market, the recommendations of the European Commission concerning the duties of the Supervisory Board and remuneration of Management Board members, and the corporate governance guidelines issued by the OECD. The code provides a framework for corporate management and control.

Enhancing Trust

The guiding principles of the code are intended to enhance the trust placed by investors in the company – and in Austria as a place to do business. They include equal treatment of all shareholders, transparency, the independence of the Supervisory Board, open communication between the Supervisory Board and the Management Board, the avoidance of conflicts of interest on the part of directors and officers, and efficient control by the Supervisory Board and auditor. Compliance with the Code, which goes beyond legal requirements, is voluntary, and takes the form of a self-imposed obligation on the part of the company. The commitment to the Code also means that any non-compliance with C-Rules must be explained (“comply or explain”). The Wolford AG Corporate Governance Report forms part of this Annual Report and can also be downloaded from the “Investor Relations” section of the Wolford website.

To prevent insider trading, Wolford has drawn up a compliance guideline implementing the provisions of the Market Abuse Regulation issued by the European Union, in which compliance is monitored by a Compliance Officer. The aim of Wolford is to meet the expectations of capital market players for transparency and to provide shareholders with a true and fair view of the company.

The Market Abuse Regulation issued by the European Union requires information to be communicated at the same time and with identical content to all recipients. Wolford consistently implements this requirement.

The latest company news, including information with the potential to influence its share price, is communicated simultaneously to analysts, investors, and the media. This information is published concomitantly on the company website to ensure equal access to information for private shareholders.

One Share – One Vote

The company has issued 14,868,447 common shares. There are no preferential shares or restrictions on the common shares. The principle of “one share – one vote” is therefore upheld in its entirety. The Austrian Takeover Act ensures that every shareholder receives the same price for their Wolford shares in the event of a takeover bid (mandatory offer). The current shareholder structure is presented in the Wolford Shares section of this Annual Report.

Systematic Risk Management

The Management Board of Wolford AG has the overall responsibility for operation of an effective risk management system. The Wolford AG Supervisory Board has the duty of monitoring the effectiveness of the risk management system. This responsibility is handled by the Supervisory Board's Audit Committee. “Forvis Mazars Audit GmbH Wirtschaftsprüfungsgesellschaft”, Kärntner Ring 5-7, 1015 Vienna (“Forvis Mazars”), was elected by the Extraordinary General Meeting (EGM) on 13 November 2025 to audit the Wolford AG annual financial statements and the consolidated financial statements of the Wolford Group for the 2025 financial year. There are no grounds for exclusion or prejudice that would be incompatible with a conscientious and impartial audit by the Group auditor, Forvis Mazars. The fees for the audit of the consolidated financial statements and related services amounted to €0.3 million. All information on the disclosures required under Section 243a of the Austrian Corporate Code (UGB) can be found on page 38 of the Management Report.

MANAGEMENT BOARD

Ralf Polito

Ralf Polito (born 1975), has been a member of the Management Board since April 17, 2023. He was initially appointed for a term ending June 30, 2025. This mandate was first extended until 31 December, 2025 and, in December 2025, further extended through the end of 2026. Ralf Polito does not hold any Supervisory Board or comparable functions outside Wolford AG. Responsible for Supply Chain & Production, Legal & Compliance, Investor Relations, and the Project Management Office and Sustainability, Ralf Polito is a seasoned textile industry executive with 20 years' experience in finance and operations management. He first came into contact with fashion at Hugo Boss before holding various global management positions at Triumph International in Switzerland and India and at ETERNA in Germany. In addition to a degree in International Business, Ralf Polito has an MBA in Project Management. He is also a Chamber of Industry and Commerce-certified IFRS accountant.

Marco Pozzo

Marco Pozzo (born 1970) has been a member of the Management Board since 7 July, 2025 and was appointed for a three-year term, which runs through July 7, 2028. With effect from March 1, 2026, Marco Pozzo was appointed CEO and Chairman of the Management Board.

Marco Pozzo holds an Executive MBA from Kellogg School of Management (Chicago) and HKUST (Hong Kong), and has built an international career across the luxury, design, and consumer goods sectors spanning in the areas of Retail, Wholesale, Operations, Manufacturing, Marketing and E-Business. Before joining Wolford, Marco Pozzo held senior leadership positions, including as CEO of Alessi and Italian Creation Group FontanaArte and Driade.

Regis Rimbart

Regis Rimbart (born 1971), had been a member of the Management Board since May 6, 2024, and stepped down from the Board effective January 17, 2025.

Domenico Giordano

Domenico Giordano (born 1971), was appointed as a member of the Management Board for a one-year term effective as of August 1, 2024, which concluded at the end of July 2025.



SUPERVISORY BOARD MEMBERS AND COMMITTEES

SUPERVISORY BOARD

The Supervisory Board of Wolford AG comprised of four members elected at the AGM and two representatives delegated by the Works Council in the 2025 financial year. The Supervisory Board held five meetings during the 2025 financial year. No Supervisory Board member was absent from more than half the meetings.

NAME	END OF FUNCTION TERM	DIVERSITY FACTORS**	MEMBERSHIP ON COMMITTEE	SUPERVISORY BOARD POSITIONS OR COMPARABLE FUNCTIONS
Andy Lew Independent First appointed: 07/29/2025 Chair of the Supervisory Board Global Partner, Fosun Group Executive President, Chief Executive Officer, Lanvin Group Chairman, St. John	Appointed for term ending with the 43rd Annual General Meeting (to decide on discharge for the 2029 financial year)	Male, born in 1970, USA	The Presidium (Chair), Personnel and Nomination Committee, Strategy and Marketing Committee	No additional positions at listed companies
Yun Wu Independent First appointed: 06/14/2024 Deputy Chair of the Supervisory Board Chief Human Resources Officer, Chief Strategy Officer, Lanvin Group	Appointed for term ending with the 40th Annual General Meeting (to decide on discharge for the 2026 financial year)	Male, born in 1980, Chinese	Audit Committee, Personnel and Nomination Committee	No additional positions at listed companies
Jiyang Han Independent First appointed: 11/13/2025 Chief Financial Officer, Lanvin Group	Appointed for term ending with the 43rd Annual General Meeting (to decide on discharge for the 2029 financial year)	Male, born in 1985, Canadian	Audit Committee (Chair), Strategy and Marketing Committee	No additional positions at listed companies
Gong Cheng Independent First appointed: 07/29/2025	Appointed for term ending with the 43rd Annual General Meeting (to decide on discharge for the 2029 financial year)	Male, born in 1989, Chinese		No additional positions at listed companies
Alexander Greussing* Independent First appointed: 09/30/2020		Male, born 1965, Austrian	Member of the Audit Committee and Personnel and Nomination Committee	No additional positions at listed companies
Christian Greussing* Independent First appointed: 01/01/2023		Male, born 1963, Austrian	Member of the Strategy and Marketing Committee	No additional positions at listed companies

Changes during the fiscal year 2025

Eric Chan resigned from the Supervisory Board with effect from 21 February 2025.

Jianhua Wu resigned from the Supervisory Board with effect from the conclusion of the 38th Annual General on 29 July, 2025.

David Chan resigned from the Supervisory Board with effect from the conclusion of the Extraordinary General Meeting on 11 November, 2025.

Andy Lew and Gong Cheng were elected to the Supervisory Board in the AGM on 29 July, 2025. Jiyang Han was elected to the Supervisory Board in the EGM on 13 November 2025.

David Chan served as Chair of the Supervisory Board until September 2025, after which he was succeeded by Andy Lew, and also continued as Chair of the Audit Committee until his resignation, with Jiyang Han subsequently taking over that role.

* Delegated by the Works Council. ** Diversity factors include gender, age, and nationality.

The Supervisory Board has established four committees: the Presidium, the Personnel and Nomination Committee, the Audit Committee and the Strategy and Marketing Committee. At the end of the fiscal year 2025, the Presidium comprised the Supervisory Board Chair Andy Lew and his deputy Yun Wu. The Presidium represents the company's interests in all matters related to Management Board and also acts as a compensation committee with regard to Management Board remuneration. In this function, it regularly reviews the remuneration policy for Management Board members and ensures the implementation of the corporate governance rules in this context.

At Wolford, the Presidium serves as the Personnel and Nomination Committee, with support from Works Council representative Alexander Greussing. As such, it is responsible for the preparations for all appointments to the Management and Supervisory Boards. Prior to the appointment of persons to the Management Board or Supervisory Board, the Personnel and Nomination Committee develops a requirements profile and prepares resolutions for the Supervisory Board or AGM based on a pre-defined selection process and succession planning. The Personnel and Nomination Committee is also responsible for decisions concerning personnel-related matters at the company when approval is required under Section 95 (5) of the Austrian Stock Corporation Act (AktG) or by the articles of association or the Supervisory Board. There were telephone discussions from time to time if matters relating to the Personnel and Nomination Committee and Circular Resolutions arise. The Audit Committee deals with the auditing of the Group's annual financial statements and supervision of financial reporting. It also monitors the effectiveness of the company's internal control, audit and risk management systems and reviews the independence of the auditor. During the 2025 financial year, the Audit Committee initially comprised David Chan (Chair), Yun Wu, and Alexander Greussing. Following David Chan's resignation and Jiyang Han's election to the Supervisory Board in November 2025, the Committee comprised Jiyang Han (Chair), Yun Wu, and Alexander Greussing. The Audit Committee met three times in the 2025 financial year and primarily dealt with the following topics:

- annual financial statements and the auditor's report on the annual audit for the 2024 financial year
- Preparation of the proposal to the Supervisory Board for selection of the auditor (Group auditor) for the 2025 financial year.

The Strategy and Marketing committee did not hold any meetings during the 2025 financial year.

RESPONSIBILITIES AND WORKING METHODS OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD

The Management Board is responsible for conducting the company's business in compliance with the relevant laws, the Wolford AG articles of association, and the applicable rules of procedure. It manages the business to the benefit of the company, and in keeping with the interests of all shareholders, employees, and the general public. The rules of procedure for the Management Board, which are issued by the Supervisory Board, specify working procedures and responsibilities. Irrespective of the allocation of specific responsibilities (allocation to a department), the Management Board bears overall responsibility for managing the company. Issues of fundamental significance or importance must be approved in a resolution of the entire Management Board. In addition, the rules of procedure for the Management Board include a catalog of measures that require the approval of the Supervisory Board. There is a continuous flow of information between the members of the Management Board. This takes place formally in at least two monthly Management Board meetings.

At regular meetings (at least once per quarter), the Management Board provides the Supervisory Board with timely and comprehensive information on all issues that are relevant to the company's economic and strategic development, including the risk situation and the risk management in place for the company and major subsidiaries. The Management Board reports immediately to the Chair of the Supervisory Board if there are important grounds for doing so. In addition, further meetings are convened for special occasions, for example to discuss strategic direction. The Management Board reports at least once a year to the Supervisory Board on precautions taken to eradicate corruption within the company. This provides the Supervisory Board with all the information it needs to perform its advisory and control function. In keeping with the Corporate Governance Code, the Management and Supervisory Boards also hold regular discussions on the company's performance and strategic direction that go beyond the Supervisory Board meetings.

The Supervisory Board performs its duties in accordance with legal requirements, the articles of association, and the rules of procedure. The Supervisory Board is responsible for decisions on issues of fundamental importance to the company and its strategic direction. It establishes professionally qualified committees, depending on the specific circumstances of the company and the number of its members. These committees are designed to improve efficiency in the work of the Supervisory Board and help deal with complex issues. However, issues delegated to individual committees may still be taken up by the full Supervisory Board. Each committee chair regularly reports to the full Supervisory Board on the work of their committee.

One of the legally prescribed elements of the Austrian Corporate Government system is employee participation in the meetings of the Supervisory Board and its committees. Under the Austrian Labor Constitution Act, employees of stock corporations are entitled to delegate one representative to the Supervisory Board and its committees for every two Supervisory Board members (shareholder representatives) elected by the AGM. Employee representatives exercise this function on a voluntary

basis and can be recalled by the Works Council at any time. None of the Supervisory Board members has business or personal relationships with the company or the Management Board that could provide grounds for a material conflict of interest and that would potentially influence the behavior of the respective Supervisory Board member.

The members of the Wolford AG Supervisory Board are regarded as independent according to the criteria of the Austrian Corporate Governance Code. Statements to this effect were submitted by all Supervisory Board members. In determining the criteria used to assess the independence of its members, the Supervisory Board follows the independence guidelines set out in the Corporate Governance Code (Annex 1). In accordance with Section 95 of the Austrian Stock Corporation Act (AktG), the primary function of the Supervisory Board is to supervise the work of the Management Board. The appointed Supervisory Board members fully upheld this responsibility. The company has a free float component of less than 20%.

Wolford AG has not extended any loans to members of either the Supervisory Board or Management Board.

Wolford AG performs an annual evaluation of compliance with the rules of the Code using the questionnaire developed by the Austrian Working Group for Corporate Governance. Based on the results of this evaluation, deviations from the C-Rules are explained below.

DEVIATIONS FROM C-RULES CORPORATE GOVERNANCE CODE

C-RULE	DESCRIPTION
36, question 3	The Supervisory Board did not conduct a self-evaluation in the past financial year 2025, as the duration of the cooperation of the majority of newly elected members was too short for an effective self-evaluation.
62, question 1	The company's compliance with the C-Rules of the code has not been evaluated by any external institution in the past three years. However, an annual review is carried out by the company departments entrusted with internal audit topics. A separate review by an external institution would not produce any different results and would cause avoidable costs. The decision in favor of exclusively performing an internal audit of compliance with the C-Rules was taken by the Management Board following agreement with the Supervisory Board.
83, question 1	The audit assignment did not include an evaluation of the effectiveness of the risk management system. The Supervisory Board took this decision in agreement with the Management Board. However, the auditor issued a management letter that reports on select aspects of the internal control system in respect of the financial reporting process. This letter was presented to the Chair of the Supervisory Board and discussed in detail at a Supervisory Board meeting. The Audit Committee also held two meetings during the past financial year in which it addressed the findings of the company's risk management activities. In addition, there is a direct reporting line from the employees responsible for internal audit to the Chair of the Supervisory Board Audit Committee. Overall, the Supervisory Board is therefore able to form its own impression of the effectiveness of the risk management system.

DIVERSITY CONCEPT AND MEASURES FOR ADVANCEMENT OF WOMEN

Mutual respect, diversity, and inclusiveness continue to be fundamental elements of the corporate culture at Wolford AG. These principles are central to our approach when identifying candidates for all positions across the company. In particular, when selecting candidates for the Supervisory Board and nominating members for the Management Board, the company places significant emphasis on achieving a balanced representation of specialist skills and diversity. This approach plays a key role in ensuring the professionalism and effectiveness of the activities of both Boards. Alongside professional and personal qualifications, factors such as age structure, origin, gender, education, and background experience are carefully considered.

At the end of the 2025 financial year, the Wolford AG Supervisory Board, elected by the AGM, comprised six members. Of the members, two were Austrian nationals, and four were from other countries. The members of the Supervisory Board, aged between 36 and 62, bring expertise in business administration, finance, marketing, the fashion industry, and corporate strategy. As of the close of the 2025 financial year, the Wolford AG Management Board was composed of two members, neither of whom are Austrian nationals. The Board members bring valuable experience in sales, branding, and operations management, with many years of leadership experience both within the Group and at other renowned international fashion and luxury brands.

Women made up 56% of the workforce at Wolford AG, which reflects the company's commitment to maintaining a diverse and inclusive work environment. While there are no specific targets for the promotion of women to the Management Board, Supervisory Board, or other senior roles within the company and its subsidiaries, the company remains focused on selecting the best candidates based on their qualifications, irrespective of gender, age, religion, or ethnic origin. The company also offers flexible part-time arrangements for mothers returning from maternity leave, supporting a healthy balance between family and work responsibilities. With nearly 56% of its workforce being female, Wolford AG continues to champion diversity and inclusiveness as core elements of its corporate culture.

CHANGES AFTER THE BALANCE SHEET DATE

On 29 July 2025, the 38th Annual General Meeting of Wolford AG resolved to increase the company's share capital from EUR 14,868,447.00 by up to EUR 7,688,476.00 to up to EUR 22,556,923,00 by issuing up to 7,688,476 new ordinary bearer shares (no-par value shares) against cash contributions. The Management Board was authorized to carry out the capital increase by 31 January 2026 and to set the subscription period and other details of the implementation. However, exploratory discussions with the majority shareholder indicated that proceeding with the capital increase within the authorized timeframe was not economically viable given the anticipated subscription volume of new shares. The decision not to implement the capital increase is not expected to affect the company's ability to meet its liquidity requirements. The majority shareholder has emphasized the long-term strategic importance of Wolford AG and confirmed that the company will continue to receive financial support, including through shareholder loans. In light of this, the Management Board has decided to allow the implementation period to expire and not to carry out the capital increase. It will propose to the next Annual General Meeting that the resolution authorizing the capital increase be revoked.

The Supervisory Board of Wolford AG has resolved to appoint Marco Pozzo as Chief Executive Officer (CEO) and Chairman of the Management Board of Wolford AG, effective 1 March 2026., after stepping in as a member of the Management Board on 7 July 2025.

Supervisory Board Report

Like previously, the Supervisory Board closely monitored the company in the past financial year. In December 2025, the Supervisory Board decided to extend Ralf Polito's mandate as member of the Management Board by an additional year. While Wolford AG management continue to devote great effort to measures for increasing sales revenues, earnings before interest and taxes (EBIT) were unfortunately again negative in the past financial year. In addition to the macroeconomic uncertainties of the past year, the 2024 logistics continued to have a significant impact at the beginning of 2025. However, tighter cash governance, supplier re-engagement, and the streamlining of the retail perimeter through the closure of non-profitable stores led to a subsequent stabilization. This allowed supply and delivery reliability to be significantly enhanced in the second half of 2025.

MEETINGS OF THE SUPERVISORY BOARD COMMITTEES IN THE 2025 FINANCIAL YEAR

- In the period under review, the Supervisory Board held five meetings with the Management Board, at which the company's current financial situation and possible measures were discussed. At all of these meetings and in the regular reporting process, the Management Board has provided the Supervisory Board with detailed information about the business and financial situation of the Group and its investments, as well as additional information about special developments. The individual committees of the Supervisory Board have dealt with specific topics in greater detail and subsequently reported on them to the full Supervisory Board. The Presiding Committee of the Supervisory Board has kept informed of the latest business developments through ongoing reports from the Management Board. The Audit Committee met three times. All committees and the Presiding Committee reported full attendance. The composition and responsibilities of the committees are presented in the Corporate Governance Report. The criteria for performance-based remuneration for the Management Board, the principles governing retirement benefits, and the entitlements arising upon termination of employment are listed in the Remuneration Report, which also discloses the individual remuneration of the Management and Supervisory Board members. This Report is submitted to the vote of the AGM.

In the past financial year, the Supervisory Board devoted significant attention to discussing measures for sustainable restructuring and financing. Discussions in Presiding Committee meetings focused primarily on strategic, structural and organizational measures necessary for stabilization of company and restoring profitability. At the Annual General Meeting held on 29 July 2025, Andy Lew and Gong Cheng were elected to be new members of the Supervisory Board, succeeding Eric Chan and Jianhua Wu, respectively. At the Extraordinary General Meeting held on 13 November, 2025, Jiyang Han was elected to the Supervisory Board, succeeding David Chan. The Audit Committee met in April 2025 to discuss the annual financial statements for the 2024 financial year. At the meeting, the auditor also presented a management letter and discussed key findings with the Audit Committee members. At its subsequent meeting, the Supervisory Board discussed and approved the annual financial statements and reviewed the consolidated financial statements, the Management Report, the Non-Financial Report, and the Management Board proposal for appropriation of profit, while also approving the Supervisory Board's report to the AGM.

At the meeting in September 2025, the Audit committee discussed the business performance, the first half of the 2025 financial year and the auditor engagement for the financial year 2025. At the subsequent Supervisory Board meeting, the main items on the agenda were business development and the preliminary forecast for 2025. At the meeting held in October 2025, the Audit committee assessed the auditor engagement for 2025 once again. At the following Supervisory Board meeting, the proposals for the election of the auditor and for elections to the Supervisory Board were adopted for submission to the Extraordinary General Meeting.

The Wolford AG annual financial statements and Management Report and the consolidated financial statements for December 31, 2025 prepared in accordance with IFRS, were audited by Forvis Mazars and issued with an unqualified audit opinion.

All documents relating to the annual financial statements, the Management Board proposal for appropriation of profit, and the Auditors' Reports were discussed in detail with the auditor at the Audit Committee meeting in April 2026, and presented to the Supervisory Board at its subsequent meeting together with the Management Reports prepared by the Management Board, the Corporate Governance Report, and the Non-Financial Report.

The Supervisory Board reviewed these documents as required by Section 96 of the Austrian Stock Corporation Act (AktG) and concurred with the audit findings. The Supervisory Board approved the annual financial statements, which were then formally adopted in accordance with Section 96 (4) AktG. Furthermore, the Supervisory Board also approved its report to the AGM and its proposal for election of the auditor for the 2026 financial year.

Andy Lew
Chair of the Supervisory Board
Bregenz, April 16, 2026

02

GROUP MANAGEMENT REPORT

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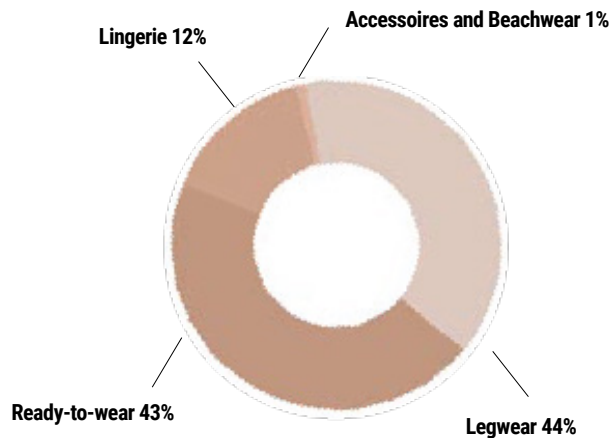
About the Group

WOLFORD IN FOCUS

Wolford Group (hereinafter also Wolford) is a market leader in high-quality skinwear. The brand is represented in 41 countries worldwide at 132 monobrand points of sale and approximately by 1,068 wholesale partners. The Austrian company manufactures products exclusively in Europe, in compliance with the strictest ecological and socially sustainable standards. Wolford creates its designs in the Italian fashion metropolis of Milan and produces its creations at its headquarters in Bregenz, located near Lake Constance, as well as in the Slovenian town of Murska Sobota – both regions which have a long and illustrious tradition of textile production. In total, the Wolford Group

employed 642 people (FTE) at the end of the fiscal year, including 167 employees (FTE) at the corporate headquarters in Bregenz. Wolford was founded in Bregenz in 1950 and is listed on the stock exchanges in Vienna and Frankfurt in over-the-counter trading. The brand is part of the global luxury fashion group Lanvin Group, which was founded by Wolford's Chinese majority shareholder Fosun.

02 // SALES BY PRODUCT GROUP, IN PERCENT



The graphs and figures are not part of the audited report.

PRODUCTS WITH HIGH QUALITY STANDARDS

Wolford generates around 44 % of its revenue with its core product group Legwear, to which all other product groups are aligned. The second largest product group is ready-to-wear (34 %) with body-hugging products such as bodysuits and shirts (Bodywear) as well as dresses and sweaters. The Legwear and Bodywear product groups are based on a special circular knitting technology developed and continuously refined by Wolford, which is the basis for the well-known wearing comfort and quality of Wolford products. Both product groups are complemented by a range of decorative and in some cases, body-shaping underwear.

The collections are complemented by a small selection of swimwear and accessories such as scarves and belts which contribute by 1% to sales. Wolford makes a distinction between fashionable Trend products and its Essential Collection, which includes all its timeless classics, such as the Satin Touch tights it has been producing since 1988.

In total, Wolford launches two trend collections per calendar year. One covers the period spring/summer, the other fall/winter. Depending on the collection, there are four to five delivery intervals with new products designed to generate new impetus on the sales floor - flanked by appropriate marketing and communication measures.

THE BUSINESS MODEL

During the fiscal year 2024, the Wolford Group started a significant reorganization of its business model, with a particular emphasis on the wholesale channel, but also including the Retail and e-commerce sectors. The main objectives of the Group's business reorganization project are focused on streamlining operations, enhancing efficiency, and reinforcing the Group's ability to respond swiftly to market trends.

The key goals of this reorganization are as follows:

- 1. Wolford Italia S.r.l. (hereinafter also Wolford Italy) as the Entrepreneur-Principal:** the subsidiary Wolford Italy S.r.l. has been designated as the principal entity responsible for managing all wholesale distribution and e-commerce activities. This includes overseeing all significant functions related to wholesale, such as sales, marketing, product design and development, human resources, and finance. By centralizing these functions under Wolford Italy S.r.l., the Group aimed at creating a more agile structure, enabling greater control and better strategic alignment for the wholesale channel.
- 2. Wolford Aktiengesellschaft (hereinafter also Wolford AG) as the Holding Company:** Wolford AG continuing to serve as the holding company of the Group, retaining its role as the main manufacturing center and the owner of the marketing-related Intangible Properties ("IPs"). This structure ensures that the Group maintains its strong manufacturing capabilities while also preserving the ownership of key intellectual property, critical for ongoing brand development and market positioning.

In this context, on 19 August 2024, the Holding Wolford AG transferred to Wolford Italia, by means of Wolford's Italia capital increase to be satisfied via contribution in kind, the business unit involving sales, marketing, design, product development, HR and finance activities/functions currently carried out by Holding (the "Business Unit") and, as a result, Holding will receive respective quotas in Wolford Italia.

This transaction had no accounting impact at the consolidated level. The Wolford Group's business model continues to be based on covering the entire part of the value chain – from design and development to manufacturing/sourcing and global omnichannel distribution including its own retail stores. This makes the company highly independent and enables

it to respond quickly to the latest fashion trends. In some areas of Lingerie and Ready-to-wear, Wolford is supported by external partners and selected suppliers. Product development tasks are bundled at the headquarters in Bregenz.

When developing a new collection, product management, the design and product development teams work together hand in hand. Product management analyses trends, and which products will be in demand on the market, and these findings form the working basis for the design team. In turn, the close collaboration between design and product development frequently results in new products, often based on new manufacturing methods such as 3D printing or our – now patented – adhesive technology. The world's first bonded tights – Pure Tights – are a result of this collaboration, too.

Product and material management also involves demand planning for the sales areas of the company's own boutiques and those of wholesale customers, as well as determining which articles have to be produced in which sizes and colors for which retail areas. It also controls the flow of goods from the warehouse to sales.

Purchasing is almost all about the materials. The raw materials, mainly yarns and intermediate products or bought-in products for Lingerie and Ready-to-wear, are sourced from long-standing partners in neighboring regions in Austria, Germany and Switzerland. All these suppliers share Wolford's ambitious standards when it comes to the quality and innovation of their products. Some of the yarns come from Japan, a country known for its innovative materials. All raw materials are stored at the Bregenz headquarters, where they are prepared for production and processing.

Wolford's logistics is outsourced to a third-party logistics vendor. The central warehouse is located in Munich, Germany, which has started its operations for Wolford in March 2024. The change of external service provider led to the relocation of the central warehouse from northern Germany to the new warehouse in southern Germany. In addition to this warehouse Wolford operates two warehouses in the United States and one in China, serving the local markets only. With respect to the shipment of products, third-party transportation specialists are engaged to transport goods by road, air or sea, based on factors such as distance to destination and urgency of the shipment.

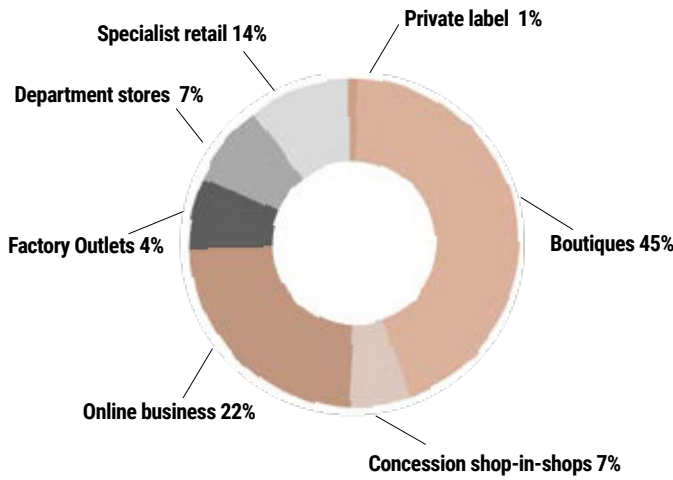
03 // PRODUCT DEVELOPMENT



GLOBAL SALES

Wolford's products are sold in 41 countries worldwide - through a network of company-owned locations (retail), i.e., directly to end customers, and through trade partners (wholesale). The company generated the largest share of sales (49%) in the 2025 financial year with its international network of boutiques and outlets. At the end of December 2025, Wolford had 132 monobrand points of sales, of which 43 were managed by partners. Overall, the Wolford Group controls around 67% of sales itself. Alongside bricks-and-mortar retail, online business is also playing a significant role, accounting for 22% of sales in the 2025 financial year.

04 // SALES BY DISTRIBUTION CHANNEL, in percent, 2025



Boutiques: stores that are managed by Wolford itself as well as by partners.

Department stores: exclusive shop-in-shops with Wolford ambience in numerous international department stores.

Concession shop-in-shops: areas operated by Wolford itself in department stores and warehouses.

Specialty retailers: exclusive fashion and specialist shops that offer Wolford products.

Online business: own online boutiques.

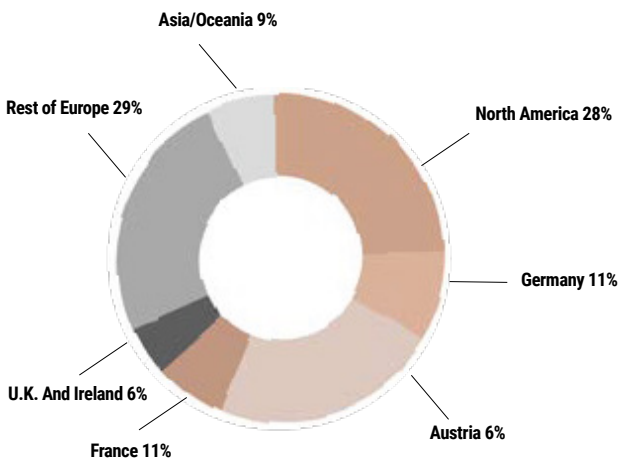
Private label: products manufactured for other brands or sold in shops under a different brand name.

Factory outlets: outlets where Wolford collections from previous seasons or discounted goods are sold.

EUROPE – THE MOST IMPORTANT MARKET

Accounting for around 63% of revenue, the European market is the most important sales region for the Wolford Group. Above all Germany (11%), France (11%), Austria (6%) and Great Britain and Ireland (6%) contributed for the majority of sales. The most important individual market is North America with a sales share of 28%. Asia/Oceania accounts for 9%.

05 // SALES BY MARKET, in percent



CENTRAL MANAGEMENT

The parent company of Wolford Group is Wolford AG, which is based in Bregenz. With its two bodies, Management Board and Supervisory Board, Wolford has a management and supervisory structure based on a dualistic system. The Management Board manages the company from the Group headquarters in Bregenz and from a second central office in Milan. It is responsible for strategy and Group management, while the Supervisory Board advises the Management Board and monitors its management of the company.

The central corporate long-term goal is to improve sustainable growth and an increase in free cash flow, while the company's internal control system supports management in aligning corporate processes to this long-term goal.

The main objectives of the Group are focused on increasing sales and operating income (EBIT), while stabilizing the Group's cash position.

One of the most important performance indicators is sales (absolute and like-for-like, i.e., excluding those of sales areas newly opened or closed) and free cash flow. Other key performance indicators include working capital and the net debt of the Group.

The management of inventories and trade receivables are under the responsibility of respectively Supply Chain Management and Finance department. The Supply Chain department is also responsible for the continuous implementation of measures to reduce raw material and working capital inventories. In receivables management, there is close coordination between the finance department, which manages the process, and the respective sales employees responsible. Clear targets for days sales outstanding (DSO) support the prioritization of receivables and their systematic reduction. As part of monthly business performance reviews, management examines the implementation of the targets regarding all key performance indicators and the corresponding action plans for achieving the targets.

Note on the data basis: Actual geographical allocation as against segment reporting (consolidated financial statements), which is based on local units (Group entities performing the sales).

Financial Review

The financial year of Wolford is a calendar year and ends on December 31, 2025.

EARNINGS

In the course of navigating through challenging market conditions characterized by geopolitical tensions and inflationary pressures, Wolford recorded revenue of €75.59 million for the 2025 financial year, i.e. -14.5% less than the comparative figure for the 2024 financial year (€88.37 million).

At 44%, the Legwear product group's share in revenue represented the largest share in consolidated revenue in the 2025 financial year (2024 financial year: 39%). With a share of 43% (2024 financial year: 46%) in the 2025 financial year, the Ready-to-wear product group again takes second place. In the Lingerie product group, which generated 12% of consolidated revenue (2024 financial year: 14%). Accessories, Beachwear and Trade goods had a share in sales of 1% sales (2024 financial year: 1% share in sales).

KEY EARNINGS FIGURES in %	2025	2024
Cost of materials ratio*	-21.74	-25.08
Personnel expense ratio**	-54.86	-56.92
Other operating expenses as a % of revenue	-59.71	-51.23
EBITDA margin***	-34.17	-27.79
EBIT margin****	-53.14	-48.24

* Cost of materials and purchased services plus changes in inventories of finished goods and work in progress in relation to revenue

** Personnel expenses in relation to revenue

*** Loss before income taxes, financial result, depreciation, amortization and impairments in relation to revenue

**** Loss before income taxes and financial result in relation to revenue

The cost of material ratio is calculated as cost of materials plus changes in stocks in relation to revenue. The ratio equal to -21.74% is in line with the values of the year 2025.

The personnel expense ratio is a business indicator that puts the personnel expenses reported in the income statement in relation to the total revenue. The reduction in the indicator in 2025 is mainly related to the reduction in personnel costs recorded in 2025 by -17.6% from €50.3 million in financial statement 2024 to €41.5 million in financial statement 2025 due to reorganization and optimization applied in 2025.

Other operating expenses as a percentage of revenues ratio increased by -8.48% in 2025 compared to 2024. This is mainly linked to the decrease in revenue, although there was also a reduction in marketing expenses and IT costs compared to prior year.

Wolford faced some significant challenges due to the global situation, including cost increases and supply chain disruptions exacerbated by the conflict in Ukraine, leading to liquidity shortfalls. Adapting to these uncertainties required strategic planning and flexibility that the company triggered for instance through payment term renegotiation with its suppliers, especially in late 2024 and early 2025.

Other operating income decreased by -53.4% to €2.7 million (financial year 2024: €5.9 million).

The cost of materials and other purchased services fell by €1.7 million to €11.9 million (financial year 2024: €13.7 million) driven by the decrease of cost for raw material due to reduced turnover.

Depreciation and amortization decreased from €-12.6 million in the financial year 2024 to €-10.2 million in the financial year 2025. Impairment losses decreased from €-5.8 million in financial year 2024 to €-5.2 million in financial year 2025, primarily related to the decline of impairments on right-of-use assets in comparison to the financial year 2024. On the other hand, gains from the reversal of impairment losses increased from €0.3 million to €1.1 million. In total, depreciation and amortization, including the net effect of impairments and reversal of impairments, showed a decrease by -20.67% from €-18.1 million to €-14.3 million in financial year 2025.

Financial loss nearly doubled from €-8.9 million in financial year 2024 to €-17.1 million in financial year 2025. This increase is primarily attributable to the interest and similar expenses, which increased from €-9.9 million in financial year 2024 to €-14.0 million in financial year 2025, as well as to changes in other financial income and other financial expense amounting to overall €-4.3 million. The variation in interest and related expenses was mainly caused by higher interest expenses on shareholder loans, which increased by €-3.0 million.

This is due to a higher outstanding amount of these loans compared to prior year, interest rate on shareholder loans remained steady at a rate of 12%. The change in other financial income and other financial expenses was due to a foreign exchange loss of €-2.8 million, primarily caused by shifts in the EUR/USD rate during the 2025 financial year. In contrast, there had been a foreign exchange gain of €1.5 million in the 2024 financial year.

Income tax expense decreased by €-0.26 million to €0.07 million in financial year 2025, compared to €-0.19 million the 2024 financial year. Due to the continued loss history deferred tax assets on tax losses carryforwards were not considered in the financial statements of 2025.

Overall, loss after taxes increased from €-51.7 million in the 2024 financial year to €-57.2 million in the 2025 financial year. The loss per share amounted to €-4.59 in the financial year 2025 after €-5.40 in the 2024 financial year.

INCOME STATEMENT (ABRIDGED) in EUR million

INCOME STATEMENT (ABRIDGED) in EUR million	2025	2024
Revenue	75.59	88.37
Other operating income	2.74	5.88
Changes in inventories	-4.49	-8.47
Cost of materials	-11.95	-13.69
Personnel expenses	-41.46	-50.30
Other operating expenses	-45.13	-45.27
Valuation allowances on trade receivables	-1.13	-1.07
Depreciation, amortization and net impairments*	-14.34	-18.08
EBIT	-40.16	-42.63
Financial result	-17.15	-8.85
Loss before tax	-57.31	-51.48
Income tax	0.07	-0.19
Net loss	-57.25	-51.67

*Depreciation plus impairments less reversals of impairment.

FINANCIAL POSITION AND FINANCIAL PERFORMANCE

At €87.1 million, the Wolford Group's total assets at December 31, 2025, reporting date have decreased by €11.3 million compared to the level at the end of the previous year (€98.4 million). The decrease is mainly due to the lower level of property, plant and equipment.

Non-current assets amounted to €41.1 million at the reporting date (December 31, 2024: €49.9 million), representing 47.14% of total assets (December 31, 2024: 50.72%). Property, plant, and equipment (including right-of-use assets) decreased by €-8.4 million as a result of the termination of lease agreements for the closing or relocation of retail stores

and the modification of existing lease agreements and disposal of other assets, mainly in the EUROPE and AMERICAS regions.

Current assets accounted for 52.86% of total assets as of December 31, 2025 (previous year: 49.28%).

KEY BALANCE SHEET FIGURES in EUR million / in %

KEY BALANCE SHEET FIGURES in EUR million / in %	12/31/2025	12/31/2024
Equity in EUR million	-114.63	-88.44
Net debt in EUR million	119.19	84.25
Working capital in EUR million	16.09	6.20
Equity ratio** in %	-131.56%	-89.84%
Degree of fault / Gearing*** in %	-104.0%	-95.3%
Working capital as a % of revenue	21.28%	7.02%

* Inventories plus trade receivables plus other current receivables and assets plus contract assets minus trade payables minus other liabilities.

** Negative Equity in relation to the balance sheet total.

*** Ratio between balance sheet borrowed debt (excluding lease liabilities) and negative equity.

Consolidated working capital is equal to €16.09 million compared with €6.20 million as of December 31, 2024. The increase in net working capital is mainly driven by a decrease in trade payables and inventories. The Wolford Group's equity amounted to €-114.63 million as of December 31, 2025, which was lower than the comparable figure in the consolidated financial statements as of December 31, 2024 (€-88.44 million) due to the negative result in the reporting year. Consequently, the equity ratio deteriorated to -131.56% (December 31, 2024: -89.84%).

The key indicator used in the Group's capital risk management is the gearing ratio, which presents the ratio of net debt to equity. Net debt is defined as non-current and current financial liabilities (excluding lease liabilities) less non-current financial assets and cash and cash equivalents, as reported in the table below:

CALCULATION OF NET DEBT

CALCULATION OF NET DEBT (EXCLUDING LEASES) in EUR million	2025	2024
Non-current financial liabilities	0.35	0.5
Current financial liabilities	128.25	88.26
- non-current financial assets	-1.03	-1.05
- cash and cash equivalents	-8.38	-3.44
Net debts (excluding leases)	119.19	84.25

Due to the increase in cash and cash equivalents mainly resulting from the capital increase in June 2025 and the increase of current financial liabilities, net debt (excluding leasing liabilities) amounted to €119.19 million as of December 31, 2025 (December 31, 2024: €84.25 million). Current financial liabilities increased to €128.25 million in 2025 from €88.26 million in 2024, because of additional shareholder loans received during 2025.

CASH FLOW

At €-34.23 million, the cash flow from operating activities (operating cash flow) was significantly below the level of the 2024 financial year (€-17.43 million), with the significant decline in 2025 mainly driven by the reduction in trade payables, enabled by majority shareholder financial support.

Cash flow from investing activities decreased to €-0.37 million in the reporting period, compared to €-1.96 million in 2024. Cash outflows for investments in property, plant and equipment as well as intangible assets amounted to €-1.5 million in 2025 and €-2.13 million in 2024.

Cash flow from financing activities significantly increased from €16.47 million in financial year 2024 to €39.22 million in financial year 2025.

In 2025 proceeds from capital increase of €24.87 million were included in financing cash flow. In 2025 a total of €4.58 million interest was paid, which consist of €2.08 million interest on lease liabilities, €1.94 million interest on third-party loans and other interest paid in the amount of €0.55 million. Lease payments (excluding interests) amount to €12.52 million in the financial year 2025 (2024 financial statement: €10.83 million).

Cash and cash equivalents increased during the financial year from €3.44 million as of December 31, 2024, to €8.38 million at the end of the reporting period.

The Effects of exchange rate changes on cash and cash equivalents amounted to €0.31 million in financial year 2025 and €-0.11 million in financial year 2024.

STATEMENT OF CASH FLOWS (CONDENSED) in EUR million

STATEMENT OF CASH FLOWS (CONDENSED) in EUR million	2025	2024	CHANGE IN %
Cashflow from operating activities*	-34.23	-17.43	-95%
Cashflow from investing activities	-0.37	-1.96	81%
Free cashflow	-34.60	-19.39	-78%
Cashflow from financing activities	39.22	16.47	-138%
Change in cash and cash equivalents	4.62	-2.92	258%
Effects of exchange rate changes on cash and cash equivalents	0.31	-0.11	-183%
Cash and cash equivalents at the beginning of the period	3.44	6.47	47%
Cash and cash equivalents at the end of the period	8.38	3.44	-143%

* Interest paid is shown in cashflow from financing activities

Development of the Business Areas

In accordance with the requirements of IFRS 8 (management approach), Wolford reports based on the following segmentation:

- **Austria**
- **Germany**
- **Italy**
- **Rest of Europe**
- **North America**
- **Asia**

Austria

External revenue (revenue less intercompany revenue) in the Austria segment significantly declined from €13.35 million (2024 financial year) to €4.11 million in the reporting period. This segment comprises the production and revenue activities in Austria. The significant decline is primarily due to the transfer of the wholesale and online business from the holding company Wolford AG to Wolford Italia as of August 19, 2024. The segment contributed 5.4% to consolidated revenue (2024 financial year: 15%). The operating result (EBIT) increased in the 2025 financial year by €7.82 million from €-32.04 million to €-24.22 million.

Italy

Following the reorganization of the group's business model, the Italy segment gained importance in 2025, as from August 19, 2024, wholesale and online channel sales have been reported under Wolford Italia rather than Wolford AG.

Therefore, external revenue in the Italian segment increased from €12.36 million in the previous financial year to €28.75 million in the 2025 financial year. The segment contributed 38% (2024 financial year: 14%) to the consolidated revenue. Therefore, this segment contributed the largest share to consolidated revenue. EBIT came to €-4.05 million, as against €-5.50 million in the 2024 financial year.

Germany

External revenue in the Germany segment decreased from €6.68 million in the previous financial year to €2.81 million in the 2025 financial year. The segment contributed 3.7% to consolidated revenue (2024 financial year: 8%). EBIT came to €-0.05 million, as against €0.40 million in the 2024 financial year.

Rest of Europe

External revenue to companies in the Rest of Europe segment decreased from €23.40 million in the 2024 financial year to €13.42 million. This segment includes the European revenue companies outside Austria, Germany and Italy as well as the production company in Slovenia. This segment contributed 17.7% to consolidated revenue (2024 financial year: 26%). EBIT decreased to €0.02 million compared to the 2024 financial year (€-1.36 million).

North America

External revenue at the group companies in the North America segment decreased from €25.93 million in the 2024 financial year to €21.00 million. The North America segment includes the revenue companies in the U.S. and Canada. In 2025 this segment contributed 27.8% to the consolidated revenue (2024 financial year: 29%). EBIT decreased to €-7.86 million after €-5.10 million in the 2024 financial year.

Asia

At €5.49 million, external revenue at companies in the Asia segment was lower than the level of the 2024 financial year (€6.66 million). This segment includes the revenue companies in Hong Kong and China. The segment contributed 7.3% to consolidated revenue (2024 financial year: 8%). EBIT of €-1.36 million was in line with the level of the 2024 financial year (€-1.80 million).

Outlook and Targets

DEVELOPMENT OF THE ECONOMIC ENVIRONMENT

The luxury industry approaches 2026 after a two-year normalization in which personal luxury goods remained broadly flat across 2024–2025. Authoritative sources point to a moderate return to growth in 2026. The Bain–Altagamma Luxury Goods Worldwide Market Study anticipates a re-acceleration of -3%–5% at constant exchange rates in 2026, following a flat to slightly negative 2025, with recovery led by affluent customers and more disciplined pricing architectures across brands. At the same time, *McKinsey & The Business of Fashion* characterise 2026 as “challenging but improving”, with low single digit growth across the main fashion markets, amid tariff disruptions and subdued consumer confidence—conditions that continue to reward operating discipline, clienteling and sharper value delivery. However, such studies have been issued before the recent USA-Iran conflict, which may lead to potentially increased market volatility and uncertainty.

WOLFORD'S POSITION AT THE START OF 2026

Wolford enters 2026 having navigated a demanding 2025 that was deliberately devoted to stabilization and execution. As disclosed in the 2024 reporting cycle, the Company faced a logistics transition and related supply chain disruption that weighed on deliveries and liquidity; these pressures were partly mitigated by shareholder loans, and a share capital increase in the first half of 2025 was approved in December 2024. These elements defined the starting point for 2025 and framed management's plan to restore cadence in operations and finance. During 2025, the Company re-anchored cash to operations and production, improved delivery reliability and streamlined the retail perimeter by closing non-profitable locations, actions aimed at strengthening structural efficiency and cash conversion. The Essentials architecture continued to anchor the product proposition to support agility, service and disciplined working capital, while “newness” was curated with tighter edits and faster reads.

OPERATING PRIORITIES FOR 2026

The Company will consolidate the improvements achieved in 2nd Half 2025, with a focus on on-time deliveries, replenishment speed and Never Out Of Stock continuity across key hubs. So-called Essentials products remain the backbone of the offer—supporting agility, delivery speed and disciplined use of working capital—while newness is pursued selectively to preserve freshness and conversion without compromising inventory quality.

Channel wise, Wholesale execution will be reinforced through tighter key account management and service levels. Cost and organization wise, the Company will sustain a rigorous cost posture while preserving selective investments where they directly protect service, quality and brand equity. Organizationally, the focus remains on simplification, accountability and decision speed, so that operating levers translate into sustainable cash-flow improvements.

PROFITABILITY AND FINANCIAL DISCIPLINE

Given the magnitude of the reset, 2026 is approached with disciplined expectations. The Company's emphasis remains on operational resilience and cash generation, converting the stabilization achieved in 2025 into a healthier operating baseline. The external environment underlines the need for selective growth anchored in service levels, product productivity and structural efficiency. In a market set for moderate improvement in 2026, Wolford's agenda is to translate stabilization of operations into sustainable, cash accretive performance, maintaining discipline on costs, inventory quality and capital allocation, while delivering a sharper value proposition to wholesale partners and consumers.

RELOCATION

The lease agreement for the production facilities at the Bregenz site expires at the end of April 2027. In light of this, Wolford has identified two production sites located in the Vorarlberg area through Q1 of 2026 as their future location for its production activities in Austria. With this relocation, Wolford reaffirms its commitment to Austria and the region of Vorarlberg as its principal business and production location. The relocation process is expected to commence in Q4 of 2026. At present, no production constraints are expected in connection with the move.

HUMAN RESOURCES

For Wolford, employees are the company's most important resource. Therefore, protecting and promoting them is a natural priority. Employee working conditions and qualifications directly impact development, production performance, and sales success. Well-trained sales staff, in particular, play a crucial role in driving sales growth.

Above all, Wolford thrives on the recognized quality of its products, which is closely tied to working conditions in production and manufacturing at its two sites in Austria and Slovenia. A major risk is not only the loss of key personnel but also the challenge of attracting, recruiting, and retaining well-trained and motivated employees. This challenge is further intensified by the company's financial situation, staff reductions due to restructuring, and cost pressures.

In Austria, we have implemented a professional outplacement program, including a handout and HR support for preparing application documents, to assist employees affected by reorganization.

Wolford operates in a dynamic and competitive environment where demands for flexibility, mobility, and adaptability are evolving rapidly. To stay competitive, the company has been refining its recruitment process to attract well-trained and adaptable employees in a highly competitive labor market.

Opportunity and Risk Management System

The timely recognition of opportunities and risks has a major influence on the achievement of the Wolford Group's targets. Wolford defines risks as internal or external events that may have a negative impact on the achievement of corporate objectives. Opportunities are defined as internal or external events that can positively influence the achievement of corporate objectives.

The Group has identified opportunities and risks together with selected managers from a wide range of departments. Based on this, the Management Board regularly discusses the most significant opportunities and risks.

The risk management system of Wolford AG is designed to identify, assess and manage risks at an early stage. The Management Board is responsible for the establishment and monitoring of the risk management system. The Supervisory Board, in particular the Audit Committee, monitors its effectiveness.

The aim of risk management is to identify at an early stage risks that could jeopardize the achievement of corporate goals and to take appropriate measures.

RISKS RELATED TO THE INDUSTRY AND MARKETS IN WHICH THE GROUP OPERATES

Macroeconomic and Geopolitical Risks

Macroeconomic developments, inflationary pressures and geopolitical uncertainties may have a negative impact on consumer demand. The Group operates in a global luxury market that remains sensitive to economic volatility.

Any deterioration in macroeconomic conditions in the Group's core markets may materially adversely affect revenue, profitability and financial condition.

Consumer Sentiment and Demand Risk

Demand for the Group's products depends significantly on consumer purchasing power and discretionary income. Economic downturns, increasing living costs or declining consumer confidence may reduce spending on premium fashion products.

Changes in shopping behavior, including the ongoing shift toward online channels, may also adversely affect retail performance.

Competitive Environment

The Group operates in a highly competitive global fashion and luxury industry. Intensified competition, increasing market saturation and pricing pressure may negatively affect market share and profitability.

Failure to effectively differentiate the brand through innovation and marketing may adversely affect business performance.

Alternative Consumption Models

The growing importance of resale platforms, rental models and other alternative consumption concepts may shift demand away from newly produced premium products.

Brand Risk

The Group's business is concentrated on a single global premium brand. Any material damage to the brand image may have a disproportionate impact on revenue and financial performance.

RISKS IN CONNECTION WITH THE BUSINESS AND OPERATIONS

Supply Chain Risk

The Group depends on the availability of raw materials, semi-finished products and energy. Disruptions in supply chains, price volatility or logistical bottlenecks may adversely affect production and cost structures.

Production Risk

Manufacturing activities are concentrated at key production sites. Any interruption caused by technical failure, labor disputes or external events may impair operations.

Inventory Risk

Inaccurate demand planning may result in excess inventory or insufficient stock availability. Seasonal fluctuations may increase the risk of inventory write-downs.

Retail Network Risk

Retail operations involve fixed costs and long-term lease commitments. Declining footfall or unfavorable location developments may adversely affect profitability.

Digital and E-Commerce Risk

The expansion of digital channels and e-commerce involves execution risks. Investments in digital platforms and marketing may not generate the expected returns.

Product Development Risk

The fashion industry is characterized by rapidly changing trends. Failure to develop and launch innovative products in a timely manner may result in lost market share.

Reputational Risk

Negative publicity, particularly through social media, may damage brand perception and customer loyalty.

IT and Cybersecurity Risk

The Group is exposed to risks related to cyberattacks, data breaches and system failures, which may result in operational disruptions and financial losses.

Human Resources Risk

The Group's success depends on attracting and retaining qualified employees. The loss of key personnel or inability to recruit skilled workers may adversely affect performance.

Management Dependency Risk

The Group's transformation process increases dependency on key members of management. Unexpected changes may delay strategic implementation.

FINANCIAL RISKS

Going Concern and Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.

The Group incurred a net loss in the financial year 2025, and current liabilities exceeded total assets. This indicates a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

Liquidity planning is performed centrally and is based on rolling liquidity forecasts. Available cash and financing sources are monitored continuously.

Wolford has relied in the past on the financial support of its main shareholder Lanvin Group Holdings Limited. Though Wolford's objective is to not be dependent on such financial support going forward, there is a risk that financial support from Lanvin Group Holdings Limited will continue to be needed for Wolford to pursue its operations as a going concern.

In addition, the Group has received and continues to receive significant financial support in the form of shareholder loans from Fosun Fashion Group (Cayman) Limited, which confirms its ongoing financial commitment to the Group.

Both Lanvin Group Holdings Limited and Fosun Fashion Group (Cayman) Limited have issued letters of comfort and subordination and have committed to support the Group financially as required to ensure sufficient liquidity.

Shareholder loans granted by Fosun Fashion Group (Cayman) Limited are contractually subordinated and are intended to support the Group's liquidity position until its restructuring has been completed or, in the event of liquidation or insolvency, until all other creditors have been satisfied.

These measures are intended to enable the Group to meet its liabilities as they fall due and to secure its continued existence for the foreseeable future.

Credit Risk

Credit risk arises from the possibility that counterparties may fail to meet their contractual obligations.

The Group conducts business only with creditworthy third parties. Creditworthiness is assessed on a regular basis.

Currency Risk

Currency risk arises from transactions in foreign currencies and the translation of foreign operations.

Interest Rate Risk

Interest rate risk results primarily from variable interest-bearing financial liabilities.

As of the reporting date, the Group does not have material variable interest bearing financial liabilities. Accordingly, the Group is not exposed to interest rate risk.

Financing Risk

Access to additional financing may be limited by market conditions and investor sentiment.

Cost Inflation Risk

Increases in costs for labor, energy and logistics may negatively affect margins.

OTHER RISKS

Legal and Compliance Risks

The Group may be involved in legal proceedings. Changes in regulatory requirements may result in additional costs or restrictions.

ESG and Sustainability Risks

Increasing regulatory and stakeholder expectations regarding sustainability may affect the Group's competitiveness.

Data Protection Risk

Non-compliance with data protection regulations may result in financial penalties and reputational damage.

Climate Risks

Climate-related physical and regulatory risks may impact operations and financial performance.

INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM WITH REGARD TO THE ACCOUNTING PROCESS

The Management Board is responsible for setting up and organizing the accounting-related internal control and risk management system and for ensuring compliance with all legal requirements. In organizational terms, the Wolford Group's accounting department is located within Wolford AG and Wolford Italy. The Group Accounting department (responsible for external reporting) and Group Controlling department (responsible for internal reporting) regularly report directly to the CFO of the Group through formal financial reviews. The Group's accounting and reporting processes are based on an accounting manual issued by Wolford AG, which is updated as required. This manual sets out standardized Group-wide accounting and reporting requirements based on IFRS as adopted by the EU.

Software solutions are used to record, book and settle all business transactions within the Group. Wolford accounting is performed internally, except in China and Hong Kong where accounting is carried out by local tax consultants outside the Group system. These subsidiaries deliver monthly reporting packages containing all relevant accounting data on the income statement, balance sheet and cash flow. This data is entered into the central consolidation system. This financial information is reviewed at Group level in the Corporate Accounting and Corporate Controlling departments and forms the basis for the Wolford Group's IFRS reporting. Established planning and reporting software is used for internal management reporting. Automated interfaces have been created for the transfer of actual data from the primary systems, and the values for the forecasts are entered in a standardized process. Reporting is done by region and per company. In the past financial year, a rolling full-year forecast was prepared for each month in addition to a report on operating earnings performance. The financial information described above, together with the respective quarterly figures, forms the basis for the Management Board's reporting to the Supervisory Board. The Supervisory Board is informed about economic developments at regular meetings. This information is provided in the form of consolidated figures, which include segment reporting, key earnings figures with budget/previous year comparisons, forecasts, consolidated financial statements, personnel and order development data and selected key financial figures.

The accounts are prepared every month to maintain constant control of it. The cash register systems, i.e. income and expenditure, are automatically uploaded to the system. The online business, including accounting, customer service and accounts receivable management, is managed by an external service provider and the cash register sales are automatically uploaded.

There is another cash register system in China, which is also connected to the Wolford system landscape and supplies data to the Wolford systems via interfaces. An annual inventory of raw materials, semi-finished and finished goods is carried out at all warehouse locations. After the stocktaking, a reconciliation is carried out and Wolford books the deviations after the reconciliation. Returned goods are returned to the warehouse after a proper inspection and destroyed if the quality is not guaranteed. Invoices are automatically approved and sent to the end customer after being checked by the sales department and customer service. A report on accounts receivable is reviewed monthly by credit management. Invoices from suppliers are duly authorized by the department that placed the order and then forwarded them to the accounting department. The accounting department requests formal authorization from the relevant department. Payments are made on a weekly basis based on the amounts due and after proper coordination with the Management Board, the CFO and the department responsible. Following the appointment of a new CFO, on late 2024, Wolford AG has implemented a disciplined cash flow planning process to recognize liquidity bottlenecks at an early stage and ensure timely financing.

Even though the main shareholder is listed on the New York Stock Exchange, there is currently no need for Wolford to be Sarbanes-Oxley compliant. The management board is continuously improving the internal control and risk management system to ensure the reliability of financial reporting in future.

Research and Development (R&D)

Innovation remains a defining characteristic of Wolford AG and continues to be a central pillar of its strategic repositioning in 2025. The Company's product portfolio remains focused on its core competence: body-hugging circular knit products such as legwear, shapewear and bodysuits — collectively referred to as **skinwear** — combining technical excellence, comfort and premium aesthetics.

STRATEGIC INNOVATION FOCUS IN 2025

In 2025, R&D activities were increasingly aligned with three strategic priorities:

1. Technological refinement of circular knit engineering
2. Next-generation yarn and material development
3. Digitalization of product development and presentation

Under the continued creative leadership of **Nao Takekoshi**, Wolford further strengthened the integration of its core vision: **Skinwear for Every Skin**.

Wolford begins where dressing truly starts — at the skin. From underpinnings and stockings to bodywear and essential ready-to-wear, Wolford defines the foundation of every look — the invisible architecture of dressing.

Each piece is designed to meet the skin with an immediate and memorable sensation — a feeling so essential it becomes “never without.” The garments are engineered to disappear on the body while transforming how it looks, feels and moves.

Created for every moment of life, Wolford's collections form the **Wolford Skin Module System**: effortless, sophisticated and endlessly adaptable — always skin-to-skin, always precise.

The system is structured in layered modules:

- **First Layer:** Second Skin Tights, worn closest to the body
- **Second Layer:** Second Skin Bodywear, forming the foundation of the torso
- **Third Layer:** The Sheer System of Dressing, worn over bodywear
- **Fourth Layer:** The Silhouette, defining the lower body and modern bottoms
- **Fifth Layer:** Lightweight structural pieces completing the look

PRODUCT & FABRIC INNOVATION

Wool Capsule – Collaboration with Woolmark

Created in collaboration with **Woolmark** — the global authority for Merino wool certification and textile innovation — this capsule combines Woolmark's expertise in premium wool with Wolford's technical capabilities in circular knitting and high-precision yarn engineering.

Wolford's proprietary knitting technology and precisely calibrated machines allow ultra-fine Merino wool to be knitted into smooth, elastic and seamless structures without compromising stability or comfort.

This level of fineness and precision — essential for a true second-skin fit — is made possible through Wolford's in-house technical know-how. The result is a refined evolution of Wolford's signature “**unforgettable touch**,” reimaged through the warmth and softness of engineered Merino wool.

All styles are **Woolmark-certified**.

Sheer Drape – Material & Knitting Engineering

The **Sheer Drape** capsule represents a significant technical advancement. Ultra-fine yarns typically processed on Wolford's tights machines form the basis of this series.

The innovation lies in the precise interplay between yarn selection and knitting technology. Only Wolford's proprietary circular knitting machines — operating with a **32-needle bed division** — can process such delicate yarns while simultaneously engineering knitted-in draping directly into the fabric structure.

This unique combination of material engineering and knitting precision enables seamless, fluid draping effects without compromising stability or fit.

Fabric Innovation – Midnight Grace

Building on the success of Wolford's iconic leggings, **Midnight Grace** introduces a new generation of elegant and versatile bottom silhouettes.

What begins as a single hero product will evolve into a broader range, extending into refined styles such as straight-leg trousers, a flowing midi skirt, a modern mini skirt and sporty shorts — all reflecting the sleek, graceful aesthetic of the original design.

Each piece embodies the essence of Midnight Grace: feminine, confident and effortlessly elevated. Development focused on a fabric that delivers fluid drape, exceptional comfort and a precise body-skimming fit, combined with Wolford's hallmark technical expertise.

The result is a contemporary interpretation of elegance designed for modern versatility and long-lasting wear.

Upgrade Black & White Technique – With EMANA® Yarn

Wolford's iconic **Black & White Technique** has been further developed using advanced **EMANA® yarn**. This innovation enhances the classic visual contrast while adding improved functionality, softness and long-lasting comfort.

The development results from the synergy between EMANA®'s intelligent fiber technology and Wolford's knitting expertise, enabling an elevated interpretation of this signature technique.

Advanced Material Innovation

Wolford continued expanding the use of high-performance and sustainable yarn technologies:

- Continued application of **EMANA® smart polyamide yarn**, incorporating far-infrared technology to support thermoregulation, comfort and skin well-being
- Further development of **BLUFIBRE® yarn** derived from upcycled tire waste, strengthening the Company's commitment to circular raw materials
- Refinement of knitting techniques enabling differentiated elastane integration for targeted shaping and structural precision

These developments demonstrate Wolford's ability to combine **technical functionality, sustainability and luxury positioning.**

Digital Development and 3D Integration

Digital transformation of product development advanced significantly in 2025. Full **3D integration** now enables:

- substantial reduction of physical prototypes
- accelerated design validation across international teams
- real-time implementation of color and pattern variations
- high-resolution photorealistic rendering for digital and wholesale presentation

The expanded use of digital sampling contributes to shorter development cycles, reduced material consumption and improved cost efficiency. In addition, digital showrooms increasingly complement traditional collection presentations.

RESEARCH PARTNERSHIPS

Collaboration with academic institutions, including the **University of Innsbruck**, as well as specialized yarn suppliers and technology partners remains an important driver of innovation.

In 2025, research initiatives focused particularly on **recyclable elastane alternatives, energy-efficient knitting processes and improved material traceability.**

Through these initiatives, Wolford continues to position itself as a **technology-driven skinwear specialist**, combining fashion expertise with engineering innovation and sustainability.

ENVIRONMENT

In addition to the information below, reference is made to the consolidated non-financial report pursuant to Section 267a (6) UGB.

Energy and Emissions

The most significant environmental impacts arise from:

- energy consumption and related emissions
- wastewater management
- efficient water usage

Energy consumption remains concentrated at the production sites in **Bregenz (Austria)** and **Murska Sobota (Slovenia)**. In Bregenz, steam boilers with capacities of **7.9 MW and 4.5 MW** generate process steam for dyeing, molding and heating.

In 2025, further efficiency gains were achieved through:

- continued consolidation of production space (maintaining more than **50% reduction compared to the 2022 baseline**)
- ongoing reduction and modernization of knitting machinery
- progressive **LED conversion** in production and storage areas
- optimization of energy procurement in coordination with the building owner

The Company continues to comply with the **Austrian Federal Energy Efficiency Act (EEffG)** and implements audit-driven efficiency measures.

Sustainability Certification

In 2025, both production facilities successfully achieved **Hohenstein SteP® certification**, a recognized standard for sustainable textile production and corporate social responsibility.

This milestone confirms compliance with environmental management, chemical handling, occupational safety and social standards. The certification strengthens transparency across the value chain and supports Wolford's premium sustainability positioning.

Waste and Circularity

Waste avoidance, separation and recycling remain integral components of operational processes. Residual materials are recycled wherever feasible.

Water Management

Water stewardship remains a priority due to dyeing operations at the **Bregenz facility**. A dedicated wastewater manager monitors discharge quality, which continues to exceed legal requirements.

Groundwater usage for production processes and climate control further underscores the importance of responsible water management practices.

Human Resources

Wolford has proactively aligned its operations with evolving market conditions by taking decisive actions to optimize its retail network, streamline its corporate structure, and enhance operational efficiency. Consequently, most HR initiatives have focused on reviewing processes and organizational structures to reduce complexity and gradually adapt the company's size to new business needs. The transformation process is still ongoing and will continue throughout 2025.

Protection and Promotion of Employees

At Wolford, protecting and promoting employees is a fundamental priority, as they are crucial to the company's long-term success. Employee working conditions and qualifications directly impact development, production performance, and sales success. Well-trained sales staff, in particular, play a key role in driving sales growth.

To support our employees, we have introduced additional training initiatives for our retail teams. The focus is on equipping them with in-depth knowledge of our products and product quality through "learning nuggets." Our goal is to provide customers with a unique shopping experience. Training sessions are conducted both online and in person.

We have also implemented an induction program for new corporate hires, which includes hands-on training in our stores. This allows new employees to immerse themselves in the retail environment and understand the customer experience firsthand.

Above all, Wolford's success is built on the recognized quality of its products, which is closely linked to working conditions in production and manufacturing at its two sites in Austria and Slovenia. Beyond providing safe workplaces, employee protection also includes compliance with rest periods, minimizing overtime, and optimizing workplace design. This is complemented by targeted training and development programs aimed at keeping sickness rates and staff turnover low, strengthening Wolford's employer brand, and attracting and retaining top talent.

A key aspect of our approach is time management systems to monitor working hours and help prevent excessive overtime. The system alerts employees if they exceed ten working hours per day, ensuring a healthy work-life balance.

Wolford is also committed to fair compensation, flexible working models, and employee well-being. We continue to offer breakfast and lunch benefits to our employees in Production.

To recruit skilled labor, we invest in dual apprenticeship training. The HR department sets the framework for training and development, while managers oversee implementation. Each of Wolford's five apprenticeship programs has a dedicated trainer. The apprenticeship program also includes general training, organized excursions, and job rotation opportunities, allowing apprentices to gain experience in different departments. Since 2023, we have introduced regular feedback meetings with apprentices to discuss their training, review business overviews, and align mutual expectations.

Wolford ensures strict compliance with legal regulations, including the Working Hours and Maternity Protection Act, the Child and Youth Labour Protection Act, and other workplace safety standards, such as the Employee Protection Act, the Workplace and Work Equipment Ordinance, and the General Employee Protection Ordinance. These regulations cover various aspects, including protection against explosive atmospheres (VEXAT) and safeguards against noise and vibrations.

The quality of our working conditions is assessed through monthly sick leave reports and regular staff turnover analyses. Wolford continuously strives to enhance working conditions and maintains an open dialogue with the Works Council. These topics are regularly discussed in management meetings, and all improvement suggestions are forwarded to senior leadership.

At the Bregenz site, the turnover rate has primarily been influenced by remodeling projects carried out in recent financial years. In the retail sector, turnover naturally tends to be higher than in administrative departments.

Focus on Health and Safety

In a production plant, there is always a risk of workplace accidents. To mitigate this, Wolford has implemented comprehensive accident prevention systems at both of its production sites.

When new employees join the production or administrative teams, they receive induction training covering workplace safety, health protection, environmental considerations, and mobility. Additionally, department-specific hazards are highlighted, and regular evacuation drills are conducted to ensure preparedness.

By contrast, employees at sales locations face a lower risk of accidents. However, to maintain high safety standards, our internal safety expert visits Austrian branches twice a year to assess and evaluate safety measures. The Wolford Group strictly complies with all applicable laws in the countries where it operates, ensuring that all necessary preventive measures are in place to protect and promote employee health.

Wolford has upheld workplace safety as a core value for decades, recognizing that only healthy and motivated employees can maintain the high quality standards of Wolford products. Special attention is given to optimal working conditions for pregnant employees. If a workplace does not meet the necessary safety requirements for pregnancy, Wolford immediately provides an alternative position upon learning of the pregnancy. Pregnant employees are also informed about workplace behaviors and safety measures to protect their unborn child.

Another key workplace risk is psychological stress, which can arise from time pressure or increased performance demands. Such stress not only raises the risk of workplace accidents but can also lead to reduced productivity and employee well-being. To address this, Wolford has introduced part-time retirement options that facilitate a smooth transition into retirement, ensuring a mutually beneficial outcome for both employees and the company.

Wolford counters workplace risks with systematic occupational health and safety measures. Every new workplace undergoes a health and safety evaluation, which is repeated whenever significant changes occur. Near misses are systematically reported, documented, and used to reassess workplace safety measures. The company's safety management system also includes an annual workplace inspection. For example, in Bregenz, regular assessments determine whether heat levels in the forming department remain tolerable for employees or if ergonomic conditions in administrative offices meet required standards.

Wolford's occupational safety team consists of a trained specialist at its head offices in Bregenz and Hard. Our safety team consists of an external safety specialist and eight safety officers, who are mainly employed in production. We also have 32 trained first aiders in all areas. In addition, we have a company doctor who performs all necessary occupational health examinations and oversees preventive health measures. Employees at production sites receive continuous training on potential accident risks, while all machines and systems undergo regular safety compliance checks. The company is committed to continuously improving workplace equipment and materials to ensure the highest safety standards.

Wolford Collects Detailed Accident Statistics

Wolford systematically collects and analyses accident statistics to evaluate the areas and circumstances in which workplace accidents occur. Based on these findings, targeted preventive measures are implemented, such as specialized training programs to improve the handling of work equipment and optimizing work processes.

The managing director responsible for commercial operations ensures compliance with all legal and internal safety requirements. Additionally, the internal occupational health and safety committee meets annually to discuss potential improvements and identify further optimization measures.

In Austria, compliance with legal regulations is monitored by the General Accident Insurance Institution (AUVA), the Labour Inspectorate (the higher-level state authority responsible for overseeing employee protection regulations), and the local fire prevention authority.

Diversity and Equal Opportunities

Wolford firmly believes that diverse teams are more innovative, resilient and effective, and ultimately achieve better results than homogeneous groups. Diversity within management and operational teams enhances the quality of decision-making by encouraging constructive dialogue, broadening perspectives and reducing the risk of blind spots or groupthink.

As an international company, Wolford particularly values diversity of cultural background, professional experience, age and gender. Teams composed of individuals with different experiences and viewpoints are better equipped to understand global markets, anticipate changing customer expectations and respond to complex business challenges. This diversity of thought strengthens problem-solving capabilities and fosters continuous improvement across the organization.

Equal opportunity is a fundamental principle of Wolford's corporate culture. The company is committed to providing a working environment in which all employees are treated fairly, can develop their potential and contribute their skills regardless of gender, nationality, age, ethnicity, disability, sexual orientation or any other personal characteristic. By promoting inclusion and merit-based development, Wolford enhances employee satisfaction, reinforces its employer brand and positions itself as an attractive workplace for top talent worldwide.

Diversity in Action at Wolford

At Wolford, diversity extends beyond gender balance to include a mix of nationalities and a well-balanced age structure. Although the company has not formally defined a diversity strategy, it has actively practiced diversity and equal opportunities for decades.

Given its product range primarily aimed at women and its predominantly female sales teams, Wolford's workforce consists of over 81% women at the Group level. In light of this, the company is particularly committed to offering flexible parental leave and part-time working options, enabling employees to better balance their professional and personal lives.

More Details

Disclosures Pursuant to Section 243a (1) UGB

1. the composition of the capital, including shares that are not traded on a regulated market as defined by Section 1 Z (2) of the Austrian Stock Exchange Act 2018 (BörseG 2018, BGBl) I no. 107/2017, as well as, if applicable, an indication of the different classes of shares and, for each class of shares, an indication of the rights and obligations attached to that class as well as the share of that class in the share capital;

Wolford AG is listed on the Standard Market of the Vienna Stock Exchange. At the balance sheet date of December 31, 2025, the company had share capital of 14,868,447 Euro, which was divided into 14,868,447 no-par value bearer shares.

2. any restrictions affecting voting rights or the transfer of shares, even if contained in agreements between shareholders, to the extent known to the company's Management Board;

The Management Board is not aware of any restrictions affecting voting rights or the transfer of shares.

3. direct or indirect shareholdings in the capital amounting to at least 10%;

According to the information available to the company, the following direct or indirect interests in the capital of Wolford AG equaled or exceeded 10% as of December 31, 2025: Fosun Fashion Group Wisdom (Luxembourg) S.à.r.l. held around 74.7%. Ralph Bartel held around 20.2% of the shares. As of December 31, 2025, Wolford AG held 88,140 treasury shares (excluding voting rights), equivalent to around 0.6% of the share capital. The remaining shares were in free float.

4. the holders of shares with special control rights and a description of such rights;

The Management Board is not aware of any such rights

5. the type of control of voting rights in the case of employee shareholdings, if they do not exercise voting rights directly;

At Wolford AG, there is neither an employee stock ownership plan nor a system of employee capital sharing in which an employee does not directly exercise the voting rights for their shares in Wolford AG.

6. the provisions not arising directly from the law concerning the appointment and dismissal of members of the Management Board and the Supervisory Board and concerning amendments to the company's Articles of Association;

The Management Board is not aware of any such rights or agreements

7. the powers of the members of the Management Board not arising directly from the law, in particular with regard to the option to issue or buy back shares;

Management Board members do not hold any authorizations over and above those stipulated by law, particularly in respect of the possibility of issuing or buying back shares. There is no authorized capital.

8. all significant agreements to which the company is party and which take effect, change or terminate upon a change of control in the company as the result of a takeover bid, as well as their effects, except for agreements the disclosure of which would be materially detrimental to the company, unless the company is expressly required to disclose such information under other legal provisions;

The Management Board is not aware of any significant agreements with change-of-control clauses.

9. Existence and material content of compensation agreements between the company and its Management Board and Supervisory Board members or employees in the event of a public takeover bid.

The Management Board is not aware of any such agreements.

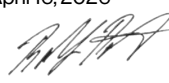
Non-Financial Declaration pursuant to Section 243b and Section 267a of the Austrian Commercial Code (UGB)

Wolford AG compiles a separate consolidated non-financial report that meets the legal requirements of Section 243b in conjunction with Section 267a of the Austrian Commercial Code (UGB). The report is available on the company website under the heading Investor Relations.

Bregenz, April 16, 2026



Marco Pozzo
Chairman of the Management Board
CEO
Chief Executive Officer



Ralf Polito
COO
Chief Operating Officer

03

CONSOLIDATED ACCOUNTS

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Consolidated Statement of Comprehensive Loss

IN EUR T	NOTE NO.	2025	2024
Revenue	(1)	75,586	88,374
Other operating income	(2)	2,741	5,876
Changes in inventories of finished goods and work in progress		-4,488	-8,474
Cost of materials and purchased services	(3)	-11,945	-13,686
Personnel expenses	(4)	-41,464	-50,301
Other operating expenses	(5)	-45,130	-45,274
Impairments of trade receivables	(6)	-1,129	-1,074
Depreciation and Amortization	(7)	-10,164	-12,644
Impairments	(7)	-5,225	-5,757
Reversals of impairment losses	(7)	1,054	332
EBIT		-40,164	-42,628
Interest and similar income	(8)	50	9
Interest and similar expenses	(8)	-13,996	-9,948
Interests on provisions for employee benefits	(8)	-389	-424
Other financial income	(8)	20	1,539
Other financial expense	(8)	-2,834	-30
Financial result	(8)	-17,149	-8,854
Loss before income taxes		-57,313	-51,482
Income tax	(9)	68	-192
Net loss		-57,245	-51,674
Other comprehensive income/loss*			
Amounts that will not be reclassified to profit or loss in future periods		434	18
of which actuarial gains and losses periods	(10)	515	18
of which deferred tax	(10)	-81	0
Amounts that may be reclassified to profit or loss in future periods		5,745	-2,370
of which currency translation adjustment	(10)	5,745	-2,370
Other comprehensive income/loss*		6,179	-2,352
Total comprehensive loss		-51,066	-54,026
Loss per share in EUR (basic = diluted)	(11)	-4.59	-5.40

* Other comprehensive income/loss is reported after tax.

Group Cash Flow

IN EUR T	NOTE NO.	2025	2024
Loss before income tax		-57,313	-51,482
Depreciation and impairments of property, plant and equipment and amortization of intangible assets	(7)	15,389	18,401
Reversals of impairment losses	(7)	-1,054	-332
Gains/Losses on disposals of non-current assets	(2) , (5)	165	-66
Interest expenses/interest income	(8)	14,336	10,363
Other non-cash items	(8)	4,368	-6,443
Changes in inventories		4,277	10,583
Changes in trade receivables		180	3,391
Changes in other receivables and assets		2,278	-867
Changes in trade payables		-15,367	1,116
Changes in other provisions and employee benefits		-1,215	-1,046
Changes in other liabilities, reimbursement and contract liabilities		176	-1,061
Interest received		0	9
Income tax paid		-448	1
Cash flow from operating activities		-34,228	-17,433
Payments for investments in property, plant and equipment		-161	-835
Payments for investments in other intangible assets		-1,339	-1,293
Proceeds from disposals of property, plant and equipment and other intangible assets		80	180
Proceeds from repayments of long term deposits		1,049	-9
Cash flow from investing activities		-371	-1,957
Proceeds from increase in share capital	(22)	24,871	0
Proceeds from current and non-current financial liabilities	IV	53,788	30,911
Repayment of current and non-current financial liabilities		-22,342	0
Payment of lease liabilities (excluding interests)	IV	-12,517	-10,830
Interest paid		-4,578	-3,610
Cash flow from financing activities		39,222	16,471
Cash-effective change in cash and cash equivalents		4,623	-2,919
Cash and cash equivalents at beginning of period	IV	3,441	6,471
Effects of exchange rate movements on cash and cash equivalents	IV	311	-111
Cash and cash equivalents at end of period		8,375	3,441

Consolidated Balance Sheet

IN EUR T	NOTE NO.	2025	2024
Assets			
Property, plant and equipment (including right-of-use assets)	(12)	34,533	42,918
Goodwill	(13)	30	30
Other intangible assets	(14)	2,423	1,750
Non-current financial assets	(15)	1,033	1,054
Non-current receivables and assets	(16)	1,703	2,752
Deferred tax assets	(17)	1,354	1,422
Non-current assets		41,076	49,926
Inventories	(18)	21,172	25,449
Contract assets	(30)	9	19
Trade receivables	(19)	8,039	8,712
Other receivables and assets	(20)	8,464	10,892
Cash and cash equivalents	(21)	8,375	3,441
Current assets		46,059	48,513
Total assets		87,135	98,439
Equity and Liabilities			
Share capital		14,868	46,338
Capital reserves		139	3,740
Retained earnings		-123,903	-126,600
Treasury Shares		-4,195	-4,195
Accumulated other equity		-1,543	-7,721
Equity	(22)	-114,634	-88,438
Non current financial liabilities	(25)	348	487
Lease liabilities, non-current	(31)	27,053	31,474
Other non-current liabilities	(24)	683	763
Provisions for long-term employee benefits	(23)	10,654	12,012
Other non-current provisions	(27)	1,365	133
Deferred tax liabilities	(17)	39	7
Non-current liabilities		40,142	44,876
Current financial liabilities	(25)	128,253	88,255
Lease liabilities	(32)	8,599	12,675
Trade payables	(26)	9,263	25,083
Other liabilities	(29)	12,325	13,785
Income tax liabilities	(28)	328	570
Other provisions	(27)	588	406
Reimbursement and contract liabilities	(30)	2,271	1,227
Current liabilities		161,627	142,001
Total equity and liabilities		87,135	98,439

Consolidated Statement of Changes in Equity

ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT COMPANY ACCUMULATED EQUITY								
IN EUR T	NOTE NO.	SHARE CAPITAL	CAPITAL RESERVES	RETAINED EARNINGS	TREASURY SHARES	ACTUARIAL LOSS	CURRENCY TRANSLATION	EQUITY
01/01/2024	(22)	46,338	3,740	-74,926	-4,195	-5,134	-235	-34,412
Net loss	(22)	0	0	-51,674	0	0	0	-51,674
Other comprehensive loss	(22)	0	0	0	0	18	-2,370	-2,352
12/31/2024	(22)	46,338	3,740	-126,600	-4,195	-5,116	-2,605	-88,438
01/01/2025	(22)	46,338	3,740	-126,600	-4,195	-5,116	-2,605	-88,438
Net loss	(22)	0	0	-57,245	0	0	0	-57,245
Other comprehensive loss	(22)	0	0	0	0	434	5,745	6,179
Capital increase	(22)	25,031	-160	0	0	0	0	24,871
Capital decrease	(22)	-56,501	-3,441	59,942	0	0	0	0
12/31/2025	(22)	14,868	139	-123,903	-4,195	-4,682	3,140	-114,633

Notes to the Consolidated Financial Statements

The Wolford Group is an international group specialized in the production and marketing of Legwear, Ready-to-wear and Lingerie, Beachwear, Accessories, and Trade Goods, and is specialized in the affordable luxury product segment. The parent company, Wolford AG, is a listed company that is headquartered in Austria, 6900 Bregenz, Wolfordstraße 1, and registered with the district court of Feldkirch, Austria, under FN 68605s. Wolford AG prepares consolidated financial statements for the smallest group of Group companies and is included in the superordinate consolidated financial statements of Fosun International Limited, Shanghai, China, which is also the ultimate controlling party.

Apart from the subsidiary in Slovenia, the business activities of the subsidiaries primarily focus on marketing products purchased from the Group. The subsidiary in Slovenia acts as a production company for the Group.

I. ACCOUNTING PRINCIPLES

1. BASIS OF PREPARATION

The consolidated financial statements of Wolford AG as of December 31, 2025, were prepared pursuant to Section 245a Austrian Commercial Code (UGB) in accordance with the IFRS Accounting Standards (IFRS) issued by the International Accounting Standards Board (IASB). All standards issued

by the IASB and all interpretations of the IFRS Interpretations Committee applicable in the EU for the 2025 financial year have been applied.

The financial year of Wolford AG is a calendar year covering the period from January 1 to December 31.

The consolidated financial statements of Wolford AG comprise the consolidated statement of comprehensive income, the consolidated balance sheet, the consolidated cash flow statement, the consolidated statement of changes in equity, and the notes to the consolidated financial statements.

The consolidated financial statements are presented in euros (reporting currency). Unless otherwise indicated, all amounts are stated in thousand euros (€T). The consolidated financial statements include comparative information for the previous reporting period. The Management Board is responsible for the preparation of the consolidated financial statements. Due to commercial rounding, rounding differences may occur.

The following standards and interpretations require application in the EU for the first time in the 2025 financial year:

STANDARD / INTERPRETATION	DESCRIPTION	DATE OF FIRST APPLICATION
STANDARDS ALREADY ADOPTED BY THE EU		
IAS 21	Amendments to IAS 21: Lack of exchangeability	01/01/2025

The amendments have no significant impact on the consolidated financial statements for the year 2025.

Overview of standards and interpretations issued but not yet effective:

STANDARD / INTERPRETATION	DESCRIPTION	DATE OF FIRST APPLICATION
STANDARDS NOT YET ADOPTED BY THE EU		
IFRS 18	Presentation and Disclosure in Financial Statements	01/01/2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	01/01/2027*
Annual Improvements	Annual Improvements to IFRS Accounting Standards – Volume 11	01/01/2026
IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments	01/01/2026
IFRS 9 and IFRS 7	Contracts referencing nature-dependent electricity	01/01/2026
IFRS 19	Amendments to IFRS 19 Subsidiaries without public accountability	01/01/2027*
IAS 21	Translation to a Hyperinflationary Presentation Currency	01/01/2027*
	Disclosures about Uncertainties in the Financial Statements – Illustrative examples	n/a**

*EU Endorsement not yet passed. **No effective date and no EU Endorsement necessary

The standards to be applied from January 1, 2026 or later which already have been adopted by the EU have not been applied early.

The requirements of IFRS 18 are currently evaluated in detail as they will have a more significant impact on the Consolidated Financial Statements of Wolford Group. IFRS 18 will replace IAS 1 "Presentation of Financial Statements" and will primarily affect the structure of the consolidated statement of comprehensive income. IFRS 18 requires to classify income and expenses into five categories, operating, investing, financing, income tax and discontinued operations. This new structure will most probably have an impact on key performance indicators. Furthermore, IFRS 18 foresees the disclosure of management-defined performance measures (MPMs) in a single note to the financial statement which are therefore also subject to audit. In terms of aggregation and disaggregation IFRS 18 provides enhanced guidance like enhanced principles of aggregation vs. disaggregation and it also discourages entities from labeling items as "other", requiring to determine whether a more informative label exists.

IFRS 18 is expected to have potential effects on the presentation and structure of the consolidated statement of profit and loss and the consolidated statement of cash flows of the Wolford Group and may also require new or amended disclosures in the notes. The specific effects are currently still being analysed. Application is mandatory retrospectively for financial years beginning on or after January 1, 2027. Earlier application is permitted but is not currently planned for the consolidated financial statements of Wolford.

The other standards and interpretations are also evaluated; however, we do not expect any significant impacts on the consolidated financial Statements.

Going Concern

Wolford remained in a difficult financial position also in 2025. Cash flows from operating activities and other sources of financing were not sufficient to meet its regular payment obligations. The Wolford Group was dependent on borrowed capital and external financing. Wolford has covered its past financing requirements mainly through shareholder loans from its main shareholder.

The Group incurred a net loss of €57,245T during the year ended December 31, 2025 and, as of that date, the Company's current liabilities exceeded its total assets by €74,352T. These events or conditions, along with other matters, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

Wolford has taken further measures to increase operational efficiency. Processes are being further optimized and the focus on cost control and sales activities has been intensified again. The business results achieved on the cost side are not yet sufficient to stabilize the company's cash flows, particularly because investments need to be made in the IT area. To ensure adequate liquidity, the company has gained further access to loans from the (indirect) main shareholder. Wolford is and has been in close contact with financial institutions and the parent company regarding further financing models. In the financial year 2025, Fosun Fashion Group (Cayman) Limited granted additional shareholder loans of €18,200T and \$16,760T thus confirming its financial commitment. Moreover, a capital increase by € 25,031T was executed in June 2025, as resolved at the general meeting occurred on December 17, 2024. Such injection offered the opportunity to accelerate the company's stabilization and expansion plans.

In addition, the main shareholder Lanvin Group Holdings Limited is still believes in Wolford's business model and turnaround potential, and therefore continues to provide financial support to Wolford as needed; to this extent it has also issued a letter of comfort and subordination (hard letter of patronage) to secure Wolford's continued existence and has agreed to continue to support Wolford financially if necessary. Fosun Fashion Group (Cayman) Limited has also signed the letter of comfort and granted loans to the Company which as of December 31, 2025 amount in total €128,114T including unpaid interests. The total of all these loans (including interest) are subordinated until the Company has completed its "Restructuring" or in case of liquidation or insolvency, until all creditors have been satisfied.

According to such letter of comfort Lanvin Group Holdings Limited undertakes to provide additional liquidity totaling €15,000T from January 1, 2026 to December 31, 2027 at the request of the company management ("liquidity injection").

The Liquidity Injection is unconditional and can be granted as an increase of capital reserve (equity) or as a subordinated loan. In case Wolford obtains any third-party financing or other external liquidity support during the above period to cover its liquidity demands, the Liquidity Injection to be provided by Lanvin Group Holdings Limited may be reduced accordingly.

These measures are intended to enable the company to meet its liabilities at any time when they fall due and to secure the company's continued existence for the foreseeable future. In the event that financial support is required, Lanvin Group Holdings Limited undertakes to enforce the guarantee in full.

Having mentioned that it cannot be excluded some remaining likelihood that the maximum amount guaranteed in the comfort letter may be transferred with delay or may not suffice if the current budgets/forecasts are not met, leading to the Company's inability to pay its debt when due and, specifically, to the Company's inability to continue as a going concern, the Management Board- after having reviewed all facts and circumstances as mentioned above- concludes that the company's annual and consolidated financial statements for 2025 should be prepared using the going concern principle.

Wolford is currently working intensively on strengthening its presence and visibility. This is being achieved through targeted marketing activities, a focused product pipeline, rationalization of the retail fleet and significant investments in e-commerce, IT and systems. However geopolitical uncertainties in Ukraine and Middle East persist and further upheavals in the global economy, such as the volatile tariff with USA, cannot be ruled out. The company is continuing its targeted efforts to improve personnel cost efficiency, reduce consulting costs, reduce collection volumes and increase the efficiency of demand planning and the production process.

Wolford's systems and IT infrastructure are outdated and pose a further risk to the continuation of business operations. Wolford has therefore planned and finalized numerous IT infrastructure projects despite the strained financial situation, as of which the introduction of a new ERP system by mid-year 2026.

In the first few months of 2026, the Group is still struggling on the sales side but delivers on its cost targets. The miss in sales is particularly due to the need to rebuild confidence with its wholesale customers, many of whom reduced their order volumes following delivery interruptions in 2024 and 2025, which have been resolved in the meantime. Direct to consumer channels (retail and online) are already showing solid growth compared to last year despite the consolidation of the retail network. The company will continue to drive forward the global positioning of its brand through the continuation of successful collaborations, limited capsule collections developed in cooperation with international star designers, and the utilization of growth opportunities in the USA and China.

2. ACCOUNTING JUDGEMENTS AND ESTIMATES

2.1. CLIMATE-RELATED MATTERS

The Corporate Sustainability Reporting Directive (CSRD), adopted by the EU Parliament in November 2022, continues to significantly expand the scope and requirements of sustainability reporting for companies. In 2025, Wolford further advanced the integration of CSRD requirements into its organizational structures. Relevant processes have been revised and additional measures implemented to ensure compliance. The Group remains committed to transparent reporting on its sustainability goals and actions and continues to work on the full implementation of CSRD requirements.

Sales Aspects

As in the previous year, Wolford Group was again affected by unusually warm weather conditions in autumn 2025. In line with the ongoing trend of shorter cold-weather periods, the business model has been further adapted. Wolford therefore continued to focus on strengthening brand visibility and adjusting its product portfolio accordingly.

The company continuously monitors customer demand for sustainable products, including through collaboration with sustainability-oriented bloggers and influencers. Insights gained are incorporated into product development. In addition, Wolford aims to offer forward-looking alternatives to conventionally produced products and to actively support more sustainable consumer behavior, for example by promoting longer product lifecycles.

Production and Material Aspects

Wolford benefits from its vertically integrated business model, as the majority of its products are manufactured within its own production network. All legwear and a significant portion of ready-to-wear products are knitted and dyed in the company's production facilities in Austria and Slovenia, both of which hold bluesign® approved status.

Approximately 90% of Wolford's material suppliers are based in Europe, primarily in Germany, Italy, Austria and France, enabling short transportation routes. All suppliers are required to comply with established social and environmental standards. In addition, they must adhere to Wolford's Code of Conduct, the STANDARD 100 by OEKO-TEX®, and the EU REACH Regulation.

At present, Wolford does not identify any significant risk of supply shortages of essential materials due to climate or environmental factors. However, potential changes in materials or supplier structures in order to meet regulatory or internal sustainability targets could lead to delays. To mitigate such risks, procurement processes have been established to initiate necessary adjustments at an early stage.

A key objective remains the continuous increase in the share of recyclable materials, including both biodegradable and technologically recyclable options. Furthermore, Wolford continues to expand the use of environmentally friendly packaging materials.

Wolford's long-standing commitment to sustainable production is underlined by its partnership with bluesign® technologies AG. This system ensures safe textiles, environmentally compatible production processes, and responsible resource use across the entire textile value chain. As part of this partnership, only approved chemicals and dyes that meet strict environmental standards are used.

In 2025, Wolford reached an important milestone in social and environmental responsibility: all of its own production plants are now Hohenstein SteP©-certified, one of the leading certifications for corporate social responsibility in the textile industry. As a result, approximately 90% of Wolford's products qualify to be marketed as Hohenstein Made in Green© products.

To mitigate the effects of climate change, European regulations continue to require reductions in energy consumption and CO₂ emissions. Wolford remains subject to the Austrian Energy Efficiency Act (EEffG), which requires regular analysis and continuous improvement of energy performance. While future regulatory developments may result in stricter requirements, current measures implemented under the Hohenstein SteP© certification already exceed existing standards, thereby reducing potential regulatory risks.

2.2. IMPACT OF MACROECONOMIC DEVELOPMENTS

Following the geopolitical tensions resulting from the Russia-Ukraine War and the Gaza War, macroeconomic conditions in the 2025 financial year remained challenging.

While inflation rates and interest levels showed signs of stabilization compared to 2024, they continued to remain at elevated levels in many markets. At the same time, the ongoing energy crisis and persistent supply chain disruptions—both at national and international levels—continued to impact economic activity.

These developments also affected the business performance and consolidated financial statements of the Wolford Group. The following aspects have been taken into account:

IAS 36 – Impairment testing: The recovery in the level of interest rates worldwide compared to 2024 was considered accordingly in the 2025 financial year impairment test. For further information, please see Note (7) and the information in Chapter 4 Significant Accounting Policies. It was not necessary to adjust the sensitivity analysis with regard to the effects of climate-related risks and obligations on the assumptions made due to the maturities of the lease contracts.

IAS 37 - Provisions, Contingent Liabilities and Contingent Assets: There is no need for a provision for climate related aspects in the 2025 consolidated financial statements due to a legal or constructive obligation pursuant to IAS 37.10.

The cost of materials and purchased services decreased by 12.7% compared to the 2024 financial year (€-13,686T) to €-11,945T in the 2025 financial year.

With the launch of new collections, prices are set to achieve the expected contribution margin. So far, price increases have not had a negative impact on the overall sales trend.

Planning assumptions of rising personnel costs were taken into account in the impairment test with an annual growth rate of 2.5% in Austria and in the other countries, depending on the market, based on a store specific ratio actual personnel 2025 to actual sales. Overhead costs (central IT expenses, marketing expenses and staff expenses) were included in the impairment test as a percentage of cost of sales per store. For further information we refer to Note (4-5) and Chapter 4 Significant Accounting Policies.

IFRS 9 - ECL measurement: The ECL valuation model applied at Wolford adequately reflects the macroeconomic circumstances and related impact on credit risk and ECL valuation. For information concerning bad debt allowances see Note (19) and Chapter 4 Significant Accounting Policies.

2.3. ACCOUNTING JUDGEMENTS

The consolidated financial statements were prepared on the basis that the Group will continue to operate as a going concern. For detailed information about Going Concern see Chapter “Going Concern” above.

2.3. ESTIMATION UNCERTAINTIES AND ASSUMPTIONS

To a certain degree, the preparation of the consolidated financial statements requires Management to make estimates and assumptions that affect the recognition and measurement of assets,

provisions and liabilities, the disclosure of other obligations as of the balance sheet date, and the recognition of revenue and expenses during the reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

These assumptions and estimates mainly relate to the determination of the lease term, especially regarding the leases for store locations, the forecasts and assumptions used in impairment tests, the recognition of impairment for inventories and trade receivables (Notes 18 and 19), the recognition and measurement of deferred tax assets (Note 17). The amount of provisions required is estimated on the basis of past experience and reflects all information available upon the preparation of the consolidated financial statements.

Lease terms are determined by reference to the non cancellable basic lease period and including extension options that are deemed reasonably certain to be exercised. Discretionary decisions are made when assessing whether it is reasonably certain that the option to extend or terminate the lease will be exercised or not. These decisions consider all relevant factors that present an economic incentive for the Group to exercise either the renewal or termination option.

These are reviewed and reassessed whenever new information arises. This may lead to adjustments being made to the lease terms, which may result in a reassessment of the respective lease liabilities and right of use assets.

As described in Note (31) some lease modifications led to a change of carrying amounts of lease liabilities and of the right-of-use assets. The main reasons for those modifications were early terminations of leases or extensions of the lease term not considered in the initial measurement.

Reference is made to actuarial calculations of provisions for long-term employee benefits. These calculations are based on assumptions including discount rates, future increases in salaries, employee turnover and mortality rates, retirement ages and life expectancy, as well as future pension trends. Changes in these parameters may significantly affect provisions.

The calculation of allowances for trade receivables is also significantly based on assumptions and estimates relating, among other factors, to customer creditworthiness and expected future economic developments.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies. Due to the economic development and the resulting uncertainty, a significant portion of the deferred tax assets arising from deductible temporary differences was not recognized or impaired. For further information on deferred taxes please refer to Note (17).

For purposes of the impairment test, planning was revised due to the difficult market situation and current development of the Group. As a result, impairment losses of €-5,225T (FY 2024: €-5,757T) were recognized in the 2025 financial year. Climate-related risks do not result in any additional impairments at present due to the limited duration of the lease contracts.

3. SCOPE OF CONSOLIDATION AND CONSOLIDATION PRINCIPLES

The scope of consolidation is determined in accordance with IFRS 10 (Consolidated Financial Statements). Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as of December 31, 2025. Wolford AG as parent company has control over the following subsidiaries according to IFRS 10 which are therefore fully consolidated:

COMPANY NAME	REGISTERED OFFICE	DIRECT INTEREST IN %
Wolford Deutschland GmbH	Bielefeld	100
Wolford (Schweiz) AG	Opfikon	100
Wolford Paris S.A.R.L.	Paris	100
Wolford Berangere S.A.R.L.	Paris	100
Wolford London Ltd.	London	100
Wolford Italia S.r.L.	Milan	100
Wolford España S.L.	Madrid	100
Wolford Scandinavia ApS	Copenhagen	100
Wolford America Inc.	New York	100
Wolford Nederland B.V.	Amsterdam	100
Wolford Canada Inc.	Vancouver	100
Wolford Asia Limited	Hong Kong	100
Wolford Belgium N.V.	Antwerp	100
Wolford (Shanghai) Trading Co., Ltd.	Shanghai	100
Wolford proizvodnja in trgovina d.o.o.	Murska Sobota	100

Branch offices are operated in Finland and Norway by Wolford Scandinavia ApS, in Ireland by Wolford London Ltd., in Luxembourg by Wolford Belgium N.V., in Macao by Wolford Asia Limited, and in Portugal by Wolford España S.L.

The scope of consolidation is unchanged with respect to the business operations of the Wolford Group compared to the last reporting date as of December 31, 2024.

As at the reporting date, Wolford Belgium N.V. (together with its Luxembourg branch) was in liquidation and the process is expected to be completed within 12 months. Wolford Scandinavia ApS (together with its Finland branch and Norway branch) was intended to be subject to a voluntary liquidation process following the relevant corporate approvals and the process is expected to be implemented within approximately 12 months. The actual timing and completion of such liquidations may be subject to change depending on the progress and the completion of all required legal and administrative steps. The impact on the consolidated financial statements is estimated to be low. The consolidated financial statements include all assets, liabilities, income, and expenses at Wolford AG and its consolidated subsidiaries after the elimination of all intragroup transactions.

Business acquisitions are accounted for based on the requirements of IFRS 3 using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. If the acquisition costs for the respective company exceed the fair value of the identifiable acquired assets, liabilities, and contingent liabilities, the difference is recognized as goodwill. Negative differences are recognized immediately as gain in the consolidated statement of comprehensive income. Companies acquired or sold during the financial year must be included in the consolidated financial statements as of the acquisition date or up to the date of disposal.

The Group's consolidated financial statements are prepared in euros. Euro is also the parent company's functional currency. For inclusion in the consolidated financial statements, the assets and liabilities of those companies whose functional currency is not the euro are translated at the closing rate on the balance sheet date, while the income statement is translated at the annual average of the reference rate. All resulting currency translation differences are recognized directly in equity under currency translation differences in other comprehensive income. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to profit or loss.

The most significant exchange rates used for financial currency translation developed as follows:

CURRENCIES	AVERAGE RATE ON THE BALANCE SHEET DATE		AVERAGE RATE FOR THE YEAR	
	12/31/2025	12/31/2024	2025	2024
1 EUR/USD	1.1755	1.0389	1.1314	1.0824
1 EUR/GBP	0.8714	0.8292	0.8555	0.8466
1 EUR/CHF	0.9296	0.9412	0.9357	0.9526
1 EUR/DKK	7.4671	7.4578	7.4638	7.4589
1 EUR/SEK	10.7928	11.4590	11.0321	11.4325
1 EUR/NOK	11.8254	11.2900	11.7206	11.6290
1 EUR/CAD	1.6105	1.4948	1.5810	1.4821
1 EUR/HKD	9.1276	8.0686	8.8128	8.4454
1 EUR/CNY	8.2372	7.5833	8.1281	7.7875
1 EUR/MOP	9.4295	8.2800	9.1025	8.6826

4. SIGNIFICANT ACCOUNTING POLICIES

Property, plant and equipment, Goodwill, Leases and Impairment

Property, plant and equipment is measured at cost pursuant to IAS 16. Depreciation is generally recognized on a straight-line basis over the expected useful life of the asset.

Straight-line depreciation of property, plant and equipment and amortization of intangible assets is based on the following useful lives:

Buildings, including buildings on third-party land	10–50 years
Technical equipment and machinery	4–20 years
Other equipment, furniture and fixtures	2–10 years
Concessions, industrial property rights and similar rights and values, as well as licenses to such	4–10 years
Right-of-use assets	Depending on the expected term of the lease

Repair and maintenance costs relating to property, plant and equipment are generally recognized as expenses. These costs are capitalized if the expenditures are likely to increase the future economic benefits from use of the respective asset.

Leases: At the start of the contractual agreement, the Group assesses whether the contract constitutes or contains a lease. This is the case if the contract gives the right to control the use of an identified asset for a certain period of time in exchange for consideration. From the commencement date onwards the Group recognizes on balance sheet an asset for the granted right of use of the underlying asset and a lease liability.

The right-of-use asset is initially valued at cost, which is the initial value of the lease liability, adjusted for payments made on or before the commencement date, plus any initial direct costs and the estimated costs of dismantling or removing the underlying asset or restoring the underlying asset or the site on which it is located, less any lease incentives granted.

The right of use is depreciated over the expected term of the relevant lease in accordance with the specifications of IFRS 16.

The measurement of the lease liability is performed in accordance with the accounting rules of IFRS 16, i.e. it is discounted to the present value of the lease payments to be made over the lease term at inception of the lease. The lease payments include fixed lease payments (less any lease incentive receivable), variable lease payments that depend on an index or (interest) rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

In calculating the present value of the lease payments, the Group uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

Furthermore, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments

(e.g., changes to future payments resulting from a change in an index or rate) or a change in the assessment of an option to purchase the underlying asset. If the lease liability is subsequently revalued, a corresponding adjustment is made to the carrying amount of the respective right-of-use asset or it is recognized in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

During the subsequent assessment of the lease arrangement, the carrying amount of lease liabilities is remeasured when a modification, such as a contract amendment, is agreed upon that does not constitute a separate lease arrangement and results in changes to the scope, consideration, or term of the lease. Changes resulting from this are to be recognized as income or expense or by adjusting the right-of-use asset.

Regarding the leasing of stores the term “key money” refers to a fee paid by a tenant to a landlord, a former tenant or property owner in order to secure, renew or extend a lease. The key money is accounted for as a right-of-use asset according to IFRS 16 and is generally amortized over the lease period. In case the key money relates to French leases, no depreciation is recognized due to the local legal conditions, as the tenant either has a replacement right upon termination of the lease by the landlord or the option to pass on the lease right to a new tenant in return for a transfer fee. Key money is in this case treated as a separate component of the right right-of-use asset for the respective store location. Impairment is only recognized if the recoverable residual value is lower than the carrying amount of the asset.

In case the key money is used as a synonym for a security deposit, the amount may be used to cover unpaid rent or damages to the rental unit. In this case, the security deposit is usually held in an escrow account and accounted as financial asset. The net amount (security deposit less unpaid rent and damage deductions) is returned to the tenant at the end of the lease.

Wolford Group applies the short-term lease recognition exception to its short-term leases with a maximum lease term of 12 months which do not contain a purchase option. It also applies the exception for low-value leases (generally €5T, depending on the type of asset). Lease payments on short-term leases and leases of low value assets are recognized as expense on a straight-line basis over the lease term. The IFRS 16 accounting option not to separate lease and non-lease components (e.g., operating costs in the case of rental agreements) is not applied and, accordingly, the non-lease component is not taken into account in determining the lease liability and the right of use.

In some countries, the lease payments for stores are fully variable and are not based on any index or interest rate. In accordance with IFRS 16, no right-of-use assets or lease liabilities were recognized in the statement of financial position for these leases; instead, the lease payments continue to be recognized as an expense in the consolidated statement of comprehensive income.

Goodwill resulting from business combinations is recognized as an intangible asset and not amortised but tested for impairment at least once a year.

Impairment of non-financial assets: The Group assesses at each reporting date, whether there is any indication that an asset may be impaired. Assets with an indefinite useful life (e.g. goodwill) are subject to mandatory impairment testing at least once a year. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. The Group generally performs impairment tests for its assets on the level of cash-generating units (CGUs).

The CGUs used in impairment tests are the individual stores, including the right of use assets, fixtures and key money associated with them. Working capital is not considered in the calculation, as stock in the stores is usually not paid before the sale of the products.

A CGU's recoverable amount is the higher of the CGU's fair value less costs of disposal and its value in use. Impairment losses are recognized in a separate position "Impairments" within the consolidated statement of comprehensive income.

Regarding potential indications for an impairment the following triggering events have been defined for Wolford Group: significant deterioration in the net cash flow from the use of CGUs or failure to achieve budgeted net cash flows as well as increasing interest rates. In the opening year of a store these triggers are not applied.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate, that reflects current market assessments for the time value of money and the risk specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. The impairment tests performed are based on business plans and forecasts considering the current market conditions (if relevant also considering the specific conditions of the CGU) as well as economic growth expectations for the different markets and regions. These budgets and forecast calculations generally cover a period of ten years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

The assumed growth rates for sales in 2026 is 4% based on the actual sales of 2025. For the subsequent years, growth rates equivalent to the expected inflation rates for the various countries were assumed (for the years 2027 and 2028: 4%; from 2029 onwards 2%: for all regions).

Cost of goods sold change proportionally to sales increases. Increases in prices for materials and related services are offset by higher selling prices. Personnel costs are considered in impairment testing using a store-specific rate, determined from personnel expenses which have been forecasted for 2026 and projected to growth by 2.5% per year from 2027 onwards. Depending on market conditions, operating costs are with an annual growth rate based on estimated inflation of 1% in 2027 onwards. These costs are not directly related to the development of sales revenue, as the scope of the respective business activities remains unchanged.

Long-term replacements and maintenance investments were included in the terminal year equaling the depreciation, therefore representing renewal of the asset base in perpetuity. During the forecasted period, no investments were assumed, due to the changes in market dynamics and strategic focus on online retail business.

The discount factors used for impairment tests (WACC after tax) are between 5.9% and 8.5% (FY 2024: 7.8% - 10.0%.) The WACC is derived from the following factors: regional interest rates, taking into account the risk-free base interest rate with maturities matching the average remaining opening period of the stores in the respective country, market and country risk premiums, credit spreads with matching maturities based on corporate bonds with a BBB rating, and applicable tax rates.

The remaining opening period of the stores is evaluated on a store-by-store basis, taking into account the remaining lease term, possible termination options, expected performance, and economic and strategic considerations.

The amount by which the carrying amount of the cash-generating unit exceeds its recoverable amount, is recorded as impairment loss in profit or loss for the current year.

If the reason for impairment no longer applies in a subsequent period, a reversal is recognized (except for goodwill). The increased carrying amount related to the reversal of an impairment shall not exceed the carrying amount that would have been determined (net of amortization and depreciation) had no impairment loss been recognized in prior years.

Inventories: Inventories are valued at the lower of cost and net realizable value. The net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

The valuation of raw materials and supplies is based on the moving average method. Finished goods and services as well as work in progress include directly attributable material and labour costs as well as a portion of production overheads (based on the normal operating capacity) but exclude borrowing costs.

The measurement of inventories is carried out annually as of the balance sheet date. Impairment requirements are performed by comparing the net realisable value with the carrying amount of inventories.

Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments recognised as financial assets or financial liabilities are generally recognised separately.

Financial assets: At the initial recognition, financial assets are measured at fair value. In the subsequent measurement, the financial assets are allocated to one of the measurement categories listed in IFRS 9:

- financial assets at amortised cost;
- financial assets at fair value through other comprehensive income (OCI) (with recycling);
- financial assets at fair value through profit or loss.

In the case of financial assets classified as equity instruments, there is an option to measure them at fair value through other comprehensive income (without recycling).

As of December 31, 2025 as well as in the previous year, there were no financial instruments voluntarily designated at Fair Value through profit or loss (Fair Value Option).

The classification of financial assets at initial recognition depends on the contractual cash flow characteristics of the financial assets and the business model of the Group for managing them.

Financial assets valued at amortised cost (debt instruments): Financial assets at amortised cost are non-derivative financial assets with contractual payments that consist solely of interest and principal payments on the outstanding nominal amount and are held for the purpose of collecting the contractual cash flows, e.g. trade receivables or cash and cash equivalents (business model "hold").

After initial recognition, these financial assets are measured at amortised cost using the effective interest rate method less impairment for expected credit losses. Gains and losses are recognised in the financial result of the Group, when the asset is derecognised, modified or impaired. The interest income as well as effects from currency translation are also recognised in the financial result for the year.

Financial assets at fair value through profit or loss: The category of financial assets at fair value through profit or loss includes financial assets that are initially designated at fair value through profit or loss or that are mandatorily recognised at fair value through profit or loss.

Financial assets at fair value through profit or loss are recognised in the balance sheet at fair value, with net changes in fair value recognised in the financial result in the statement of comprehensive income.

Impairment of financial assets: An allowance for expected credit losses (ECLs) must be recognised for all debt instruments not held at fair value through profit or loss. Expected credit losses (ECLs) are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows include cash flows from the sale of collateral held or other credit enhancements that form an integral part of the contractual terms.

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The credit risk is the risk of financial losses in case the debtors do not meet the financial contribution. The book value of financial instruments equals the maximum credit risk.

Financial liabilities: All financial liabilities are initially measured at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

The financial liabilities of the Group specifically include trade and other payables as well as loans and borrowings.

Financial liabilities measured at amortised cost: After initial recognition, the Group measures loans and borrowings, trade payables and other financial liabilities at amortised cost using the effective interest rate method.

The Group has no financial liabilities that are measured at fair value through profit or loss.

Amortised cost is calculated by taking into account any premium or discount on acquisition and any fees or costs that are an integral part of the effective interest rate. The EIR amortisation is included as finance costs in the statement of profit or loss.

This category generally applies to interest-bearing loans and borrowings.

Derivative financial instruments

As in the previous year, Wolford AG did not conclude any hedging transactions or standalone derivatives in the current reporting period.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand as well as short-term highly liquid deposits with a maturity of three months or less, that are held for the purpose of meeting short-term cash commitments and are readily convertible to a known amount of cash and subject to an insignificant risk of change in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

Treasury shares:

Consistent with IAS 32, treasury shares are recognized on the balance sheet as a deduction from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognized as share premium in capital reserves.

Income taxes:

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

For domestic entities, the measurement of deferred taxes is based on a tax rate of 23% (FY 2024: 23%). For entities outside Austria, the respective local tax rate range of 12.00% to 31.05% is applied (FY 2024: 12.00% to 31.05%).

Deferred tax is calculated using the balance sheet liability method prescribed by IAS 12. This involves the recognition of deferred taxes for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The Group offsets deferred tax assets and liabilities if, and only if, it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

Employee benefits

Employees of the parent who commenced their employment before December 31, 2002 are entitled to severance compensation provisions when they reach the pensionable age or when they are dismissed. The entitlement depends on the number of years of service and the amount of the last earned salary and is accounted for as a defined benefit plan. For employees who commenced their employment after December 31, 2002, severance entitlements are provided for in defined contribution plans. Apart from Austria there are severance compensation provisions in Switzerland, France, Italy and Slovenia, however of subordinate value compared to Austria. In accordance with IAS 19 the projected unit credit method, is used to calculate the severance compensation provisions regarding the defined benefit plan. The following parameters were applied in Austria:

BIOMETRIC PRINCIPLES	2025: AVÖ 2018-P (2024: AVÖ 2018-P)
Discount rate	3.88% p.a. (2024: 3.37%)
Wage/salary trend	3.00% p.a. (2024: 3.00%)

The discount rate for severance compensation provisions increased from 3.37% to 3.88% from the financial year 2024 to 2025. The obligations for severance compensation provisions and anniversaries were based on a growth rate of 3% for 2026 (FY 2024: 4%) in Austria, for the following year of 3% (FY 2024: 4%) and then 3% (FY 2024: 3%). In the other countries, depending on the market, the salary trend is from 0.85% to 3% for 2026 and a uniform rate of 3% for 2027.

The calculation of severance compensation provisions is based on locally applicable biometric principles, interest rates, wage and salary trends, and suitably adjusted retirement ages. Actuarial gains and losses for obligations from severance compensation provisions are recognized in full in other comprehensive income (OCI), as incurred without subsequent reclassification to the profit or loss (“no recycling”).

Provisions for anniversary bonuses (mainly at the Austrian parent company) are measured in accordance with the requirements of IAS 19 and the projected unit credit method. The following parameters were applied in Austria:

BIOMETRIC PRINCIPLES	2025: AVÖ 2018-P (2024: AVÖ 2018-P)
Discount rate	3.88% p.a. (2024: 3.25%)
Wage/salary trend	3.00% p.a. (2024: 3.00%)
Retirement age (m/f)	64-65 / 64-65
Staggered employee turnover:	
0-2 years	24% (2024: 24%)
3-4 years	22% (2024: 22%)
5-9 years	16% (2024: 16%)
10-14 years	14% (2024: 14%)
15-19 years	9% (2024: 9%)
20-29 years	3% (2024: 3%)
30 years or more	0% (2024: 0%)

According to individual contractual commitments several employees in Austria are entitled to a pension plan in the form of a defined benefit plan. The entitlements are based on the respective final salary. The provision for pensions is calculated in accordance with recognized actuarial principles taking into account the calculation requirements of IAS 19. The calculation of the provision recognized using the projected unit credit method was based on the following parameters in Austria:

BIOMETRIC PRINCIPLES	2025: AVÖ 2018-P (2024: AVÖ 2018-P)
Discount rate	4.06% p.a. (2024: 3.45%)
Valorization of salaries	1.7% to 3.00% p.a. (2024: 1.79% to 4.00% p.a.)

The actuarial gain (before deferred taxes) regarding all long-term employee benefits above of €515T (FY 2024: gain of €18T) was recorded in OCI.

Other Provisions

Provisions are recognized in accordance with IAS 37 when the Group has a present obligation arising from a past event and it is probable that an outflow of resources will be required to settle this obligation. Non-current provisions are discounted where the effect of the time value of money is material.

Onerous contracts: If the Group has a contract that is onerous, the present obligation under the contract is recognized and measured as provision. However, before a separate provision for an onerous contract is established, the group recognizes any impairment loss that has occurred on assets dedicated to that contract. An onerous contract is a contract under which the unavoidable direct costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

The unavoidable direct costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfill it. The cost of fulfilling a contract comprises the cost that relates directly to the contract.

Earnings per share

Loss per share is calculated by dividing loss after tax by the weighted average number of ordinary shares issued and in circulation in the reporting period.

Revenues from contracts with customers

IFRS 15 provides for a uniform five-step revenue recognition model that is generally applicable to all contracts with customers. Accordingly, revenue is only recognized upon the transfer of control to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. In the event that a contract with a customer contains more than one performance obligation, the transaction price is allocated to the individual performance obligations based on their relative stand-alone selling price.

Wolford essentially generates revenue by selling apparel, with a distinction made between the three business models of wholesale, online, and retail. Different goods are not bundled in single contracts and consideration is not dependent on prices in other contracts.

In all of the company's distribution channels, performance obligations are satisfied at a point in time when control over the goods is transferred to the customer, i.e. when the products are delivered. The transfer of control is determined in individual cases by reference to the respective supply clauses. Corresponding liabilities are recognized for the rights of return of customers based on past experience. The Group uses the expected value method based on past experience to estimate the variable consideration given the fact that the contracts have similar characteristics. The Group then applies the requirements on constraining estimates of variable consideration in order to determine the amount of variable consideration that can be included in the transaction price and recognised as revenue. A refund liability is recognised for the goods that are expected to be returned (i.e., the amount not included in the transaction price). A right of return asset (and corresponding adjustment to cost of sales) is also recognised for the right to recover the goods from the customer.

In some cases, contracts with customers include variable consideration, e.g. sales bonuses. In this case, the expected rebate is estimated based on past experience. Contributions, i.e. grants provided to retailers for the acquisition of shop fittings customary for Wolford AG, are accrued and recognized as profit or loss on a pro rata basis over the term of the respective contract. These contributions are recognized as a reduction in sales. For vouchers sold, the portion that, based on the management team's assessment, is not expected to be redeemed is credited to earnings. Contracts with customers usually do not exceed a period of one year. It is therefore not necessary to account for any major financing components. The payment terms for wholesale are generally 30 or 60 days. Various payment options are offered for online sales: credit card (Visa, Mastercard, Diners American Express), PayPal, Klarna, invoice or instant bank transfer. Except for invoicing, payment is made with order or upon shipment. In the case of invoicing, the payment period is 14 days from the date of shipment of the goods.

A contract liability is recognized if a payment is received or a payment is due (whichever is earlier) from the customer before the Group transfers the related goods or services to the customer. Contract liabilities are recognized as revenue when the Group performs under the contract (i.e., transfers control over the related goods or services to the customer).

Foreign currency translation

Transactions in foreign currencies are recognized at the exchange rate applicable at the time of the transaction. Monetary foreign currency items are recognized at the rates on the balance sheet date. Translation differences are recognized in profit or loss in the period in which they occur. Non-monetary items that were measured at historical cost in a foreign currency are translated at the exchange rate on the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated at the exchange rate applicable at the time the fair value is determined.

Current vs. non-current classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification.

Assets and liabilities with terms to maturity of up to one year at balance sheet date are classified as current, and items with terms to maturity of more than one year are classified as non-current. Deferred tax assets and liabilities are classified as non-current assets respectively liabilities.

Fair value measurement:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: quoted market prices in active markets for identical assets or liabilities
- Level 2: the input factors used for the measurement are directly or indirectly observable in the market
- Level 3: the input factors are unobservable in the market

For further information on fair value and financial instruments please refer to Chapter V.

5. SEGMENT REPORTING

The Wolford Group is organized in regions in order to achieve the maximum possible level of market penetration. Each sales company has a sales director who is best able to evaluate the country specific circumstances locally and manage business operations accordingly. The country specific companies are responsible for the distribution of all products developed by Wolford as well as trade goods. These products are high-quality Legwear, Ready-to-wear, Lingerie, Beachwear, and Accessories.

The Wolford Group has six reportable segments: Austria, Germany, Italy, Rest of Europe, North America, and Asia, consisting of the legal entities located there. The Austrian segment includes production and sales activities for Austria and for those countries which do not have their own Wolford subsidiaries, as well as the online business until August 19, 2024. Following a reorganization of the business model, on August 19, 2024 the subsidiary Wolford Italy S.r.l. has been designated as the principal entity responsible for managing all wholesale distribution and e-commerce activities of the Group.

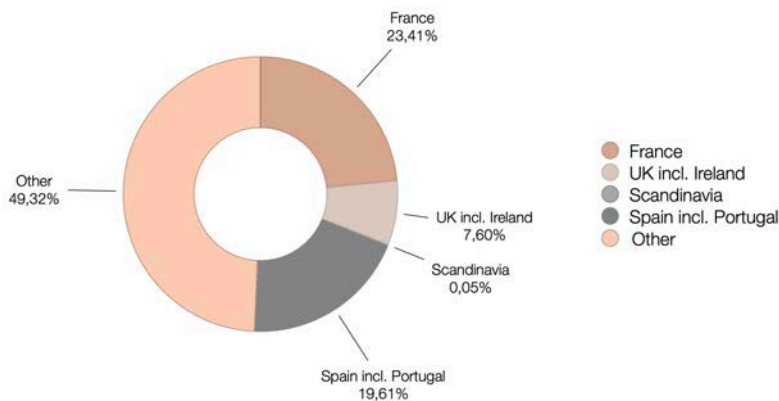
In determining the structure of its segments, the Group ensured conformity with information that is regularly used by the Group's chief operating decision maker to allocate resources and assess performance. The group management is identified as the Group's chief operating decision maker.

The Rest of Europe segment includes all European sales companies outside Austria, Germany and Italy, as well as the production company in Slovenia. The North America segment pools the company's activities in the U.S. and Canada, while the Asia segment represents the companies in Hong Kong and Shanghai.

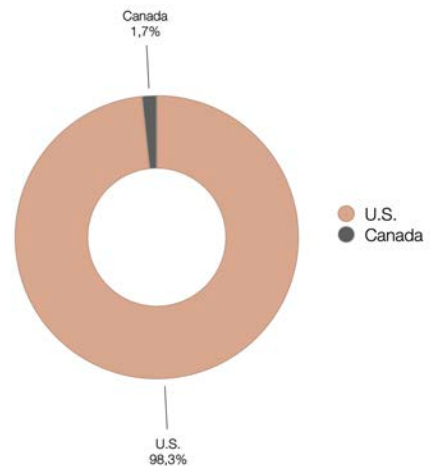
The regional sales companies are managed by reference to their operating earnings (EBIT). Monthly reports also containing an evaluation of proprietary retail points of sale at store level are prepared for the sales companies. Reporting for the wholesale segment focuses on the most important key accounts. Intersegment pricing is based on standard wholesale prices less country-specific discounts.

Revenue in the Rest of Europe segment is distributed as follows: France at €4,414T or 23.4% (FY 2024: €6,735T or 23%), UK (including the Ireland branch) at €1,434T or 7.6% (FY 2024: €3,472T or 12%), Scandinavia at €7T or 0.05% (FY 2024: €2,044T or 7%), Spain (including the Portugal branch) at €3,704T or 19.6% (FY 2024: €4,289T or 15%) as well as other European countries at €9,308T or 49.3% (FY 2024: €12,495T or 43%). Of the €21,006T revenue in the North America segment, €20,645T or 98.3% (FY 2024: €25,442T or 98%) was attributable to the U.S., and €360T or 1.7% (FY 2024: €488T or 2%) to Canada. Segment information is prepared by reference to the same accounting, recognition, and measurement methods as applied in the consolidated financial statements. The amounts shown in the consolidation column are the result of Group consolidation procedures.

Revenue - Rest of Europe



Revenue - North America



Segment Reporting

2025 IN EUR T	AUSTRIA	GERMANY	ITALY	REST OF EUROPE	NORTH AMERICA	ASIA	RECONCILIATION	GROUP
Revenue	22,527	2,808	38,232	18,866	21,006	5,582	-33,435	75,586
of which intersegmental sales	18,413	0	9,483	5,450	0	89	-33,435	0
External sales	4,114	2,808	28,749	13,416	21,006	5,493	0	75,586
Personnel expenses	-16,480	-1,637	-6,676	-9,693	-5,570	-1,408	0	-41,464
EBIT	-24,223	-54	-4,048	23	-7,862	-1,359	-2,641	-40,164
Segment assets	57,989	3,919	79,237	35,771	18,954	4,869	-113,604	87,135
Segment liabilities	163,430	1,725	20,634	22,627	61,593	21,616	-89,857	201,768
Investments (excl. modifications, incl. additions of right-of-use assets)	959	0	1,481	683	701	0	-90	3,734
Depreciation and amortization	-1,522	-513	-1,665	-2,383	-3,496	-596	11	-10,164
Impairment losses	-804	-380	0	-1,229	-2,690	-122	0	-5,225
Reversal of impairment losses	0	0	51	567	436	0	0	1,054
Employees (FTE)*	185	28	76	261	62	30	0	642

* as of December 31

2024 IN EUR T	AUSTRIA	GERMANY	ITALY	REST OF EUROPE	NORTH AMERICA	ASIA	RECONCILIATION	GROUP
Revenue	28,604	6,672	16,565	29,035	25,930	6,675	-25,107	88,374
of which intersegmental sales	15,257	0	4,206	5,630	0	14	-25,107	0
External sales	13,346	6,672	12,360	23,405	25,930	6,661	0	88,374
Personnel expenses	-19,134	-2,692	-7,737	-11,295	-7,449	-1,994	0	-50,301
EBIT	-32,040	401	-5,496	-1,365	-5,103	-1,793	2,768	-42,628
Segment assets	40,435	9,802	74,593	47,426	23,494	5,217	-102,528	98,439
Segment liabilities	126,206	7,417	21,073	33,807	59,366	20,414	-81,406	186,877
Investments (excl. modifications, incl. additions of right-of-use assets)	286	340	1,613	785	2,293	180	0	5,497
Depreciation and amortization	-1,987	-960	-1,249	-3,427	-4,066	-955	0	-12,644
Impairment losses	0	-222	-433	-2,790	-1,597	-715	0	-5,757
Reversal of impairment losses	0	67	0	265	0	0	0	332
Employees (FTE)*	222	45	84	301	91	41	0	784

* as of December 31

II. NOTES TO THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(1) Revenue

Wolford generates its sales almost exclusively from the sale of Legwear, Ready-to-wear, Lingerie, Beachwear, Accessories, and Trade Goods.

Revenue from contracts with customers is broken down into the most important product groups and distribution channels in the tables below. The breakdown into the company's main geographical markets can be found in the information about operating segments contained in "I. Accounting principles" under "5. Segment Reporting".

IN EUR T	2025	2024
Legwear	32,998	34,650
Ready-to-wear	32,827	40,426
Lingerie	9,132	12,663
Accessories, Beachwear, and Trade Goods	629	635
Total	75,586	88,374

With a contribution of 44% in the 2025 financial year (FY 2024: 46%) the Legwear product section accounts for the largest share of sales. With a sales contribution of 43% (FY 2024: 39%) Ready-to-wear was the second-largest product group in the 2025 financial year. Lingerie, Beachwear, Accessories, and Trade goods generated a total sales share of 13% (FY 2024: 15%).

IN EUR T	2025	2024
Boutiques	33,970	44,209
Concession shop-in-shops	5,014	6,420
Online business	16,707	19,934
Factory Outlets	3,253	6,076
Department stores	5,519	5,776
Specialist retail	10,582	5,163
Private label	541	796
Total	75,586	88,374

(2) Other operating income

IN EUR T	2025	2024
Gains from modification of lease contracts	1,165	4,221
Gains on disposals of non-current assets	116	66
Gains from currency differences	0	1,026
Restaurant revenue	81	329
Other	1,379	234
Total	2,741	5,876

Due to a decrease in scope of leased buildings or early termination of lease contracts, modification gains amounting to €1,165T (FY 2024: €4,221T) were recorded in fiscal year 2025.

In 2025 there have only been minor disposals leading to a gain of €116T.

Whereas there was an overall foreign currency gain in 2024 of €1,026T there was a loss in 2025 of €3,099T due to intercompany currency differences which mainly result from USD.

The "Other" line item mainly comprises benefits recognized in connection with COVID-19 relief programs administered by the U.S. Internal Revenue Service (IRS), amounting to €394T and liabilities not claimed for over three years which have been derecognized amounting to €347T.

(3) Cost of materials and purchased services

IN EUR T	2025	2024
Raw material	9,475	11,529
Energy	1,406	1,390
Services	1,064	767
Total	11,945	13,686

The cost of materials and purchased services decreased by -13% (FY 2024: -45%) which corresponds with the decrease in revenue.

(4) Personnel expenses

IN EUR T	2025	2024
Wages	4,925	5,254
Salaries	27,636	34,509
Expenses for statutory social security contributions, payroll-based duties, and other mandatory contributions	7,008	8,170
Expenses for severance compensation and pensions	658	1,250
of which for management	0	0
Other employee benefits	1,237	1,118
Total	41,464	50,301

The decrease in personnel cost is linked also to completion of the individual measures as part of Wolford's reorganization. As a result of additional shop closures and administrative measures, the average number of full-time employees decreased to 684 (FY 2024: 859).

Personnel

The Wolford Group had the following average number of employees on a full-time basis:

HEAD COUNT ON A FULL-TIME BASIS (FTE)	2025	2024
Total average number	684	859
of which wages employees	151	175
of which salaried employees	531	678
of which apprentices	2	7

(5) Other operating expenses

IN EUR T	2025	2024
Legal and consulting fees	7,040	6,468
Marketing expenses	2,636	5,281
Freight costs	7,646	7,866
Rent and lease expenses	3,584	4,357
Online distribution	2,522	3,402
IT costs	5,084	6,164
Customs duties	1,403	1,132
Credit card fees and bank charges	758	1,481
Commissions	2,653	1,640
Insurance premiums	690	885
Taxes (excluding income tax)	478	596
Maintenance expenses	310	320
Travel costs	303	677
Fees and charges	114	654
Telephone expense	675	655
Loss from currency differences	3,099	0
Other	6,135	3,696
Total	45,130	45,274

Other operating expenses decreased by €144T to €45,130T (FY 2024: €-45,274T). The main reasons for the decrease were lower IT costs and marketing expenses. Contrary the group suffered an overall foreign currency loss of €3,099T, whereas in prior year a gain of €1,026T was recognized under other income.

The line item "Other" equal to €6,135T mainly comprises of the derecognition of trade receivables which will not be received anymore amounting to €1,477T, loss from the disposal of fixed assets for €282T (FY 2024: €-38T), charge backs for €185T (FY 2024: €554T), car costs for €292T (FY 2024: €260T), stationery cost for €86T (FY 2024: €172T) and postage expenses for €125T (FY 2024: €133T).

(6) Impairments of trade receivables

The impairment loss on trade receivables recognized in accordance with IFRS 9 amounted to €-1,129T in the financial year (FY 2024: expense of €-1,074T). The impairment losses are based on the expected credit loss model and primarily relate to trade receivables. For further details on impairment losses on trade receivables see III. Notes to the balance sheet, (19) Trade receivables.

(7) Depreciation and amortization, impairment losses and reversals of impairment losses

Depreciation and amortization as well as net impairment effects in accordance with IAS 36 amounted to €-14,335T in the 2025 financial year (FY 2024: €-18,069T).

The recovery in the level of interest rates worldwide compared to 2024 was considered accordingly in the 2025 financial year impairment tests. The country specific discount factors used for the impairment tests (WACC after taxes) were 5.9% - 8.5% (FY 2024: 7.8% - 10.0%).

Revenue for the retail stores was planned based on the actual revenues of 2025, considering a moderate increase in the coming years. Assumptions are based on past experiences, the expected development in the market based on public studies or inflation expectations, respectively. Country-specific differences were particularly taken into account:

IN EUR T	2025	2024
Impairment on right of use assets	-4,379	-4,804
Impairment on tangible assets	-846	-953
Impairment losses:	-5,225	-5,757
Write-ups on right of use assets	1,035	280
Write-ups on tangible assets	19	52
Reversal of impairments from the past	1,054	332

Impairment losses recognized for tangible assets primarily pertain to closed stores in America, amounting to €827T. Impairments are recognised for the segments North America €2,690T (FY 2024: €1,597T), Austria €804T (FY 2024: €0T), Germany €380T (FY 2024: €222T), Rest of Europe €1,229T (FY 2024: €2,790T), Asia €122T (FY 2024: €715T). Main reason for the material result of the impairment test of the assets was the ongoing negative macroeconomic outlook.

Furthermore, a sensitivity analysis was conducted. A change in the perpetual growth rate by -1% and in the WACC by +1% would result in additional impairment losses, indicating that the recoverable amounts are sensitive to changes in these key assumptions.

The reversals of impairment losses relate to Rest of Europe €567T (FY 2024: €265T), North America €436T (FY 2024: €0T) and Italy €51T (FY 2024: €0T).

(8) Financial result

IN EUR T	2025	2024
Interest and similar income	50	9
Interest on shareholder loans	-9,366	-6,337
Interest on lease liabilities	-2,081	-3,184
Interest and similar expenses	-2,549	-427
Interest on employee benefit obligations	-389	-424
Income from securities	20	29
Foreign exchange gain (+)/ loss(-) on intercompany loans	-2,811	1,510
Expenses from securities	-23	-30
Financial Result	-17,149	-8,854

Since the financial year 2021, Fosun Fashion Group (Cayman) Limited has granted several shareholder loans with a term of one year at an interest rate of 12% per annum and partially extended their term. Refer to Note (25) Financial liabilities for further information regarding these loans.

In the 2025 financial year, interest of €-9,366T (FY 2024: €-6,337T) was accrued on these loans. Interest was not paid but increased the financial liability.

The recognized foreign exchange losses on intercompany loans result mainly from intercompany loans denominated in USD.

(9) **Income taxes**

The material components of income tax expenses are structured as follows:

IN EUR T	2025	2024
Statement of comprehensive loss		
Current tax income (+)/expense (-)	86	-253
Deferred tax income (+)/expense (-)	-18	62
Total	68	-192

Current tax income includes taxes in the amount of €110T from prior periods (FY 2024: expense of €-8T).

IN EUR T	2025	2024
Development of net deferred taxes		
Net deferred tax assets and deferred tax liabilities as of January 1	1,414	1,348
Currency differences	0	5
Deferred taxes recognized in profit after tax	-18	61
Deferred taxes recognized in other comprehensive loss	-81	0
Net deferred tax assets and deferred tax liabilities as of December 31	1,315	1,414

The reconciliation of the income tax charge based on the Austrian corporate tax rate of 23% (FY 2024: 23%) with the effective tax rate for the period is as follows:

IN EUR T	2025	2024
Loss before income tax	-57,313	-51,482
Tax expenses/income at 23% (financial year 2025) and 23% (financial year 2024) tax rate	13,182	11,841
Effects of changes in tax rate	-3	0
Divergent foreign tax rates	728	386
Tax effects due to divergences in tax assessment base	-2,092	-1,475
Taxes from prior periods	110	-8
Losses in current year for which no deferred tax assets were recognized	-12,025	-11,699
Impairment on deferred tax assets	0	0
Use of tax loss carryforward with deferred tax assets not recognized in previous periods	161	757
Other	7	6
Effective tax burden	68	-192
Effective tax rate	0%	0%

The effective tax rate of 0% (FY 2024: 0%) is mainly due to the non-recognition of deferred tax assets for tax losses incurred in the financial year.

(10) Notes to the other comprehensive income

Wolford AG recognized an actuarial gain after tax of €434T in the 2025 financial year (FY 2024: gain of €18T). The deferred taxes in 2025 were €-81T (FY 2024: €0T). Together with the result of €5,745T from currency translation of operations with a functional currency other than euro (FY 2024: €-2,370T), this resulted in other comprehensive income of €6,179T (FY 2024: €-2,352T).

(11) Loss per share/proposed appropriation of profit

Loss per share is calculated by dividing the loss after tax of €-57,245T (FY 2024: €-51,674T) by the weighted average number of common shares, adjusted for treasury shares held on a pro rata basis. In 2025, share capital was increased by the issuance of 5,214,781 new shares which was registered as of June 12, 2025, ending up with a number of issued shares of 14,868,447; of these shares, 88,140 (FY 2024: 88,140) shares are held as treasury shares.

At the Annual General Meeting held on July 29, 2025, the shareholders resolved on a simplified reduction of share capital in accordance with §§ 182 et seq. AktG, whereby the Company's share capital is reduced from €71,369T to €56,500T to €14,868T. The capital reduction became legally effective upon registration with the commercial register on December 18, 2025.

The measure was implemented in order to offset accumulated losses that would otherwise have been reported as a balance sheet loss. In connection with the capital reduction, the notional amount of share capital attributable to each no par value share was reduced from €4.80 to €1.00, while the number of issued shares remained unchanged at 14,868,447.

Weighted average number of shares outstanding in financial year 2025 amounted to 12,465,801 (FY 2024: 9,653,666). Loss per share for the 2025 financial year amounted to €-4.59 (undiluted = diluted) (FY 2024: €-5.40) (undiluted = diluted). The Management Board of Wolford Aktiengesellschaft proposes that the balance sheet loss be carried forward to new account.

The basis for calculating loss per share (undiluted = diluted) is as follows:

IN EUR T	2025	2024
Issued shares as the end of financial year	14,868,447	9,653,666
Weighted total number of shares in circulation	12,465,801	9,653,666
Less average number of treasury shares	-88,140	-88,140
	12,377,661	9,565,526

III. NOTES TO THE BALANCE SHEET

(12) Property, plant and equipment (including right-of-use assets)

The development of property, plant and equipment is presented in detail in the non-current asset schedule. Land with a carrying amount of €521T (FY 2024: €521T) is presented within the line item "Land, leasehold rights and buildings, including buildings on third-party land."

No items of property, plant and equipment are pledged as security.

For explanations of recognized impairments, refer to (II.) Notes to the Statement of Comprehensive loss, Note (7) Depreciation and Amortization.

Due to the closure of various shops in the financial year 2025, the related tangible assets were disposed of.

(13) Goodwill

No impairment was recognized on goodwill in the 2025 financial year (FY 2024: €0T).

(14) Other intangible assets

The development of other intangible assets is presented in detail in the non-current asset schedule. There were no commitments for the acquisition of intangible assets in the current or previous financial year. Intangible assets primarily consist of software.

No impairment requirements were identified for intangible assets in the 2025 financial year, as was also the case in the 2024 financial year.

No intangible assets are pledged as security.

Consolidated Non-current Asset Schedule

IN EUR T	ACQUISITION/PRODUCTION COSTS					RECLASSIFICATION OF ASSETS UNDER CONSTRUCTION INTO PROPERTY, PLANT AND EQUIPMENT	AS OF 12/31/2025
	AS OF 01/01/2025	CURRENCY DIFFERENCES	ADDITION	DISPOSAL			
Property, plant and equipment							
Land, leasehold rights and buildings, including buildings on third-party land	23,031	-1,297	98	-1,097	0	20,735	
Technical equipment and machinery	26,834	0	17	-1,023	133	25,961	
Other equipment, furniture and fixtures	29,616	-625	46	-1,099	0	27,938	
Right-of-use assets	64,672	-2,912	23,953	-34,288	0	51,425	
Prepayments made on assets under construction	1,915	0	0	0	-184	1,731	
	146,068	-4,834	24,114	-37,507	-51	127,790	
Goodwill	30	0	0	0	0	30	
Other intangible assets							
Concessions, industrial property rights, and similar rights and values, as well as licenses to such and intangible assets under construction including prepayments	17,599	-27	1,339	0	51	18,962	
	17,599	-27	1,339	0	51	18,962	
Total	163,697	-4,861	25,453	-37,507	0	146,782	

ACCUMULATED DEPRECIATION AND AMORTIZATION (RESTATED)						CARRYING AMOUNTS		
AS OF 01/01/2025	CURRENCY DIFFERENCES	IMPAIRMENT	REVERSALS OF THE IMPAIRMENT LOSSES	ADDITION	DISPOSAL	AS OF 12/31/2025	AS OF 01/01/2025	AS OF 12/31/2025
17,547	-1,056	586	-19	889	-974	16,973	5,484	3,762
26,269	0	0	0	189	-1,010	25,448	563	513
28,860	-616	260	0	241	-990	27,755	758	183
28,743	-1,573	4,379	-1,035	8,131	-17,295	21,350	35,930	30,075
1,731	0	0	0	0	0	1,731	184	0
103,150	-3,245	5,225	-1,054	9,450	-20,269	93,257	42,918	34,533
0	0	0	0	0	0	0	30	30
15,848	-23	0	0	714	0	16,539	1,750	2,423
15,848	-23	0	0	714	0	16,539	1,750	2,423
118,998	-3,268	5,225	-1,054	10,164	-20,269	109,796	44,698	36,987

Consolidated Non-current Asset Schedule

IN EUR T	ACQUISITION/PRODUCTION COSTS				AS OF 12/31/2024
	AS OF 01/01/2024	CURRENCY DIFFERENCES	ADDITION	DISPOSAL	
Property, plant and equipment					
Land, leasehold rights and buildings, including buildings on third-party land	22,868	671	661	-1,169	23,031
Technical equipment and machinery	27,141	0	0	-307	26,834
Other equipment, furniture and fixtures	30,014	315	138	-851	29,616
Right-of-use assets	87,879	2,332	9,519	-35,058	64,672
Prepayments made on assets under construction	1,879	0	36	0	1,915
	169,781	3,318	10,354	-37,385	146,068
Goodwill	825	46	0	-841	30
Other intangible assets					
Concessions, industrial property rights, and similar rights and values, as well as licenses to such and intangible assets under construction including prepayments	16,293	13	1,293	0	17,599
	16,293	13	1,293	0	17,599
Total	186,899	3,377	11,647	-38,226	163,697

ACCUMULATED DEPRECIATION AND AMORTIZATION (RESTATED)

CARRYING AMOUNTS

AS OF 01/01/2024	CURRENCY DIFFERENCES	IMPAIRMENT	REVERSALS OF THE IMPAIRMENT LOSSES	ADDITION	DISPOSAL	AS OF 12/31/2024	AS OF 01/01/2024	AS OF 12/31/2024
16,876	540	529	-29	756	-1,125	17,547	5,992	5,484
26,268	0	0	0	304	-303	26,269	872	563
28,803	151	423	-23	349	-843	28,860	1,206	758
32,984	1,233	4,804	-280	10,769	-20,768	28,743	54,896	35,930
1,731	0	0	0	0	0	1,731	149	184
106,663	1,924	5,757	-332	12,178	-23,040	103,150	63,114	42,918
742	47	0	0	0	-789	0	83	30
15,370	12	0	0	466	0	15,848	922	1,750
15,370	12	0	0	466	0	15,848	922	1,750
122,776	1,983	5,757	-332	12,644	-23,829	118,998	64,119	44,698

(15) Non-current financial assets

Non-current financial assets include shares in investment funds recognized at fair value through profit or loss in accordance with IFRS 9. The change in fair value recognized through profit or loss in the 2025 financial year amounted to €20T (FY 2024: €21T).

(16) Non-current receivables and assets

The amounts recognized in this item are mainly security deposits amounting to €1,148T (FY 2024: €1,635T) and restricted long-term cash and cash equivalents for security deposits and customs guarantees (FY 2025: €513T; FY 2024 €1,116T).

(17) Deferred tax assets and deferred tax liabilities

Deferred tax assets and deferred tax liabilities result from temporary differences between the carrying amounts recognized in the IFRS financial statements and the corresponding tax measurement base for the respective items.

IN EUR T	12/31/2025		12/31/2024	
	ASSETS	LIABILITIES	ASSETS	LIABILITIES
Property, plant and equipment (including rights of use)	3,373	3,953	3,070	3,802
Inventories	501	95	401	38
Trade receivables and other receivables and assets	535	45	630	75
Provisions for long-term employee benefits	662	41	842	14
Other provisions	242	267	146	282
Lease liabilities	1,476	1,442	1,724	1,227
Other liabilities	403	33	72	27
Other	0	0	-5	0
Deferred tax assets/deferred tax liabilities	7,193	5,877	6,880	5,465
Offset for items due to same tax authority	-5,838	-5,838	-5,458	-5,458
Net deferred tax assets and liabilities	1,354	39	1,422	7

Deferred tax assets on temporary differences in the amount of €4,822T (FY 2024: €8,252T) were not or never recognized as deferred tax asset due to ongoing loss-making situation and the resulting uncertainty. Excess deferred tax assets over deferred tax liabilities amounting to €1,354T (FY 2024: €1,420T) have been recognized.

These were considered to be recoverable, as future taxable profits are expected for the companies concerned. No deferred tax assets are recognized for tax loss carry forwards, as it is not sufficiently probable that they will be utilized in the future.

For undistributed profits from subsidiaries of Wolford AG amounting to €1,043T no deferred liabilities were accounted for, as the requirements of IAS 12.39 are not met. Wolford AG is able to control the timing of the reversal of the temporary difference, however there are no disbursements planned in the foreseeable future.

As of the balance sheet date, the company had unutilized tax loss carryforwards of €266,642T (FY 2024: €242,765T). Of the unutilized tax loss carry forwards, no deferred taxes were capitalized like in prior year.

Loss carryforwards of €261,237T (FY 2024: €239,705T) are non-forfeitable. Losses of €5,405T (FY 2024: €3,060T) are forfeitable within 1 to 5 years.

(18) Inventories

Inventories are structured as follows:

IN EUR T	12/31/2025	12/31/2024
Finished products and trade goods	13,584	18,494
Works in progress	4,367	3,945
Raw materials and supplies	3,221	3,010
Total	21,172	25,449

Inventories are measured separately by product. This measurement procedure accounts for the different resale potential of the essentials and trend products, as well as for the age of the finished products. As of the reporting date, the allowance for finished products and trade goods, work in progress and raw materials amounts to €4,325T (FY 2024: 6,002T). The change of allowance shows a decrease of €1,678T in the 2025 financial year (FY 2024: decrease of €578T); no write-ups were recognized. Inventories are measured on the basis of moving averages. No inventories were pledged as security.

(19) Trade receivables

Trade receivables without a significant financing component are initially recognised at the transaction price as defined by IFRS 15 and subsequently carried at amortised cost less any allowances for anticipated credit losses.

IN EUR T	12/31/2025	12/31/2024
Trade receivables	12,324	12,031
Impairment losses	-4,285	-3,319
Trade receivables after impairment losses	8,039	8,712

The loss for bad debt allowances amounted to €-1,129T in 2025 financial year (FY 2024: €-1,074T). For trade receivables, allowances were recognized due to lifetime expected credit losses (ECL according to simplified approach).

The payment terms granted vary from customer to customer but nevertheless remain within a customary range. Customer creditworthiness is checked in advance before entering into any business relationship. Trade receivables are monitored continuously, and external service providers are also used to collect overdue payments.

The ECL recognized is based on specific country and customer risks, supported by external ratings. The allowances recognized for receivables in the online business were based on historic default statistics.

Trade receivables are predominantly short-term in nature and are generally due within twelve months from the reporting date. Based on past experience and the current customer structure, management does not expect material cash inflows from trade receivables beyond this period.

(20) Other receivables and assets

Other receivables were composed primarily of the following line items:

in EUR T	12/31/2025	12/31/2024
Direct business to customers (B2C)	42	2,229
Creditors with debit balances	406	1,954
Prepaid expenses and deferred charges	2,118	2,472
Deposits	1,641	1,376
Receivables from other taxes	1,458	1,559
Income tax receivables	412	119
Other receivables	2,387	1,183
Total	8,464	10,892

Of the total other receivables and assets €4,070T are financial assets.

Receivables from direct business to customers (B2C) are due from credit card institutions or other online payment services.

Other receivables and assets comprise both financial and non-financial assets. Financial assets included in other receivables and assets are initially recognised at fair value and subsequently measured at amortised cost in accordance with IFRS 9.

Non-financial assets included in other receivables and assets mainly comprise prepaid expenses as well as tax receivables and are recognised at nominal value or at the amount expected to be recovered.

(21) Cash and cash equivalents

The item consists of cash at banks of €8,268T (FY 2024: €2,977T) and cash on hands of €107T (FY 2024: €463T).

The carrying amounts correspond to the market values.

(22) Equity

The composition of equity and its development are presented separately in the statement of changes in equity.

Share Capital

The share capital consists of 14,868,447 no-par value shares, with each no-par share representing the same proportion of the share capital. There are no shares with special preferential or control rights.

In the first half of 2025 the Management Board of Wolford AG has decided to start the process for a capital increase. In the context of the capital increase, a total of 5,214,781 new shares worthing the amount of €25,031T were newly issued. Approx. 99.9% of the new shares (5,208,509 subscribed shares) were allocated to FFG Wisdom (Luxembourg) S.à.r.l..

At the 38th Annual General Meeting (AGM) held on 29 July 2025, resolutions on capital measures were passed. The AGM resolved to reduce the company's share capital of €71,368T divided into 14,868,447 ordinary shares, by €56,500T to €14,868 by way of a simplified capital reduction pursuant to §§ 182 ff AktG.

In addition, the Annual General Meeting authorized the Management Board, pursuant to § 169 AktG, to increase the share capital by up to €7,434T until July 29, 2030, against cash contributions or contributions in kind, also with the exclusion of shareholders' subscription rights. This resolution includes an amendment to Section 4 of the Articles of Association of Wolford AG.

The capital reduction was carried out for the purpose of offsetting accumulated losses that would otherwise have been reported as a balance sheet loss. At the same time, the notional amount of share capital attributable to each ordinary share (noper value share) was reduced from EUR 4.80 to EUR 1.00. Accordingly, the number of noper value shares remained unchanged.

The capital reduction was implemented and became legally effective upon registration with the commercial register on December 18, 2025.

Capital reserves

Appropriated capital reserves result from the premiums (less issue costs) on the share issues in 1995, 2018, 2023 and 2025. Since the capital increase in 2025 was implemented at nominal value only, without generating a share premium, the associated transaction costs of €158T had to be deducted from capital reserves in accordance with accounting standards.

Retained earnings

Retained earnings include the cumulative annual results from previous years and the current year. The above-mentioned capital reduction carried out in 2025 was recognized as a reduction of the negative Retained earnings by €59,942T.

As in prior Year, no dividend was paid out. Management proposes not to distribute a dividend for the 2025 financial year either.

Accumulated other equity

IN EUR T	12/31/2025	12/31/2024
Jan. 1	-7,721	-5,370
Actuarial gains (+) and losses (-) for the financial year	434	18
of which deferred tax	81	0
Currency translation adjustments	5,745	-2,370
Dec. 31	-1,543	-7,721

The actuarial gain (before deferred taxes) of €515T (FY 2024: gain: €18T) was recorded in the OCI.

Treasury shares

Wolford AG holds 88,140 treasury shares (FY 2024: 88,140). There were no movements in treasury shares in the financial year. As a result, 0.6% of share capital is held by the company (FY 2024: 0.9%).

(23) Provisions for long-term employee benefits

The provisions for pensions, severance compensation, and anniversary payments are calculated in accordance with the requirements of IAS 19.

in EUR T	12/31/2025	12/31/2024
Pension provisions	3,973	4,382
Severance compensation provisions	5,723	6,374
Provisions for anniversary payments	958	1,256
Total	10,654	12,012

Provisions for Pensions and Severance Compensation

Wolford AG has direct pension obligations based on individual commitments to three former Management Board members.

More than 80% of the severance compensation provisions originate from the Austrian parent company.

- Legal requirements entitle employees who joined the Austrian parent company before 2003 to a one-off severance compensation payment if their employment relationship is terminated or when they retire. The amount of these payments depends on the length of service and the employee's wage or salary at the end of employment.

- In Italy, defined benefit plans for severance compensation mainly relate to statutory end of service indemnities (TFR). The obligation accrues over the period of employment and is calculated in accordance with local legal requirements, taking into account salary levels and years of service.
- In Switzerland, the company is required to make certain payments to employees on retirement, death, or inability to work. The payments are dependent on the employee's age, number of years worked, salary, and individual contributions up to that point. This plan is financed jointly by the employees and the employer, with the obligation being counterfinanced by the insurance company Swiss Life by way of qualified insurance policies that serve as plan assets.
- Further defined benefit plans for severance compensation provision exist to a minor extent in France and Slovenia.

Provisions for pensions developed as follows:

in EUR T	12/31/2025	12/31/2024
Present value of obligation as of January 1	4,382	4,582
Interest expenses	150	161
Pension payments	-311	-288
Actuarial gains (-)/losses(+)	-248	-73
Present value of obligation as of December 31	3,973	4,382

Provisions for severance compensation developed as follows:

in EUR T	12/31/2025	12/31/2024
Present value of obligation as of January 1	7,583	8,077
Exchange rate differences	10	-25
Service cost	436	518
Interest expenses	253	293
Severance compensation payments	-1,094	-1,335
Actuarial gains (-)/losses(+)	-267	55
Present value of obligation as of December 31 (gross obligation)	6,921	7,583

The plan assets relating to the provision for severance compensation developed as follows:

in EUR T	12/31/2025	12/31/2024
Fair value of plan assets as of January 1	1,209	1,354
Exchange rate differences	14	-25
Paid-in contributions	85	92
Interest income/return on plan assets	53	74
Payments made	-163	-286
Fair value of plan assets as of December 31	1,198	1,209

The net obligation for severance compensation is structured as follows:

in EUR T	12/31/2025	12/31/2024
Net obligation as of January 1	6,374	6,723
Exchange rate differences	-4	0
Service cost/contributions received	436	518
Interest	200	219
Payments	-1,016	-1,141
Actuarial loss/profit	-267	55
Net obligation as of December 31	5,723	6,374

Fair value of plan assets comprises as follows:

in EUR T	2025	2024
Equity investments	558	622
Bonds	136	139
Real estate	259	290
Alternative investments	152	106
Liquid funds	93	52
Total	1,198	1,209

For employees in Austria who started an employment on or after 1 January 2003, contributions of 1.53% of gross wage are made in defined contribution plans through payments into company severance funds (MVK) amounting to €197T in 2025 (FY 2024: €238T).

Defined benefit payments are planned for provisions for pensions amounting to €317T and severance compensation of €231T in the coming 2026 financial year. For the period 2027 until 2030 severance payments of €1,890T are due and €6,739T are due in 2031 or later.

Severance payments are as follows:

in EUR T	Severance payments expected Austria 2025	Severance payments expected Austria 2024
2025	0	81
2026	231	235
2027	403	439
2028	270	273
2029	336	345
2030	878	0

Provision for Anniversary Payments

The provision for service anniversary bonuses developed as follows:

in EUR T	12/31/2025	12/31/2024
Present value of obligation as of January 1	1,256	1,353
Service cost	48	55
Interest expenses	39	45
Pension & severance payments made	-200	-98
Anniversary payments	0	-7
Actuarial gains in net loss	-185	-91
Present value of obligation as of December 31	958	1,256

Defined benefit payments from service anniversary bonus provisions of €83T are planned for the 2026 financial year (planned for 2025: €208T).

The actuarial gains and losses result from changes due to adjustments from past experiences and changes in financial assumptions and are reported under other comprehensive loss for retirement and severance compensation provisions and under personnel expenses for anniversary payment provisions. For the financial year 2025 there was an actuarial gain of €434T (FY 2024: €18T), mainly due to a change in financial assumptions.

The following sensitivities were determined for the Austrian defined benefit obligations (corresponding to €9,592T, December 31, 2024 €10,756T, a significant portion of the total net obligations of €10,654T, December 31, 2024 €12,012T), each of which relates to the level of the provision:

in EUR T	2025		2024	
	INCREASE	REDUCTION	INCREASE	REDUCTION
Discount rate (1% change)	-752	863	-934	1,087
Future wage and salary increases (1% change)	437	-394	545	-489
Future pension increases (1% change)	388	-339	395	-341

Service cost is reported within personnel expenses under "Expenses for severance compensation and pensions" (provision for severance compensation and pensions) or under "Wages" and "Salaries" (provision for service anniversary bonuses), while interest expenses are included under "Interest on employee benefits."

The average duration of the anniversary obligations is 7.7 years (FY 2024: 7.4 years). The average duration of the pension obligations is 10 years (FY 2024: 11 years). The average duration of the severance compensation obligations is 8.3 years (FY 2024: 9.3 years).

(24) Other non-current liabilities

Other non-current liabilities are structured as follows:

IN EUR T	12/31/2025	12/31/2024
Slovenia project subsidy	552	584
Other	131	179
Total	683	763

The construction of the production facility in Slovenia was subsidized with a government grant that is being reversed by way of depreciation and personnel expenses.

(25) Financial liabilities

Financial liabilities are structured as follows:

IN EUR T	12/31/2025	12/31/2024
Shareholder loans (from Fosun Fashion Group (Cayman) Limited and subsidiaries - 12%)	128,114	86,081
Bank loans	487	2,661
Total	128,601	88,742
of which non-current	348	487
of which current	128,253	88,255

Wolford AG's debt financing consists of shareholder loans in the amount of €128,114T (including accrued interest) as of December 31, 2025 (FY 2024: €86,081T) at fixed interest rates (12%) (FY 2024: 12%) and a bank loan of €487T (FY 2024: €2,661T). The tranches of shareholder loans mature at different dates in 2026 or are already overdue but will not need to be repaid in short term because of the subordination of the loans. An increase in interest expense due to the changed interest rate environment is not expected in the short term.

The shareholder loans, some of which are already due but subordinated, total €128,114 (FY 2024: €86,081T) are treated as short-term as depending on the economic development of the group the entity has no right to defer settlement of those liabilities for at least twelve months after the reporting period.



Financial liabilities include accrued interest on shareholder loans amounting to €23,087T (FY 2024: €13,720T).

The following table sets forth shareholder loans received:

AMOUNT IN EUR T	GRANTED	ORIGINAL MATURITY
10,000	Before 01/01/2022	12/31/2023
2,500	01/28/2022	12/31/2023
5,000	05/23/2022	12/31/2023
2,000	06/28/2022	02/18/2023
4,000	07/20/2022	03/12/2023
1,500	07/29/2022	03/21/2023
3,500	08/04/2022	01/28/2023
2,000	08/30/2022	12/21/2022
2,000	11/29/2022	01/27/2023
32,500	12/31/2022	
1,000	07/24/2023	12/20/2023
1,000	07/28/2023	12/20/2023
500	10/24/2023	10/23/2024
1,500	10/30/2023	10/29/2024
1,500	10/31/2023	10/30/2024
3,000	11/17/2023	11/19/2024
1,200	11/28/2023	11/27/2024
42,200	12/31/2023	
1,500	03/28/2024	03/28/2025
2,000	04/17/2024	04/18/2025
1,500	04/23/2024	04/24/2025
2,000	05/29/2024	05/30/2025
1,000	06/14/2024	06/15/2025
250	06/20/2024	06/21/2025
1,000	07/05/2024	07/06/2025
1,000	08/01/2024	08/01/2025
1,000	08/13/2024	08/14/2025
2,000	09/09/2024	09/10/2025
1,300	09/27/2024	09/25/2025
2,000	10/09/2024	10/10/2025
1,000	11/15/2024	11/15/2025
1,000	11/21/2024	11/22/2025
6,000	11/25/2024	11/25/2025
4,500	12/04/2024	12/04/2025
71,250	12/31/2024	
300	04/07/2025	04/07/2026
3,500	08/11/2025	08/11/2026
1,900	09/03/2025	09/03/2026
3,200	09/17/2025	09/17/2026
800	10/03/2025	10/03/2026
2,000	10/21/2025	10/21/2026
1,500	10/28/2025	10/28/2026
5,000	11/27/2025	11/27/2026
89,450	12/31/2025	
AMOUNT IN USD T	GRANTED	MATURITY
1,200	12/08/2023	12/07/2024
100	11/03/2025	11/03/2026
8,500	11/25/2025	11/25/2026
8,160	12/03/2025	12/03/2026
17,960	12/31/2025	

As indicated in the table above, the loans would have been predominantly due as of December 31, 2025, according to their maturity. All loans are unsecured.

In total Fosun Fashion Group (Cayman) Limited granted additional shareholder loans of €18,200T and \$16,760T in financial year 2025 (FY 2024: €29,050T). Refer to section "Transactions with related parties" for further information regarding the shareholder loans.

(26) Trade payables

Trade payables are all current. For further details, please refer to the section 'Financial Instruments'.

(27) Other provisions

in EUR T	AS OF 01/01/2025	CURRENCY DIFFERENCES	UTILIZED	REVERSED	ADDED	CHANGE OF STATEMENT	AS OF 12/31/2025
Current provisions							
Restoration	37	0	-37	5	73	0	78
Provision for onerous contracts	370	1	-15	-225	379	0	510
Other	0	0	0	0	0	0	0
Non-current provisions							
Other	133	0	0	0	1,232	0	1,365
Total	540	3	-52	-220	1,683	0	1,953

in EUR T	AS OF 01/01/2024	CURRENCY DIFFERENCES	UTILIZED	REVERSED	ADDED	CHANGE OF STATEMENT	AS OF 12/31/2024
Current provisions							
Restoration	73	0	-37	0	0	0	37
Provision for onerous contracts	62	0	-15	-49	370	3	370
Other	0	0	0	0	0	0	0
Non-current provisions							
Other	128	0	0	0	6	0	133
Total	263	0	-52	-49	375	3	540

28) Income taxes

Income tax liabilities amounting to €328T (FY 2024: €570T) mainly relate to liabilities of foreign subsidiaries in Germany and UK.

(29) Other current liabilities

Other current liabilities comprise the following:

IN EUR T	12/31/2025	12/31/2024
Liabilities to tax authorities	2,898	5,421
Outstanding vacation entitlement	934	975
Wage and salary obligations	440	538
Other accrued payments	509	147
Liabilities for social security	1,021	1,337
Liabilities for tax advice and audit	883	1,140
Liabilities from variable salary components	1,594	630
Special payments	663	577
Overtime	123	0
Other	3,260	3,020
Total	12,325	13,785
Thereof other current non-financial liabilities	5,639	8,301
Thereof other current financial liabilities	6,686	5,484

The line item "other" primarily comprises debtors with credit balances, levies, expenses for supervisory board as well as publishing costs.

(30) Contract assets, reimbursement and contract liabilities

Contract assets include €9T (FY 2024: €19T) relating to grants provided to retailers for the acquisition of shop fittings.

The contract liabilities recognized pursuant to IFRS 15 include liabilities for vouchers of €1,058T (FY 2024: €1,098T) and accruals for customer returns not yet paid of €1,212T (FY 2024: €129T).

(31) Contingent liabilities

There are rental guarantees amounting to €74T (FY 2024: €250T).

(32) Leasing

In the 2025 financial year, the following amounts were recognized through profit or loss in the context of lease contracts:

IN EUR T	2025	2024
Other income from lease modification	-1,165	-4,221
Depreciation of right of use assets	8,131	10,769
Reversals of impairment losses	-1,035	-280
Impairments on right-of-use assets	4,379	4,804
Expenses for rent and leasing showed as other operating expenses	3,598	4,373
Interest expense on lease liabilities	2,081	3,184
Total	15,989	18,629

The tables below set forth the development of the acquisition costs and accumulated depreciation of right-of-use assets:

Costs

in EUR T	AS OF 01/01/2025	CURRENCY DIFFERENCES	ADDITION	DISPOSAL	AS OF 12/31/2025
Right of use buildings	64,423	-2,911	23,774	-34,210	51,076
Right of use on technical equipment and machinery	0	0	0	0	0
Right of use on other equipment, furniture and fixtures	249	0	178	-78	349
Total	64,672	-2,912	23,952	-34,288	51,425

in EUR T	AS OF 01/01/2024	CURRENCY DIFFERENCES	ADDITION	DISPOSAL	AS OF 12/31/2024
Right of use buildings	87,507	2,332	9,270	-34,685	64,423
Right of use on technical equipment and machinery	51	0	0	-51	0
Right of use on other equipment, furniture and fixtures	321	0	249	-321	249
Total	87,879	2,332	9,519	-35,058	64,672

Accumulated depreciation

in EUR T	AS OF 01/01/2025	CURRENCY DIFFERENCES	IMPAIRMENT	REVERSAL OF IMPAIRMENT LOSSES	ADDITION	DISPOSAL	AS OF 12/31/2025
Right of use buildings	28,719	-1,573	4,379	-1,035	8,034	-17,272	21,252
Right of use on technical equipment and machinery	0	0	0	0	0	0	0
Right of use on other equipment, furniture and fixtures	24	0	0	0	97	-23	98
Total	28,743	-1,573	4,379	-1,035	8,131	-17,295	21,350

in EUR T	AS OF 01/01/2024	CURRENCY DIFFERENCES	IMPAIRMENT	REVERSAL OF IMPAIRMENT LOSSES	ADDITION	DISPOSAL	AS OF 12/31/2024
Right of use buildings	32,703	1,233	4,804	-280	10,703	-20,445	28,719
Right of use on technical equipment and machinery	43	0	0	0	9	-51	0
Right of use on other equipment, furniture and fixtures	238	0	0	0	58	-272	24
Total	32,984	1,233	4,804	-280	10,769	-20,768	28,743

Carrying amounts

in EUR T	AS OF 12/31/2025	AS OF 12/31/2024
Right to use buildings	29,824	35,704
Right of use on technical equipment and machinery	0	0
Right of use on other equipment, furniture and fixtures	251	226
Total	30,075	35,930

The right-of-use assets mainly relate to rights to use commercial buildings (shops), including key money paid, store fixtures, production machinery and motor vehicles.

From additions to right of use amounting to €23,952T (FY 2024: €9,519T), an amount of €2,246T (FY 2024: €3,398T) relates to additions from new rental and relocation of leasing agreements, while €21,706T (FY 2024: €6,121T) relates to additions from modifications. Disposals amounting to €34,288T (acquisition cost) (FY 2024: €35,058T) or €17,295T (cumulative depreciation) (FY 2024: €20,768T) result from early terminations of rental and leasing agreements due.

Due to the decrease in scope of leased stores or early termination of lease contracts, modification gains amounting to €1,165T were recorded as other income in fiscal year 2025. (FY 2024: €4,221T).

As of December 31, 2025, the lease liabilities comprised a portion due in the long term (more than 12 months) in the amount of €27,053T (FY 2024: €31,474T) and a portion due in the short term in the amount of €8,599T (FY 2024: €12,675T). For the development of lease liabilities, please refer to section V. Financial instruments.

IV. NOTES TO THE CASH FLOW STATEMENT

The cash flow statement of the Wolford Group shows the changes in cash and cash equivalents resulting from cash effective transactions during the reporting period. Consistent with IAS 7 a distinction is made between cash flows from operating activities, investing activities and financing activities. The cash flows from operating activities are presented using the indirect method based on the Group's profit before tax. By contrast, cash flows from investment and financing activities are presented directly based on the respective inflows and outflows.

Financial funds correspond to the relevant cash and cash equivalents balance sheet line item and include credit balances and demand deposits at banks, and other financial funds. As of December 31, 2025, restricted cash in the amount of €513T (FY 2024: €1,116T) is reported under other non-current receivables.

The effects of exchange rate movements on cash and cash equivalents are related to the subsidiaries in North America, the UK, Asia, Scandinavia, and Switzerland.

Non-cash expenses and income relate in particular to unrecognized foreign exchange gains and losses, gains from modifications of lease contracts and effects from disposal of assets and depreciation, amortization and impairment of assets.

Cash Flow From Financing Activities in Respect of Financial Liabilities and Related Assets

in EUR T	01/01/2025	INTEREST ADDITION (NON-CASH)	NEW LEASES (NON-CASH)	CASH-FLOW	OTHER (NON-CASH)	12/31/2025
Current financial liabilities	88,742	9,366	0	31,446	-953	128,601
Lease liabilities	44,149	0	2,274	-12,517	1,746	35,652
Total financial liabilities	132,891	9,366	2,274	18,929	793	164,253

in EUR T	01/01/2024	INTEREST ADDITION (NON-CASH)	NEW LEASES (NON-CASH)	CASH-FLOW	OTHER (NON-CASH)	12/31/2024
Current financial liabilities	51,494	6,377	0	30,911	0	88,742
Lease liabilities	62,522	0	3,368	-10,830	-10,911	44,149
Total financial liabilities	114,016	6,377	3,368	20,081	-10,911	132,891

The movements in non-current and current financial liabilities are presented in the cash flow statement. Other non-cash movements mainly relate to modifications of lease liabilities due to changes in existing lease contracts in the current financial year, as well as to exchange rate effects.

Cash flow from lease liabilities amounting to €14,598T (FY 2024: €14,016) comprise repayment portion of €12,517T (FY 2024: €10,830T) and the interest payment of €2,081T (FY 2024: €-3,186T).

The total interest paid was €4,578T which includes interest paid for lease contracts amounting to €2,081T (FY 2024: €-3,186T), interest on loans €1,939T (FY 2024: 0€) as well as interest payments for other interest paid amounting to €558T (FY 2024: €426T).

Due to exchange rate translation, the changes in those balance sheet line items that are presented in the cash flow statement cannot be derived directly from the balance sheet.

V. FINANCIAL INSTRUMENTS

Financial Risk Management

Objectives and Methods of Financial and Capital Management

The objective of financial risk management is to record and assess uncertainty factors that could negatively impact the company's business performance. The most important objective of Wolford's financial and capital management is to ensure sufficient liquidity at all times to enable the Group to offset seasonal fluctuations customary to its sector and finance its further strategic growth.

Due to its use of financial instruments, the Wolford Group is exposed in particular to the following risks:

- Capital risk
- Credit and default risk
- Interest rate risk
- Currency risk
- Liquidity Risk

The Group is exposed to an increased liquidity risk due to the earnings situation.

Material primary financial liabilities as of the balance sheet date comprise trade payables and shareholder loans entered into from 2021 onwards. Wolford has various financial assets such as trade accounts receivable and bank balances, cash in hand and short-term deposits resulting directly from its business activities.

Wolford was not party to any hedge transactions or stand-alone derivatives either in the 2025 and 2024 financial years.

Capital Risk Management

The preservation of liquidity and the achieving a healthy financial basis are the main focus of the corporate strategy of the Group. The management of the liquidity is carried out, among others, through ongoing liquidity planning by the Management and the corresponding regular monitoring of key performance indicators.

In general, the capital management across the Group strongly correlates with the liquidity planning. Accordingly, a weekly reporting about the group-wide liquidity takes place, the basis for deriving the freely available liquidity. This report is transferred to the Management Board. The weekly report is the basis of further future-oriented forecasts. The liquidity forecasts are prepared regularly and include a time frame of usually 2/3 months (it can reach a full year forecast in case specific review is required). The Group initiates measures, e.g. cost savings programmes, if there are deviations from the minimum requirements between the actual and the scheduled key figures and an improvement of the key figures is not expected in the short or medium term. One of the further operative measures, in addition to cost saving and cost shifting programs, is intercompany financing within the Group. However, if this is not possible, the Group refers to financing by third parties. In this case the capital/liquidity requirement is covered by interest-bearing loans.

In the previous years Wolford faced a difficult financial position. Cash flows from operating activities and other sources of financing were not sufficient to meet its regular payment obligations. Capital management has therefore been a challenge, but was and is a highly important focus

area with the clear target to lead the group to a stable growth situation and overcome the financial challenges.

Currently, the Wolford Group is dependent on borrowed capital and external financing granted on favourable terms. Wolford has covered its past financing requirements through shareholder loans from its main shareholder. For further information on shareholder loans and amounts outstanding please refer to Note (25).

The management and adjustment of the capital structure of the Group is carried out in accordance with changes in economic conditions. The central corporate goal is profitable growth and an increase in free cash flow.

The primary objective of capital risk management is to minimize the company's financing costs by achieving a high equity ratio and a sound credit rating, thereby keeping any negative effects on earnings as low as possible. In this respect, there is no change compared to the previous year.

The key indicator used in the Group's capital risk management is the gearing ratio, which presents the ratio of net debt to equity. Net debt is defined as non-current and current financial liabilities less non-current financial assets and cash and cash equivalents. The development in this key figure in recent years is presented in the following table:

in EUR MILLION	12/31/2025	12/31/2024
Financial liabilities	128.60	88.74
- Financial assets	-1.03	-1.05
- Cash and cash equivalents	-8.38	-3.44
Net debt (excl. leases)	119.19	84.25
Equity	-114.63	-88.44
Gearing in %	-104.0	-95.3

As a result of increased financial liabilities in the financial year and the negative total comprehensive loss in 2025 and 2024, there was increased net debt and a significant deterioration in the equity base.

Credit Risk

The Wolford Group only concludes business transactions with creditworthy third parties. The creditworthiness of new customers is checked, particularly in the Group's wholesale business.

As far as the online business is concerned, the company works with an external credit check provider to assess the creditworthiness of customers when they place their orders. Furthermore, incoming orders are continually monitored and checked by the relevant online shop managers.

Trade receivables mainly relate to the wholesale business. To monitor default risk, customers are structured into categories according to their creditworthiness. When determining the recoverability of trade receivables, all changes in the creditworthiness of customers from the initial establishment of payment terms through to the balance sheet date and subsequently are considered. There are no material concentrations of credit risks because individual debtors account

for a low share of total receivables and there is no correlation between individual items. The decrease in trade receivables is due to different timing in collection in comparison to the previous year as well as to the reduced revenue.

Trade receivables are measured using the simplified model "expected credit loss (ECL)" based on all possible default events during the expected term. For this purpose, the impairment requirement is determined as part of an impairment matrix by analysing the past and estimating future trends.

Receivables are impaired at the latest upon being handed over to an attorney/debt collector/court (level 3). The allowances recognized on trade receivables developed as follows:

IN EUR T	12/31/2025	12/31/2024
Jan. 1	3,319	2,661
Added (+) / reversed (-)	1,113	1,322
Utilized	-48	-697
Currency differences	-99	33
Dec. 31	4,285	3,319

The following tables present information about the default risk and the expected credit losses for trade receivables at December 31, 2025, and December 31, 2024

12/31/2025 in EUR T	LOSS RATE	GROSS CARRYING AMOUNT	IMPAIRMENT LOSSES
Wholesale	39.49%	10,623	4,195
ECL receivables	1.48%	6,081	90
Receivables (credit impaired)	90.38%	4,542	4,105
Online	5.29%	1,701	90

12/31/2024 in EUR T	LOSS RATE	GROSS CARRYING AMOUNT	IMPAIRMENT LOSSES
Wholesale	27.15%	11,893	3,229
ECL receivables	0.65%	5,982	40
Receivables (credit impaired)	53.95%	5,911	3,189
Online	65.40%	138	90

Uncollectible receivables are derecognized. A receivable is deemed definitively “uncollectible” when an attorney/debt collector/court confirms it as such. With respect to trade receivables that are neither impaired nor overdue, there were no indications at the balance sheet date that customers would be unable to meet their contractual obligations.

The following table shows the risk profile of trade receivables based on the impairment matrix:

in EUR T	12/31/2025	12/31/2024
Trade receivables after impairment losses	8,039	8,712
Not yet due	4,010	1,380
overdue 1-30 days	1,083	1,257
overdue 31–60 days	702	495
overdue 61–90 days	1,656	2,949
overdue 91–120 days	0	1,151
overdue > 121 days	588	1,480

Interest Rate Risk

The Group's exposure to interest rate risk arises primarily from variable rate financing. A change in the general interest rate level could lead to an increase or decrease in interest expenses.

The interest for the shareholder loans is fixed at 12%. Interest of long term bank loans is both, variable and fixed. Due to the limited importance of variable-rate liabilities, there is no significant interest rate risk.

Currency Risk

Currency risk refers to the risk of fluctuations arising in the value of financial instruments due to changes in exchange rates. This risk occurs when transactions are handled in currencies other than the company's functional (local) currency. Risks relating to exchange rates from existing foreign currency receivables and payables, as well as from planned sales, are reviewed monthly by Group Treasury using liquidity planning. No hedging transactions were concluded either in the financial year or in the previous financial year.

Wolford's subsidiaries generally conduct transactions, sales, leases, personnel expenses, including the purchase of goods from the manufacturing companies in Austria and Slovenia, in their own functional currency. The exception is the intragroup purchase of goods by the Chinese company. Accordingly, the exchange rate risk on intra-group sales lies predominantly with Wolford AG.

Management analysed the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Group's net loss is due to changes in the fair value of monetary assets and liabilities. The Group's exposure to foreign currency changes for all other currencies is not material. A change in the USD exchange rate based on consolidated balance sheet excluding intercompany effect of +/- 10% would result in an increase of €416T (2024: €86T) or decrease of €507T (2024: €105T) in net loss.

Liquidity Risk

Liquidity risk refers to the risk of not being able to obtain funds at all times in order to settle financial liabilities on time. At the Wolford Group, liquidity risks are managed and financial risks monitored by the central treasury department. This department compiles weekly and monthly liquidity forecasts for the overall Group and reports to the Management Board on the current financial status.

To ensure solvency, the Wolford Group holds liquidity in the form of bank balances, the majority of which are available on a daily basis, in order to be able to service expected operating expenses and financial liabilities. The world economy in 2025 was recovering slowly and inequality and geopolitical tensions between major economies (the United States, China, Russia) and wars like in Ukraine or Gaza, resulted in uncertainties that lead to intensified monitoring of liquidity.

We refer to chapter "Going Concern" in this respect.

In the financial year 2025, additional shareholder loans with a fixed interest rate of 12% per annum were granted by Fosun Fashion Group (Cayman) Limited. For further information please refer to Note (25).

As regards the shareholder loans, the Group has not given any assurances to financing shareholders regarding financial covenants.

The following table is based on the undiscounted cash flows (interest and principal) of financial liabilities and shows the remaining terms of the financial liabilities held by the Group:

in EUR T	CARRYING AMOUNT, 12/31/2025	CASH FLOW 2026 Q1	CASH FLOW 2026/Q2-Q4	CASH FLOW 2027-2030	CASH FLOW 2031 AND BEYOND
Lease liabilities	35,652	2,417	7,250	21,442	9,721
Financial liabilities	128,601	44	135	0	203,734*
Trade payables	9,263	5,735	3,528	0	0
Other financial liabilities (current)	6,686	2,749	3,937	0	0
Total	180,202	10,945	14,850	21,442	213,455

*) Financial liabilities relate to shareholder loans from Fosun Fashion Group (Cayman) Limited are presented as short-term in the balance sheet as the Group has no right to defer settlement for at least 12 months after the reporting period. However, due to the contractual terms of the loans repayment may occur only upon satisfaction of specific conditions which are described in the Going Concern section above, Management expects that these conditions will not be satisfied before 2031.

in EUR T	CARRYING AMOUNT, 12/31/2024	CASH FLOW 2025 Q1	CASH FLOW 2025/Q2-Q4	CASH FLOW 2026-2029	CASH FLOW 2030 AND BEYOND
Lease liabilities	44,149	3,606	10,819	15,848	21,583
Financial liabilities	88,742	0	2,661	106,740	0
Trade payables	25,083	1,100	23,983	0	0
Other financial liabilities (current)	5,483	2,307	3,176	0	0
Total	163,457	7,013	40,639	122,588	21,583

Primary Financial Instruments

The primary financial instruments held by the Wolford Group are reported on the balance sheet. On the asset side, financial instruments comprise securities, cash and cash equivalents, trade receivables and other financial receivables. On the liabilities side, financial instruments comprise interest-bearing financial liabilities, trade payables and other financial liabilities. The carrying amounts of the primary financial instruments reported on the balance sheet are largely equivalent to their fair values. The amounts recognized also represent the maximum default risks as no offsetting agreements are in place.

Fair Value

The following hierarchy is used to determine and report the fair values of financial instruments in line with the respective valuation method:

- Level 1: Listed prices for identical assets or liabilities on active markets;
- Level 2: Input factors other than listed prices that are observable for assets and liabilities either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- Level 3: Input factors for assets and liabilities that are not based on observable market data.

The financial assets reported in Level 1 include publicly listed investment fund shares. As in the previous year, no items were reclassified between Levels 1 and 3 in 2025 and 2024 financial year.

12/31/2025 in EUR T	LEVEL 1	LEVEL 2	LEVEL 3
Non-current assets			
Non-current financial assets	1,033	0	0
Total	1,033	0	0
12/31/2024 in EUR T			
Non-current assets			
Non-current financial assets	1,054	0	0
Total	1,054	0	0

The carrying amounts of cash and cash equivalents, trade accounts receivable and payable, and current liabilities can be considered reasonable estimates of their fair values due to the short-term nature of these assets and liabilities.

The acquisition cost, fair values, and carrying amounts of non-current financial assets are as follows:

12/31/2025 in EUR T	ACQUISITION COSTS	FAIR VALUE = CARRYING AMOUNT	REALIZED PROFITS/LOSSES
Non-current assets			
Investment fund shares	1,398	1,033	-365
Total	1,398	1,033	-365

12/31/2024 in EUR T	ACQUISITION COSTS	FAIR VALUE = CARRYING AMOUNT	REALIZED PROFITS/LOSSES
Non-current assets			
Investment fund shares	1,398	1,054	-344
Total	1,398	1,054	-344

Carrying amounts and fair values of financial instruments based on measurement criteria, maturities, and classes

The following table shows the reconciliation of the carrying amounts of financial instruments with IFRS 9 measurement categories:

12/31/2025 in EUR T	VALUATION CATEGORY IN ACCORDANCE WITH IFRS 9	CARRYING AMOUNT	FAIR VALUE	CURRENT	NON-CURRENT
Cash and cash equivalents	AC	8,375	8,375	8,375	0
Trade receivables	AC	8,039	8,039	8,039	0
Other financial receivables and assets	AC	1,703	1,703	0	1,703
Non-current financial assets	FVPL	1,033	1,033	0	1,033
Total		19,150	19,150	16,414	2,736
Trade payables	AC	9,263	9,263	9,263	0
Financial liabilities	AC	128,601	128,601	128,253	348
Other financial liabilities (non-current)	AC	0	0	0	0
Other financial liabilities (current)	AC	6,686	6,686	6,686	0
Total		144,550	144,550	144,202	348

12/31/2024 in EUR T	VALUATION CATEGORY IN ACCORDANCE WITH IFRS 9	CARRYING AMOUNT	FAIR VALUE	CURRENT	NON-CURRENT
Cash and cash equivalents	AC	3,441	3,441	3,441	0
Trade receivables	AC	8,712	8,712	8,712	0
Other financial receivables and assets	AC	7,540	7,540	0	7,540
Non-current financial assets	FVPL	1,054	1,054	0	1,054
Total		20,747	15,959	12,153	3,806
Trade payables	AC	25,083	25,083	25,083	0
Financial liabilities	AC	88,742	88,742	88,255	487
Other financial liabilities (current)	AC	5,483	5,483	5,483	0
Total		119,308	119,308	118,821	487

Valuation categories in accordance with IFRS 9:

AC: Valuation at amortized cost

FVPL: Fair value through profit and loss

No financial assets have been pledged as of either December 31, 2024 or December 31, 2025.

Net Results by Class

2025 in EUR T	FROM INTEREST	FROM SUBSEQUENT MEASUREMENT AT FAIR VALUE	FROM ALLOWANCES	TOTAL RECOGNIZED IN PROFIT AND LOSS
Cash and cash equivalents (AC)	0	0	0	0
Trade receivables (AC)	0	0	-1,129	-1,129
Assets measured at fair value through profit or loss (FVPL)	0	-21	0	-21
Financial liabilities and lease liabilities (AC)	-13,996	0	0	-13,996
Net results	-13,996	-21	-1,129	-15,146

2024 in EUR T	FROM INTEREST	FROM SUBSEQUENT MEASUREMENT AT FAIR VALUE	FROM ALLOWANCES	TOTAL RECOGNIZED IN PROFIT AND LOSS
Cash and cash equivalents (AC)	9	0	0	9
Trade receivables (AC)	0	0	-1,074	-1,074
Assets measured at fair value through profit or loss (FVPL)	0	-21	0	-21
Financial liabilities and lease liabilities (AC)	-9,948	0	0	-9,948
Net results	-9,939	-21	-1,074	-11,034

IV. OTHER DISCLOSURES

Auditor's fees

The expenses for services performed by the auditor of the respective consolidated financial statements are structured as follows:

IN EUR T	2025	2024
Fees for consolidated and annual financial statements	301	360
Other services	0	0
Total	301	360

At the Extraordinary General Meeting on November 13, 2025, Forvis Mazars Audit GmbH Wirtschaftsprüfungsgesellschaft, Kärntner Ring 5-7, 1015 Vienna, was appointed as auditor for the company's annual financial statements in accordance with the Austrian Company Code (UGB) for the 2025 financial year and as auditor of the IFRS consolidated financial statements for 2025.

Transactions with Related Parties

The respective transactions take place at market conditions.

Supplier relationships

2025 in EUR T	FOSUN FASHION GROUP (CAYMAN) LIMITED	OTHER RELATED PARTIES	TOTAL
Transaction	-9,366	-2,463	-11,829
Status of receivables and other receivables	0	758	758
Status of liabilities	0	-253	-253
Status of payables and other liabilities	-128,114	-1,752	-129,866

2024 in EUR T	FOSUN FASHION GROUP (CAYMAN) LIMITED	OTHER RELATED PARTIES	TOTAL
Transaction	-6,337	-2,859	-9,196
Status of receivables and other receivables	0	529	529
Status of lease liabilities	0	-163	-163
Status of payables and other liabilities	-86,081	1,549	-84,532

Other related parties comprise companies within the Fosun Group, with which the Group carries out transactions in the ordinary course of business. As of December 31, 2025, shareholder loans totaling €105,027T (FY 2024: €72,361T) were granted from Fosun Fashion Group (Cayman) Limited and its subsidiaries. As of December 31, 2025, interest for those shareholder loans of €23,087T (FY 2024: €13,720T) was accrued. During financial year 2025 and 2024, no repayments of the loans or interest payments were made. All loans have been granted at an interest rate of 12% p.a. resulting in interest expense for fiscal year 2025 of €9,366T (FY 2024: €6,337T).

As of December 31, 2025, there is a financial liability to the shareholder in the amount of €128,114T (FY 2024: €86,081T) (including accrued interest).

As of February 1, 2019, the Wolford Group entered into a business relationship with Fosun Fashion Brand Management (FFBM) in order to reinforce and extend its market presence in China. FFBM is a subsidiary of Fosun Fashion Group (Cayman) Limited and acts on behalf of Wolford as a full-service provider focusing on sales and marketing. As well as extending market access, FFBM is also responsible for the operating management of all wholesale and retail channels, as well as for online retail. The contract between FFBM and Wolford provides for monthly payment of a fixed amount and performance-based commission for each distribution channel (retail, wholesale, online). A total of €474T was incurred to FFBM in the financial year (FY 2024: €511T); the amount of outstanding payables as of December 31, 2025, is €706T (FY 2024: €289T).

The ultimate beneficial owner of Fosun Fashion Brand Management (FFBM) is Mr. Guangchang Guo, who as of December 31, 2022, is also the ultimate beneficial owner of FFG Wisdom (Luxembourg) S.à.r.l., which owns 74.7% of the shares in Wolford after the capital increase in June 2025.

Disclosures on the Management and Supervisory Boards

2025 in EUR T	BENEFITS	OTHER BENEFITS	SEVERANCE COMPENSATION	POST-EMPLOYMENT BENEFITS	TOTAL REMUNERATION
Expenses for members of the Management Board	677	0	0	0	677
of which variable	97	0	0	0	97
Former members of the Management Board	0	0	0	311	311
Total	677	0	0	311	988

In 2025 bonuses in the amount of €97T (FY 2024: €0T) were paid and €140T (FY 2024: €0T) was reserved for financial year 2025.

2024 in EUR T	BENEFITS	OTHER BENEFITS	SEVERANCE COMPENSATION	POST-EMPLOYMENT BENEFITS	TOTAL REMUNERATION
Expenses for members of the Management Board	824	72	663	0	1,559
of which variable	0	0	0	0	0
Former members of the Management Board	0	0	0	296	296
Total	824	72	663	296	1,885

Expenses for remuneration to the Supervisory Board amounted to €6T in the financial year (FY 2024: €53T). No advances were paid out in 2025 and 2024 financial years, nor were there any liabilities for members of the Management Board or the Supervisory Board. There were no off-balance sheet transactions.

None of the Supervisory Board members maintain any business or personal relationships with the company or its Management Board that provides grounds for a material conflict of interests and is therefore suited to influence the conduct of the respective Supervisory Board member. The same applies to members of the Management Board.

The members of the Management Board in the 2025 financial year were:

- Ralf Polito, Chief Operating Officer (COO) since April 17, 2023
- Rimbart Regis, member of the Management Board since May 6, 2024; Chief Executive Officer from June 14, 2024 to January 17, 2025
- Giordano Domenico, Chief Human Resources Officer (CHRO) since August 1, 2024 until July 31, 2025
- Marco Pozzo, member of the Management Board and Deputy Chief Executive Officer (Deputy CEO) since July 7, 2025; Chairman of the Management Board and Chief Executive Officer (CEO) since March 1, 2026.

The Supervisory Board of Wolford AG has decided to appoint Marco Pozzo as a new member to the Management Board for a period of three years and Deputy Chief Executive Officer (Deputy CEO) with effect from July 7, 2025 and then Chairman of the Management Board and Chief Executive Officer (CEO) since March 1, 2026.

Domenico Giordano's one-year term as a member of the Management Board ended on July 31, 2025. During his term as a member of the Management Board, Domenico Giordano served as Chief Human Resources Officer (CHRO).

The members of the Supervisory Board in the 2025 financial year have been:

- David Chan, Chairman until September 17, 2022, Deputy Chairman from June 27, 2024 until February 21, 2025, Chairman of the supervisory board from February 21, 2025 until October 21, 2025, Deputy Chairman from October 21, 2025 until November 08, 2025, member from November 08, 2025 until November 27, 2025
- Jiyang Han, member since November 27, 2025
- Eric Chan, chairman from June 27, 2024 until June 06, 2025
- Jianhua Wu, member from June 27, 2024 until September 26, 2025
- Yun Wu, member as of June 27, 2024, Deputy Chairman since November 08, 2025
- Andy Lew, member since September 26, 2025, Chairman since October 21, 2025
- Gong Cheng, member since September 26, 2025

The 38th Annual General Meeting took place on July 29, 2025.

The Work Council's representatives on the Supervisory Board in the 2025 financial year were:

- Alexander Greußing since February 02, 2021
- Christian Greußing since February 21, 2023

The terms of office of the Supervisory Board members and the composition of the Supervisory Board committees are presented in the Corporate Governance Report.

Events After the Balance Sheet Date

After the balance sheet date, there were no events requiring an adjustment of the financial statements. However, subsequent to the reporting date, liquidity-related measures were implemented. In March 2026, main shareholder Lanvin Group Holdings Limited signed a letter of support to further support the Company's liquidity position and secure its going concern. In particular, Lanvin Group Holdings Limited grants additional funds of at least €15,000,000.00. The letter of support was also signed by Fosun Fashion Group (Cayman).

In February and March 2026, Wolford was granted two additional shareholder loans by Fosun Fashion Group (Cayman) Limited, amounting in total to €5,500,000.00.

The support is intended to cover the liquidity needs of the Company for the foreseeable future, i.e. until the completion of the ongoing restructuring phase. The amount indicated is based on the Group's current rolling liquidity forecast and projected funding requirements.

On 29 July 2025, the 38th Annual General Meeting of Wolford AG resolved to increase the company's share capital from EUR 14,868,447.00 by up to EUR 7,688,476.00 to up to EUR 22,556,923.00 by issuing up to 7,688,476 new ordinary bearer shares (no-par value shares) against cash contributions. The Management Board was authorized to carry out the capital increase by January 31, 2026 and to set the subscription period and other details of the implementation. However, exploratory discussions with the majority shareholder indicated that proceeding with the capital increase within the authorized timeframe was not economically viable given the anticipated subscription volume of new shares. The decision not to implement the capital increase is not expected to affect the company's ability to meet its liquidity requirements. The majority shareholder has emphasized the long-term strategic importance of Wolford AG and confirmed that the company will continue to receive financial support, including through shareholder loans. In light of this, the Management Board has decided to allow the implementation period to expire and not to carry out the capital increase. It will propose to the next Annual General Meeting that the resolution authorizing the capital increase be revoked.

The Supervisory Board of Wolford AG has resolved to appoint Marco Pozzo as Chief Executive Officer (CEO) and Chairman of the Management Board of Wolford AG, effective March 1, 2026, after stepping in as a member of the Management Board on July 7, 2025.

The Management Board of Wolford AG approved the consolidated financial statements for submission to the Supervisory Board on April 16, 2026. The Supervisory Board is required to perform its own review of the consolidated financial statements and to declare whether it has approved them.

Bregenz, April 16, 2026

Marco Pozzo
Chairman of the Management Board
CEO
Chief Executive Officer



Ralf Polito
COO
Chief Operating Officer



Declaration by the Management Board of Wolford AG

PURSUANT TO SECTION 124 (1) NO. 3 BÖRSEG

We hereby confirm to the best of our knowledge that the consolidated financial statements as of December 31, 2025, give a true and fair view of the financial position, financial performance and cash flows of the Group as required by the applicable accounting standards and that the Group management report presents the business earnings and the position of the Group in such a way that creates a true and fair view of its financial position, financial performance and cash flows, together with a description of the principal risks and uncertainties to which the Group is exposed.

We confirm to the best of our knowledge that the annual financial statements as of December 31, 2025, give a true and fair picture of the financial position, financial performance and cash flows of the parent company as required by the applicable accounting standards and that the Management Report presents the business earnings and the position of the company in such a way that creates a true and fair view of its financial position, financial performance and cash flows, together with a description of the principal risks and uncertainties to which the company is exposed.

Bregenz, April 16, 2026

Marco Pozzo

Chairman of the Management Board

CEO

Chief Executive Officer



Ralf Polito

COO

Chief Operating Officer



Auditor's report

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Audit Opinion

We have audited the accompanying consolidated financial statements of

Wolford Aktiengesellschaft, Bregenz,

and of its subsidiaries (the Group) comprising consolidated statements of comprehensive income and Group Cash Flow for the fiscal year then ended, the consolidated balance sheet as of December 31, 2025, the consolidated statement of changes in equity and the notes to the consolidated financial statements. Based on our audit the consolidated financial statements were prepared in accordance with the legal regulations and present fairly, in all material respects, the assets and the financial position of the Group as of December 31, 2025 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the EU (IFRS), and the additional requirements of § 245a UGB.

Basis for Opinion

We conducted our audit in accordance with the regulation (EU) no. 537/2014 (in the following "EU regulation") and in accordance with Austrian Standards on Auditing. Those standards require that we comply with International Standards on Auditing (ISAs). Our responsibilities under those regulations and standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Group in accordance with the Austrian General Accepted Accounting Principles and professional requirements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained until the date of this auditor's report is sufficient and appropriate to provide a basis for our opinion by this date.

Material Uncertainty Related to Going Concern

We draw attention to Section (1) "Accounting Principles", subsection "Going Concern" in the notes to the consolidated financial statements, which describes that the Group incurred a net group loss for the financial year ended 31 December 2025 in the amount of kEUR -57,247 and reports negative equity of kEUR -114,634 as at that date.

As set out in Section (1) "Accounting Principle", subsection "Going Concern" in the notes to the group financial statements, there is a risk that the going concern assumption may not be maintained and that insolvency may occur if the committed additional liquidity funding of up to EUR 15,000,000.00 by 31 December 2027 is delayed or proves to be insufficient due to budgets and/or forecasts not being achieved.

Our audit opinion is not modified in respect of this matter.

Other Matter

The consolidated financial statements of the Company for the financial year ended 31 December 2024 were audited by another statutory auditor, who issued an unmodified audit opinion on those consolidated financial statements on 30 April 2025

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the fiscal year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have identified the following key audit matter:

- Impairment of non-financial assets

See Notes (2.4) "Estimation Uncertainties and Assumptions", (4) "Significant Accounting Policies", subsection "Property, Plant and Equipment, Goodwill, Leases and Impairment", and Note (II) "Notes to the Consolidated Statement of Comprehensive Income", subsection (7) "Depreciation and amortization, impairment and reversals of impairment losses" in the notes to the consolidated financial statements.

Risk for the financial statements

In the consolidated financial statements as at 31 December 2025, Wolford Aktiengesellschaft recognises property, plant and equipment (including right-of-use assets) amounting to MEUR 34.5 and other intangible assets amounting to MEUR 2.4. Of the property, plant and equipment, MEUR 30.1 relates to right-of-use assets arising from lease arrangements.

In performing the impairment tests, the legal representatives are required to make significant assumptions and estimates in assessing whether an impairment loss exists and, where applicable, in quantifying such impairment losses. The principal risk relates to the estimation of future cash flows and discount rates applied in determining the value in use.

For this reason, this matter was determined to be a key audit matter.

Our audit approach

In auditing the recoverability of property, plant and equipment and intangible assets, we performed, among others, the following key audit procedures:

- We assessed the design and implementation of the impairment assessment process, with particular consideration of right-of-use assets recognised in accordance with IFRS 16.
- We evaluated the definition of cash-generating units and assessed the allocation of assets and liabilities to these cash-generating units.

- We evaluated the applied valuation methodology and the mathematical accuracy of the documentation and calculations provided, including the plausibility of the applied discount rates.
- We reviewed the planning documentation and assessed the plausibility and analysis of the key assumptions underlying the impairment tests.
- We assessed whether the disclosures in the notes to the consolidated financial statements relating to the impairment tests performed and the associated assumptions are appropriate.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the Group's management report and the auditor's report thereon. The annual report, is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, as soon as it is available, and, in doing so, consider whether - based on our knowledge obtained in the audit - the other information is materially inconsistent with the consolidated financial statements or otherwise appears to be materially misstated.

Responsibilities of Management and of the Audit Committee for the Consolidated Financial Statements

Management is responsible for the preparation of the consolidated financial statements in accordance with Austrian Generally Accepted Accounting Principles, for them to present a true and fair view of the assets, the financial position and the financial performance of the Group and for such internal controls as management determines are necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the EU regulation and Austrian Standards on Auditing, which require the application of ISAs, will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the EU regulation and Austrian Standards on Auditing, which require the application of ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.
- We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.
- We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

- From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Comments on the Management Report for the Company

Pursuant to Austrian Generally Accepted Accounting Principles, the Group management report is to be audited as to whether it is consistent with the consolidated financial statements and as to whether it was prepared in accordance with the applicable legal regulations.

Management is responsible for the preparation of the Group's management report in accordance with Austrian Generally Accepted Accounting Principles.

We conducted our audit in accordance with Austrian Standards on Auditing for the audit of the Group's management report.

Opinion

In our opinion, the management report for the group was prepared in accordance with the valid legal requirements, comprising the details in accordance with section 243a UGB (Austrian Company Code)," and is consistent with the consolidated financial statements.

Statement

Based on the findings during the audit of the consolidated financial statements and due to the thus obtained understanding concerning the Group and its circumstances no material misstatements in the Group's management report came to our attention.

Supplemental information

With regard to the material uncertainties related to going concern, we refer to the section "Financial Review" in the group management report, which describes the analysis of the Company's financial position. Furthermore, we refer to the section "Outlook and Targets", which addresses the expected future development of the Group, as well as to the disclosures on liquidity risk and going concern risk in the group management report.

Additional information in accordance with article 10 of the EU regulation

We were elected as auditor by the extraordinary general meeting at November 13, 2025. We are acting as auditors of the consolidated financial statements of the Group for the first time for the financial year 2025.

We confirm that the audit opinion in the section "Report on the consolidated financial statements" is consistent with the additional report to the audit committee referred to in article 11 of the EU regulation.

We declare that no prohibited non-audit services (article 5 par. 1 of the EU regulation) were provided by us and that we remained independent in conducting the audit.

We provided the following services, in addition to the statutory audit, to the audited company and its controlled undertakings, which have not been disclosed in the Group's management report or in the consolidated financial statements.

Responsible Austrian Certified Public Accountant

The engagement partner is Mr. Günther Mayrleitner, Certified Public Accountant

Vienna, 17.04.2026

**Forvis Mazars Audit GmbH
Wirtschaftsprüfungsgesellschaft**

Günther Mayrleitner
Auditor

This report is a translation of the original report in German, which is solely valid.

Publication or sharing with third parties of the group financial statements together with our auditor's opinion is only allowed if the financial statements and the management report are identical with the audited version.. This audit opinion is only applicable to the German and complete financial statements with the management report. Section 281 paragraph 2 UGB (Austrian Company Code) applies to alternated versions.

04

ADDITIONAL INFORMATION

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At our 132 monobrand points of sale, we bring our brand to customers worldwide.





The Wolford Group at a Glance

Wolford is a global leader in skinwear, renowned for its commitment to innovation, quality, and timeless design. With a presence in 41 countries, Wolford operates 132 monobrand points of sale and collaborates with approximately 1,068 wholesale retailers worldwide. Founded in Austria, the company develops its designs in Milan, Italy—one of the world's fashion capitals—and produces them at its headquarters in Bregenz, near Lake Constance, as well as in Murska Sobota, Slovenia, both regions known for their long-lasting expertise in textile production.

At the close of the financial year, Wolford employed 642 full-time equivalents (FTE). Of these, 167 FTEs were based between the Bregenz production facility and the newly established, modern office in Hard, which houses the company's administrative departments. Established in Bregenz in 1950, Wolford has been listed on the Vienna and Frankfurt Stock Exchanges since 1995. Since 2018, the company has been part of Lanvin Group, the international luxury fashion conglomerate established by its Chinese majority shareholder, Fosun. On December 15, 2022, Lanvin Group was publicly listed on the New York Stock Exchange (NYSE).

Wolford's sales are driven primarily by legwear, which accounts for 44% of revenue, followed by ready-to-wear at 43%. Additional categories contribute as follows: lingerie accounts for 12% of revenue, while swimwear and other product lines represent 1%.

The brand architecture is built around three complementary pillars, designed to cater to the diverse needs and desires of modern women:

ESSENTIALS - The foundation of Wolford's product offering, featuring its most timeless and iconic styles across all categories. This collection represents approximately 73% of sales.

TREND COLLECTIONS - Seasonal collections that closely reflect current trends while expressing Wolford's identity and embracing a contemporary vision of femininity, with the clear objective of remaining competitive and attracting new customers. This segment now accounts for 27% of total sales.

FASHION LAB The most avant-garde facet of the brand, where creativity, technology, and design converge. This category, which includes collaborations with acclaimed designers and renowned brands, represents 1% of sales and is an essential part of Wolford's identity.

With a legacy rooted in craftsmanship and a forward-thinking approach to fashion, Wolford continues to redefine luxury essentials for women worldwide.

OUR BLEND OF INNOVATION AND TRADITION

Since its founding in 1950 in Bregenz on Lake Constance, Wolford has evolved from a producer of pure silk and rayon stockings into a global leader in exclusive skinwear for women. This success has been driven by Wolford's pioneering seamless technology, meticulously developed and refined over the years. Combining innovative craftsmanship with the finest yarns and strict quality controls, Wolford ensures unmatched comfort and product excellence—hallmarks of the brand's identity.

With generations of expertise, Wolford has consolidated its position as an industry leader. The company's production facilities also house a dedicated R&D department, a doubling mill, a steaming facility, a dyeing room, a molding workshop, and a proprietary color laboratory. Together, these components form a cutting-edge, sustainable manufacturing hub, all managed in-house to uphold Wolford's commitment to quality and innovation.

For over seven decades, Wolford has been at the forefront of groundbreaking product innovations, captivating consumers worldwide. From the iconic *Miss Wolford* tights introduced in 1977 to the revolutionary *Pure* series in 2014, each product has delivered a unique blend of transparency, shaping, comfort, invisibility, and adaptable waist sizes.

Wolford's dedication to textile research has led to the development of exclusive yarns, most notably enabling the creation of the world's first seamless bodysuit in 1992, an innovation that transformed the intimate apparel market and remains a cornerstone of the brand's success. This commitment to innovation extends to Wolford's bra designs, exemplified by the seamless *3W Skin Bra*, launched in January 2017. Crafted from a single piece of fabric without clips, it offers a second-skin sensation and unparalleled wearability, embodying the exceptional quality that defines every Wolford creation.

In September 2018, Wolford took a major step toward sustainability with the launch of its first biodegradable collection, featuring sweaters, T-shirts, and leggings. Developed as part of the Austrian Smart Textiles industry initiative, these eco-friendly products reinforced the company's commitment to environmental responsibility.

Building on this progress, Wolford became the first company in the apparel and textile industry to receive the prestigious Cradle to Cradle Certified™ Gold award in April 2019, recognizing its dedication to fully recyclable fashion. The launch of *Aurora 70* in 2020 marked another milestone, introducing the first recyclable tights on the market.

Further information on Wolford's sustainability initiatives can be found in the Wolford AG Sustainability Report, available online at company.wolford.com under the "Investor Relations" section.

In 2019, Wolford expanded its brand DNA with the introduction of *The W*, a dedicated athleisure and leisure line that embodies contemporary elegance and effortless versatility. Designed to align with modern lifestyles, *The W seamlessly* blends comfort and style, offering sophisticated essentials that move in harmony with the body while reflecting the brand's commitment to innovation and quality.

Wolford continues its ongoing research and develops its efforts to further strengthen its core business, the *Essentials* collection, through the introduction of new silhouettes defined as *New Essentials* — as exemplified in 2025 by the Seamless Wool Body, created to celebrate the brand's 75th anniversary.



Further information on Wolford's sustainability initiatives can be found in the Wolford AG Sustainability Report, available online at company.wolford.com under the "Investor Relations" section.

Global PRESENCE

Wolford maintains a strong global presence through a network of monobrand boutiques strategically positioned in leading fashion capitals worldwide. This network consists of both company-owned stores and partner-operated boutiques in key cities. As of late December 2025, Wolford operated 132 monobrand points of sale, including 94 in Europe, 14 in North America, and 24 in Asia. Notably, 43 of these boutiques are managed by trusted business partners.





EUROPE

94¹

Of which own sites:

35 boutiques

31 shop-in-shops

2 factory outlets

Of which sites are run by partners:

26 boutiques

¹ Excluding Russia and Ukraine

ASIA

24²

Of which own sites:

6 boutiques

1 shop-in-shops

1 factory outlets

Of which sites are run by partners:

16 boutiques

² Excluding Russia



Glossary

NON-FINANCIAL TERMS

Accessories	Textile and non-textile items that seasonally complete and complement the fashion collection
Beachwear	Bikinis and swimsuits that can also be worn as lingerie or outerwear, as well as pareos
Bodywear	Classic bodysuits and all close-fitting knitwear such as tops and shirts
B2B	Business to Business; sales of goods to other companies, such as wholesalers or department stores
B2C	Business to Customer; sales of goods directly to end consumers
Commission affiliation (COAFF)	A distribution concept for partner boutiques, offering far-reaching support in merchandise planning, storage, logistics, and marketing, as well as product training
Compliance	Adherence and measures to monitor adherence to laws, directives, and voluntarily recognized codices
Concession shop-in-shops	Sales areas operated by Wolford within department stores
Corporate design	Uniform brand image
Corporate governance	Rules of conduct and legal framework for responsible corporate management and supervision
Cradle to Cradle®	Cradle to Cradle® describes the safe and potentially unlimited circulation of materials and nutrients in cycles. Once a product has been worn or used, the raw materials used to manufacture it can be returned to either a biological or technical cycle to be reprocessed into new raw materials. (Source: EPEA)
Denier	Abbreviation: den or D; measure used to designate yarn density. The lower the denier value, the finer the yarn (1 den means that 9,000 m of a given yarn weigh 1 gram)
Department store	Store with broad, cross-sector assortment
Essentials	Includes all Wolford products which – unlike Trend products – form part of the assortment over several seasons and years
Factory outlets	Sales locations where Wolford collections from past seasons or reduced merchandise are sold.
Franchise	As independent companies, franchisees draw on their own capital to offer the goods of a given manufacturer in line with the manufacturer's own uniform marketing concept
FTE	Full-time equivalents
Trade goods	Products from exclusive brands which complement Wolford's product range and are offered at select boutiques and factory outlets
ISO 50001	Systematic energy management standard
Capsule collection	Limited collection produced on a one-off basis with a small number of articles relating to a specific topic
Controlled distribution	Proprietary and partner-operated boutiques, concession shop-in-shops, e-commerce and factory outlets where Wolford products are presented in a uniform corporate design
Legwear	Product group comprising hosiery products: tights, stockings, leggings, stay-ups, knee-highs and socks
Lingerie	Bras, briefs, bodies, garter belts and slips

Master franchise	Master franchisees receive a license from the manufacturer permitting them to build up a franchise network in a given region or country
Micro-sites	Small websites operating independently of the company website with low navigational depth and mostly dealing with just one topic
Monobrand distribution	Boutiques which only sell Wolford products (including online business)
Multi-channel distribution	Parallel deployment of several distribution channels, e.g., boutiques, online shops, and concession shop-in-shop areas
NOOS collection	Never-out-of-stock collection; articles that are permanently available
OePR	Österreichische Prüfstelle für Rechnungslegung (Austrian financial reporting enforcement panel)
Omnichannel distribution	Integration of all available distribution channels and customer touchpoints
Partner boutiques	Wolford boutiques that are operated by trading partners – in contrast to boutiques operated directly by Wolford itself
POS	Point of sale; sales location where Wolford products are offered
Private label	Products produced for other brands or sold in stores under a different brand name
Ready-to-wear	Product group comprising the established bodywear line as well as knitted and fabric items such as sweaters, dresses, skirts, and trousers
Retail	Proprietary points of sale; direct sales to end consumers
Season	The spring/summer collection is largely available for sale starting in January, the fall/winter collection in July
Shape & Control	Body-shaping products in the Legwear, Lingerie and Beachwear segments
Shop-in-shop	Separate sales areas at a department store or multibrand retailer specially dedicated to Wolford products
Stock-keeping unit	Abbreviation "SKU", product option (color, size)
Tights	Also known as pantyhose
Time-to-market	The timespan from the creation and development through to the final placement of products on the market
Travel retail	Points of sale mainly frequented by travelers, e.g., at airports or railroad
Trend products	All designs that (unlike Essentials) are only seasonal, i.e., offered only in the spring/ summer or fall/winter collections; after the end of the season these designs are only available in factory outlets
USP	Unique selling proposition
Visual merchandising	Optic sales promotion relating to the visual regulation of sales directly at the points of sale (POS)
Wholesale	Direct sales to trading partners, including partner-operated boutiques, department stores, multibrand retailers, and private labels

Financial Terms

ADR	American Depositary Receipt; an ADR securitizes part of foreign shares and is traded like shares on U.S. exchanges or over the counter. U.S. banks buy shares and issue ADRs to give foreign companies access to the U.S. capital market
AFRAC	Austrian Financial Reporting and Auditing Committee
Afs	Available for Sale; available-for-sale assets
Agio	Difference between the par value and the issue price of shares; to be recorded under capital reserves
ATX	Austrian Traded Index; the lead share index of the Vienna Stock Exchange
Subscription right	Right of an existing shareholder to subscribe to a portion of new shares corresponding to that shareholder's stake in the previous share capital in the event of a capital increase
GDP	Gross domestic product
Market capitalization	Number of shares in the company valued at the closing price on the reporting date
Capital employed	Shareholders' equity plus net debt
CFH	Cash flow hedging; used to hedge risks associated with fluctuations in cash flows
CGU	Cash-generating unit; smallest identifiable group of assets generating cash inflows largely independent of cash inflows from other assets
D&O insurance	Directors and Officers Insurance; financial loss liability insurance for executive and non-executive directors
EBIT	Earnings before interest and taxes
EBIT adjusted	Earnings before interest and taxes, adjusted to eliminate one-off income and expenses resulting from strategic realignment
EBITDA	Earnings before interest, taxes, depreciation and amortization
EBITDA adjusted	Earnings before interest and taxes, depreciation and amortization adjusted to eliminate one-off income and expenses resulting from strategic realignment
EBIT margin	EBIT as a percentage of sales
EBT	Earnings before taxes
Equity ratio	Shareholders' equity as a percentage of total assets
EPS	Earnings per share; net profit for the year divided by the number of shares with dividend entitlement
FL	Financial liabilities
Like-for-like	In order to make the productivity of different sales areas comparable, sales are calculated in relation to the size of the sales area.

Free cash flow	Cash flow from operating activities less cash flow from investing activities; the free cash flow is the amount available for acquisitions, dividend payments, and share buybacks
Gearing	Net debt-to-equity ratio
Share capital	Total par value of all shares issued/total number of shares issued multiplied by their par value
HFT	Held for Trading; held-for-trading assets
IFRS	International Financial Reporting Standards
Capital increase (against cash contribution)	Way of procuring equity by issuing new shares and increasing share capital
Deferred taxes	Line item to present temporary differences between tax items recognized in the IFRS and tax balance sheets
Like-for-like sales performance	Development in sales excluding points of sale newly opened or closed
L&R	Loans and Receivables; credit lines and customer receivables
LTI	Long-Term Incentive; long-term variable remuneration
Materials expense ratio	Cost of materials plus changes in inventories of finished goods and work-in progress as a percentage of sales
Net debt	Current and non-current financial liabilities less financial assets and cash and cash equivalents
Personnel expense ratio	Personnel expenses as a percentage of sales
Prospectus	Written document providing information about the type, object, and risks involved in securities: required, for example, when issuing new shares in the context of a capital increase
SAR	Stock Appreciation Rights; compensation model based on hypothetical stock options
Takeover bid	Public offer made by a bidder to shareholders to acquire the shares in a company at a specified price: mandatory offer if control gained
UGB	Unternehmensgesetzbuch (Austrian Commercial Code)
Sales	Net proceeds, i.e. gross sales less sales tax and all sales deductions
Working capital	Sum of inventories, trade receivables, and other current receivables and assets less trade payables and other current liabilities



Financial Calendar

The Wolford AG financial calendar can be found at <https://company.wolford.com/investor-relations/financial-calendar/>.
Wolford AG publishes half-year and annual results in accordance with the regulations of the Standard Market.

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This Annual Report is published in German and English. In cases of doubt, the audited German version shall prevail.

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