

P R E A T O N I

GROUP

Public Limited Company with a Management Board and a Supervisory Board

Share capital: €324,979,591.50

Registered office: 7, avenue Victor Hugo - 75116 PARIS

917 538 639 Paris Trade and Companies Register

REPORT OF THE MANAGEMENT BOARD

TO THE COMBINED ANNUAL GENERAL MEETING

ON 12 JUNE 2026

Dear Shareholders,

This report is attached to the PREATONI Group's 2025 financial statements.

1 Company activities

After two and a half years in operation, the Group's Management Board considers that it has achieved the first objective set by the company's main shareholder with the listing of the Group's shares on the Euronext ACCESS+ PARIS market on 12 February 2025.

This was made possible by a thorough restructuring of the Group and its governance.

This new status enabled Mr Ernesto Preatoni to increase the free float existing on the listing date (6.12%) to over 13% by mid-March 2026 by implementing agreements he had made prior to the group's creation.

The second objective is to establish the capacity to create a market for the PREATONI Group share and to raise funds to finance the investments required to realise the potential of the Group's two business divisions.

To achieve this, two conditions must necessarily be met: to sustainably improve the Group's profitability and to give it access to a stock market segment offering greater liquidity than the ACCESS+ market. Once these two conditions are met, it will be our responsibility to create the market for the shares.

Bolstered by a clear recovery in profitability, which we consider to be sustainable and capable of further improvement, we have therefore decided, at the instigation of the main shareholder, to submit an application for the admission of the Group's shares to the Euronext Growth market. This application was submitted on 31 March 2026 with a view to a decision by EURONEXT before the end of the first half of the year.

- **Regulated agreements**

The company has not entered into any agreements falling within the scope of regulated agreements. We consider that the agreements we entered into during the financial year are standard agreements concluded on normal terms.

These agreements relate to:

- ✓ Management fee agreements with the Group's operating subsidiaries;
- ✓ A loan of €102,000 granted by our subsidiary Sunny Properties, bearing interest at market rates.

- **Sustainable development**

The Group commissioned a study from an external consultant to refine its ESG strategy.

The findings of this study have just been presented to us. They have led the Group to adopt the theme 'Born in Italy, made locally', organising its policy around four key areas:

- Creating living spaces and fostering human connections,
- Developing our teams and the individuals within them,
- Protecting nature and the living world,

- Taking care of today, preparing for the future.

Each of our two divisions, Hospitality & Tourism and Real Estate Development, will choose to focus on one or other of these pillars and will determine the specific actions to be taken.

In addition, an initial carbon footprint assessment has been carried out for the Hospitality & Tourism division. This work will be continued across the entire group.

- **Dispute** with « Financière Marjos »

Following the takeover of Financière Marjos by an American group, PREATONI Group and Financière Marjos have decided to settle all their differences and withdraw from all pending legal proceedings. An agreement to this effect was signed on 22 January 2026.

2 Annual financial statements for the 2025 financial year

2.1 Profit and loss account

The holding company's annual accounts show a profit of €10,959,340. They include, in particular:

- ✓ A reversal of a provision for impairment of equity investments amounting to €12 million (Prea Swiss Holding);
- ✓ The portion of our expenses not covered by management fees.

Operating expenses (€2,924,000) include, in particular:

- Remuneration of executive and non-executive management, amounting to €736,000;
- The holding company's operating expenses (primarily relating to consolidation and reporting, premises and ESG, etc.), amounting to €560,000;
- IT costs (€270,000), comprising mainly the cost of licences and the amortisation of IT developments for tools dedicated to the hotel and tourism sector (€230,000), and the cost of licences for the consolidation tool (€40,000);
- The Group's audit costs (€662,000), which include more than €300,000 in adjustments relating to previous financial years;
- Fees relating to the preparation of the listing application and costs associated with the admission of the company's shares to the Euronext ACCESS+ market, amounting to €630,000, which are in addition to the costs incurred in 2024 (€350,000).

The income tax expense (€540,000) comprises withholding tax of €172,000 and an exceptional charge of €367,000 relating to a tax reassessment in Switzerland concerning our Swiss subsidiary, Domina International. This reassessment related to financial years prior to the Group's formation. This Swiss tax, borne by the parent company at the date of the tax reassessment, is regarded by Switzerland as a "security tax due on a concealed distribution of dividends".

The company incurred no expenditure on research and development. In accordance with the provisions of Articles 223 quater and 223 quinquies of the General Tax Code, we would like to point out that the accounts for the past financial year do not include any expenditure that is not recognised as a deductible expense for tax purposes.

We propose that the profit for the financial year be credited to retained earnings.

Profit for the year (in euros)	10 959 339,77
Retained earnings as at 31 December 2025	- 118 771 450,20
Retained earnings after allocation of profit	-107 812 110,43

2.2 Balance Sheet

The structure of the company's balance sheet remains unchanged from the previous financial year and does not require any specific comments.

In conjunction with the application for the admission of our shares to the Euronext Growth market, we will propose a capital reduction to clear the negative retained earnings and enable the company to pay dividends. You will be provided with the Statutory Auditors' report, in which they will set out their assessment of the reasons for and terms of the reduction.

The transaction will involve a reduction in share capital of €107,445,827.00, bringing it down from €324,979,591.50 to €217,533,764.50. This reduction, motivated exclusively by losses (Article L225-204 of the French Commercial Code), will be effected by reducing the nominal value of each share from €36.90 to €24.70, representing a decrease of €12.20 per share. Following the transaction, the share capital will amount to €217,533,764.50, divided into 8,807,035 shares with a nominal value of €24.70 each.

Following the appropriation of profits and capital reduction, it will be proposed that you settle the remaining negative retained earnings of €366,283.83 by charging them to the share premium.

Finally, it will be proposed that you pay a dividend of 12 cents per share, amounting to €1,056,844.20, by drawing on the share premium.

As at 16 March 2026, 86.81% of the company's share capital is held by Mr Ernesto Preatoni.

2.3 Table of results for the last five financial years

	2025	2024	2023	2022
Share capital at the end of the financial year				
Share capital (in euros)	324 979 592	324 979 592	361 088 435	361 088 435
Number of shares issued	8 807 035	8 807 035	8 807 035	361 088 435
Number of bonds convertible into shares	-	-	-	-
Operations and profit for the financial year (in euros)				
Turnover excluding tax	2 422 000	1 444 000	1 080 000	238 000
Profit before tax, depreciation and provisions	(262 493) -	1 657 152 -	2 491 214 -	2 035
Income tax	(539 740) -	104 000 -	123 000	-
Profit after tax, depreciation and provisions	10 959 340 -	10 672 259 -	108 070 464 -	28 728
Amount of profits distributed (1)	-	-	-	-
Profit attributable to a single share (2)				
Profit after tax, but before depreciation, amortisation and provisions	(0,0)	(0,2)	(0,3)	(0,0)
Profit after tax, depreciation, amortisation and provisions	1,2	(1,2)	(12,3)	(0,0)
Dividend paid per share (1)	-	-	-	-
Personnel costs and headcount				
Headcount	-	-	-	-
Total payroll costs	-	-	-	-
Total employee benefits (social security, welfare schemes, etc.)	-	-	-	-

2.4 Table of subsidiaries and equity investments

In euros	Equity Local currencies	% of capital held	Book value of securities Euros		Amounts of loans and advances granted	Amount of commitments given	Turnover 2025 Euros	Net income 2025 Euros	Dividends received in 2025
			Gross	Net					
Subsidiaries (over 50%)			280 128 575	178 005 575	491 201	-	848 243	257 140	-
Prea Swiss Holding	1 606 632 CHF	100%	277 128 575	177 005 575	7 819	-	-	62 473	-
Domina International	-7 072 CHF	100%	3 000 000	1 000 000	483 382	-	848 243	194 667	-
Equity investments (10% to 50%)			71 555 780	71 555 780	-	-	1 081 000	(11 776 000)	-
Prokapital Group	-120 411 000 EUR	39,75%	71 555 780	71 555 780	-	-	1 081 000	(11 776 000)	-
Total			351 684 355	249 561 355	491 201	-	1 929 243	(11 518 860)	-

2.5 Table detailing payment terms for suppliers and customers

Table required under Article D. 441-4(I) of the French Commercial Code													
	Article D. 441 I. – 1° of the French Commercial Code: Incoming past due invoices by the end of the financial year						Article D. 441 I. – 2° of the French Commercial Code: Outgoing past due invoices by the end of the financial year						
	0 days (not due, for information only)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total past due (1 day and more)	0 days (not due, for information only)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total past due (1 day and more)	
(A) Late paiement period													
Number of invoices affected	5					17	0					1	1
Total amount of the relevant invoices (including VAT)	78 627 €	160 845 €	0 €	92 663 €	75 000 €	328 508 €	0 €	0 €	0 €	0 €		28 000 €	28 000 €
Percentage of total purchases for the financial year (including VAT)	3%	5%	0%	3%	2%	11%							
Percentage of turnover for the financial year (including VAT)							0,0%	0%	0%	0%		1%	1%
(B) Invoices excluded from (A) relating to disputed or unrecorded payables and receivables													
Number of invoices excluded	0	0	0	0	0	0	0	0	0	0	0	0	0
Total amount of excluded invoices (including VAT)	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €	0 €
C) Standard payment terms used (contractual or statutory – Article L. 441-6 or Article L. 443-1 of the French Commercial Code)													
Payment terms used to calculate payments delays	- Contractual payment terms, ranging from 0 to 60 days						- Contractual payment terms, ranging from 0 to 30 days						

3 Consolidated Financial Statements

Prior to providing comments and analysis on the Group’s consolidated financial statements, it is important to highlight the following factors, which are essential to understanding our financial statements:

- ✓ *The geopolitical situation in Europe and the Middle East*

The Israeli-Palestinian conflict since 7 October 2023 has weighed on our business in Egypt due to the climate of anxiety it has caused amongst guests at our Sharm El Sheikh site, and we have made some concessions on pricing in this context. The Russia-Ukraine conflict, whilst having no significant impact on our operations in the Baltic states, has had a positive impact on the customer mix at our Sharm El Sheikh site.

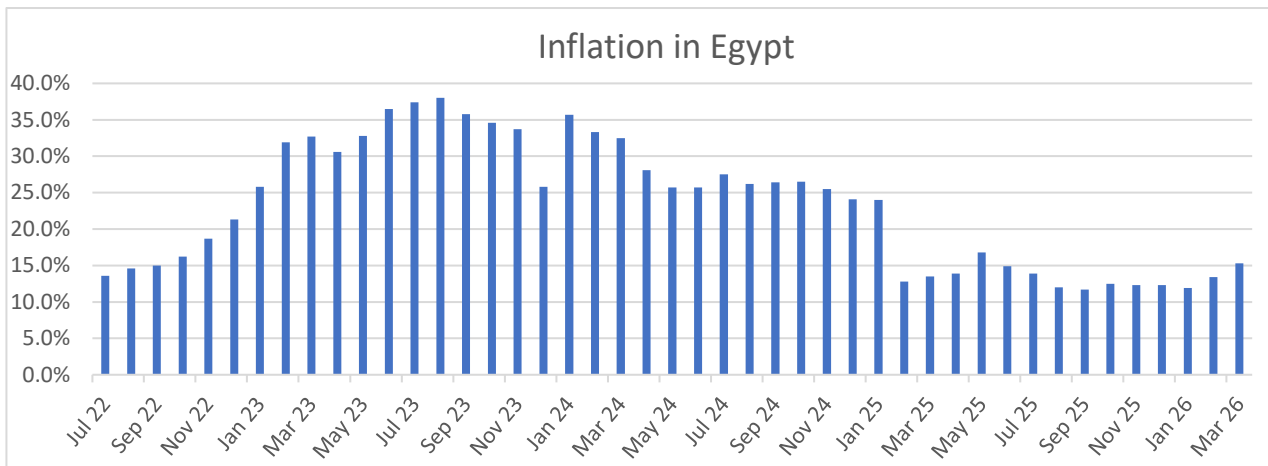
- ✓ *The general economic situation in Egypt*

The downward trend of the Egyptian pound against the euro appears to have halted

The Egyptian pound has depreciated sharply since the group’s creation in July 2022 (-63%). Since the 30% devaluation in February 2024, the exchange rate of the Egyptian pound has stabilised.

Currencies	Date	Closing rate	Average rate
EGP/EUR	01/06/21	0,05063	
EGP/EUR	31/12/22	0,03788	0,049,59
EGP/EUR	31/12/23	0,02915	0,03014
EGP/EUR	31/12/24	0,01893	0,02038
EGP/EUR	31/12/25	0,01790	0,01880





This currency depreciation has had a significant impact on **the book value** of our real estate assets in Egypt. The trend in the property market remains upward and incorporates the effects of inflation, which offsets the impact of the Egyptian pound's depreciation against the euro and the dollar.

Inflation, fuelled by the currency crisis, which had reached 33% in 2023 and 28% in 2024, shows a sharp decline in 2025 with rolling annual rates of around 12 to 13%.

The fall in interest rates is more moderate (from 26% in January 2025 to 21.5% in December 2025, and expected to reach 18% by the end of 2026 (Source: Trading Economics).

- Valuation of assets in our Hospitality and Tourism operations: Application of IAS 36

Preatoni Group's 2025 financial statements have been finalised with regard to the valuation of our property assets in accordance with IAS 36.

However, a significant portion of the value of our hotel assets stems from the proven potential of our sites; this potential is not taken into account under IAS 36.

For the Sharm El Sheikh resort, the government authorities have formally approved the option to add a third floor to existing buildings and have authorised an increase in the buildable floor area ratio from 20% to 25%. The group will benefit from this significant development opportunity.

Internal studies estimate the new buildable area at 60,000 m² for the extension of existing buildings and 40,000 m² of floor area, totalling a potential 120,000 m². This minimum potential allows for the possibility of doubling the number of units that could be operated as hotels or whose usufruct rights could be sold, either for permanent occupancy or as timeshares.

The first development (the Mastaba project) is due for completion in 2026. The project involves selling the usufruct and building rights on a plot of approximately 800 m² to a property developer, to create a complex comprising 36 shops.

For PK Sicily (Zagarella), the company holds a concession to operate a private beach (Lido Olivella). It has submitted a funding application for a €4.3 million investment eligible for a 45% European grant. The investment will cover :

- Facilities for the private beach (Beach Club);
- A 500 m² spa located at the heart of the hotel;
- Major refurbishment of 43 rooms.

The erosion of the book value of our Egyptian assets was caused by the fall in the Egyptian pound and the write-downs recorded in 2023 following the failure to take into account the potential of our sites in our business plans; and this, even though the annual valuations carried out by independent international firms (Colliers, HVS Global Hospitality Services, etc.) show significantly higher asset values, highlighting substantial unrealised capital gains.

31.12.2025 in '000 €	Goodwill	Real Estate net book value	Deffered tax	consolidated value	External valuation	Basis of the valuation
SICOT - Egypt	10 054	45 618	- 10 054	45 618	145 000	Real Estate, April 2025
NILE – Egypt	14 572	3 374		17 946	50 000	Commercial goodwill, April 2025
Zagarella – Italy	2 694	34 278	- 2 694	34 278	50 700	Premises & Business Assets, December 2025
Novate - Italy	6 445	16 747	- 734	22 458	33 400	Premises & Business Assets, December 2025
Total	33 765	100 017	13 483	120 300	279 100	

We therefore have significant risk-adjusted value potential thanks to the Group's land portfolio, including that of Prokapital Grupp for property development, whilst of course remaining subject to the market conditions inherent to the Group's various activities.

3.1 The consolidated income statement

Both business segments saw their turnover increase:

- ✓ Hospitality & Tourism (revenue +8%)
- ✓ Real Estate Development (revenue tripled)

They contributed equally to the Group's revenue.

The Group generated an EBITDA of €25.3 million in 2025, compared with €2 million in 2024:

EBITDA (in '000 €)	2024	2025	% 2024 turnover	% 2025 turnover
Hospitality & Tourism	625	8 279	1.3%	15.6%
Real Estate Development	1 074	16 992	5.9%	32.0%
Holding	247	-19		
Total	1 946	25 252	2.9%	23.8%

The recovery in profitability is driven by several factors:

- Strong profitability in Real Estate Development, boosted by the high-end residential development in the Kalaranna district;

- An improvement in profitability within the Hospitality and Tourism division. 2024 was affected by adverse non-recurring factors, including:
 - ✓ The commercial impact of the geopolitical situation in the Middle East (the attack carried out by Hamas on 7 October 2023 in Israel) led in 2024 to price concessions that weighed on our margins;
 - ✓ The deteriorating economic situation in Egypt (currency crisis and inflation).

Recruitment to strengthen operational management structures had also increased the fixed costs of the Hospitality and Tourism division.

It should be noted that the asymmetrical accounting treatment of costs and revenues from the timeshare business in Egypt does not reflect the economic reality of our operations. This asymmetry stems from the fact that all costs relating to the business are recognised in the financial year, whilst revenue is spread over the duration of the contracts¹; this results in a significant negative impact on turnover and profit. Cash flow generation, however, remains unaffected.

Hospitality & Tourism EBITDA adjusted for the deferral of Timeshare revenue (in '000 €)	2024	2025
Reported EBITDA	625	8 278
Negative impact of the deferral	4 396	4 621
Adjusted EBITDA	4 921	12 899
Adjusted EBITDA in % of turnover	9,28%	22,4%

The current geopolitical environment has led the management of our property development subsidiary, PROKAPITAL, to revise their assumptions regarding price increases for property developments in the coming years.

Our auditors therefore considered it appropriate to write down the value of goodwill in our consolidated accounts by €9.5 million. Accordingly, we decided to recognise an impairment loss of €9.5 million in our consolidated accounts. This has resulted, in a year of generally improved results for the group, in a consolidated net profit of €1.8 million.

in '000 €	31/12/2024	31/12/2025	Variation
Result from Operations before goodwill impairment	607	19 416	18 809
of which Hospitality & Tourism	181	3 330	3 149
of which Real Estate Development	455	16 406	15 950
of which Holding	-30	-320	-290
Goodwill impairment	-10 751	-9 788	963
of which Hospitality & Tourism	-241	-217	24
of which Dubai Know-how	-10 510		10 510
of which Real Estate Development		-9 572	-9 572
Financial Result and Income tax	-6 803	-7 839	-1 036
Group consolidated net income	-16 947	1 788	18 736

¹See comments on the Timeshare business in Egypt

3.1.1 Contributions of the operating segments to the income statements

12/31/2025 (In euros)	Real Estate	Hospitality & Tourism	Holding	Total
Turnover	53 162 349	52 997 012	-	106 159 361
Consumed purchases and other external services	(33 749 418)	(35 836 585)	(220 947)	(69 806 950)
Personal costs and charges	(5 592 066)	(8 133 349)	(3 001)	(13 728 416)
Amortizations, impairment and provisions	(586 188)	(4 949 421)	(303 314)	(5 838 922)
Current revenues	357 236	759 480	32 051	1 148 767
Current expenses	(176 712)	(1 735 983)	(3 243)	(1 915 938)
Current operating income	13 415 201	3 101 155	(498 454)	16 017 902
Fair value investment properties	3 467 358	-	-	3 467 358
Goodwill impairment	(9 571 888)	(216 601)	-	(9 788 489)
Result from entities in equity method	(476 794)	-	-	(476 794)
Other	-	228 583	178 835	407 418
Result from operational activities	6 833 877	3 113 137	(319 619)	9 627 395
Financial result	(2 695 430)	(2 780 931)	(402 487)	(5 878 849)
Result before tax	4 138 447	332 205	(722 106)	3 748 546
Income tax expense	(442 734)	(971 484)	(545 845)	(1 960 062)
Net result	3 695 713	(639 279)	(1 267 951)	1 788 484
EBITDA (ROA - amortizations, impairment and provisions)	16 991 953	8 279 159	(16 305)	25 254 806

12/31/2024 (In euros)	Real Estate	Hospitality & Tourism	Holding	Total
Turnover	18 135 592	48 949 314	-	67 084 906
Consumed purchases and other external services	(12 248 864)	(37 986 980)	255 227	(49 980 617)
Personal costs and charges	(5 225 193)	(8 756 406)	(2 885)	(13 984 484)
Amortizations, impairment and provisions	(618 247)	(443 653)	(276 976)	(1 338 876)
Current revenues	84 236	1 425 472	21 152	1 530 860
Current expenses	(22 923)	(2 978 247)	(19 750)	(3 020 920)
Current operating income	104 601	209 500	(23 232)	290 869
Fair value investment properties	1 129 904	-	-	1 129 904
Goodwill impairment	(10 510 070)	(240 961)	-	(10 751 031)
Result from entities in equity method	(745 788)	-	-	(745 788)
Other	(33 246)	(28 275)	(6 750)	(68 271)
Result from operational activities	(10 054 599)	(59 736)	(29 982)	(10 144 317)
Financial result	(4 330 853)	225 269	(519 618)	(4 625 202)
Result before tax	(14 385 452)	165 533	(549 600)	(14 769 519)
Income tax expense	(88 617)	(1 984 097)	(105 250)	(2 177 964)
Net result	(14 474 069)	(1 818 564)	(654 850)	(16 947 483)
EBITDA (ROA - amortizations, impairment and provisions)	1 073 718	624 878	246 994	1 945 590

3.1.1.1 Real Estate Development segment

Revenue from the Real Estate Development segment stood at €53.2 million as at 31 December 2025, compared with €18.1 million as at 31 December 2024, and accounted for 50% of the Group's revenue in 2025, compared with 27% in 2024.

The business is sensitive to development and marketing cycles. The recognition of revenue on completion (upon signing the deed of sale at the solicitor's office) accentuates this phenomenon. However, this method ensures full reliability. The cyclical effect observed in 2023 and 2024 is significant due to two unforeseeable and non-recurring adverse events:

- ✓ The Covid crisis, which had delayed the start of construction projects and property development, and,

- ✓ The surge in inflation caused by the Russia-Ukraine war, which led main contractors to refuse to enter into fixed-price contracts and shifted the bulk of the construction cost risk onto the developer.

In light of these developments, PKG established its own project management support structure in 2023 to better control its schedules and production costs. Its team, comprising around fifty professionals, is fully operational.

At the end of 2025, inventory stood at €57 million. The schedule of projects under development and the level of inventory of products available for sale (€18 million) at the end of 2025 provide visibility on revenue for 2026 and the coming years.

Real Estate Development segment (in '000 €)	At end 2024	At end 2025
Revenue	18 158	53 162
Inventories available for sale	2 198	19 857
Work in progress	54 658	37 501

Key developments in the Baltic states in 2025:

- Tallin (Estonia) :

Construction of the White Building as part of the Uus-Kindrali project, located in Kristiine City, Tallinn, was completed in the fourth quarter of 2025. By the end of February 2026, the sales rate had already reached 40%. Construction work is continuing on a second seven-storey residential building comprising 90 flats and is expected to be completed by the end of 2026. Studies and procedures to obtain planning permission for four additional projects (350 flats) in Kristiine City are underway.

Sales of the Kalaranna residential project, completed in 2025, are proceeding as normal (64% sold by the end of February).

- Riga (Latvia)

In Riga, foundation work on the Blue Marine project in the Kliversala district, which began in the third quarter of 2025, is progressing on schedule. The signing of the construction financing agreements is currently being finalised.

- A Vilnius (Lithuania)

During the fourth quarter, construction work on the final phase of Šaltinių Namai Attico, comprising City Villas and a commercial building, is nearing completion. Handover of the residential units is scheduled for the first half of 2026.

Finally, Pro Kapital Grupp has obtained planning permission for its project to convert a former school building into a high-end residential complex comprising around 50 apartments.

Overall, sales prices and margins remain in line with our forecasts.

Financial Data and Results:

- Turnover has risen sharply compared with the previous year, mainly due to the handover of apartments in the Kalaranna and Uus-Kindrali projects in Tallinn, as well as City Villas in Vilnius.
- Gross margin

In 2025, the gross margin stood at €18.8 million compared with €5.4 million in 2024; the gross margin for the 2025 financial year rose to 35% from 30% in 2024.

- Result from Operations before goodwill impairment

Operating profit before goodwill impairment stood at €16.4 million, compared with €456,000 in 2024, highlighting the recovery in EBITDA and cash flow from operating activities (+€10.8 million in 2025 compared with -€10.4 million in 2024)

- Impairment of goodwill

After the impairment of goodwill, the segment's operating profit stood at €6.87 million, compared with a loss of €10.5 million in 2024.

In 2024, the Group had written down the value of its expertise in taking over a Dubai property project that had fallen into disuse following the 2008 financial crisis. In Dubai, Preatoni Real Estate Development DMCC, a 50/50 joint venture between the PREATONI Group and PLT Holding, was jointly developing the abandoned Niki Lauda Twin Towers project, which had been awarded to them by the Dubai authorities. Recent developments in the war in Iran are obviously likely to radically alter the outlook in Dubai. In October 2025, in view of the financing requirements in Dubai and those to be met in other activities, the Group assessed the situation and decided to sell its shares in the joint venture, subject to approval by the Dubai authorities. This divestment does not mean that the Group is withdrawing from Dubai. The Group has recently submitted an expression of interest for a new project but will only commit to projects for which financing and the terms of engagement are secured.

The current geopolitical climate has led the management of our property development subsidiary, PROKAPITAL, to revise their assumptions regarding price increases for property developments in the coming years. Our auditors considered that it was therefore appropriate to write down the value of goodwill in our consolidated accounts by €9.5 million. We have therefore decided to write down this goodwill.

3.1.1.2 Hospitality & Tourism segment

The business operates:

In Egypt through the management of the Domina Coral Bay resort in Sharm El Sheikh and the sale of a portfolio of timeshare units located within the resort. The resort is open all year round.

In Italy through the seasonal operation of the Domina Zagarella resort in Sicily, the sale of timeshare units at the resort, the year-round operation of the Domina Fiera business hotel in Milan, in the exhibition and trade fair district, and a hotel residence in Borgo Dugli Ulivi on Lake Garda.

Revenue for the **Hospitality & Tourism** segment is projected to reach €53.0 million in 2025, compared with €48.9 million in 2024; this represents an increase of 8.17% and accounts for 50% of the Group's revenue in 2025, compared with 73% in 2024.

3.1.1.2.1 Sharm El Sheikh in Egypt (Domina Coral Bay)

Key Indicators

Sharm El Sheikh	2024	2025
Available room nights	317 744	292 933
Occupancy rate	85,9%	88,6%
Total revenue per available room (TRevPAR) ¹	86,2 €	101,7 €

▪ **Hospitality business**

Marketing and sales initiatives aimed at diversifying the customer base, developing the D Club and boosting online sales continued. The occupancy rate at the year-round site reached 88.6% in 2025, compared with 85.9% in 2024, which is an excellent performance.

At the same time, TREVPAR increased by 18% thanks to the price rises implemented, including those for renovated rooms, and automatically due to the fact that the price concessions that had to be made following the Hamas attack on Israel on 7 October 2023 were not repeated.

We have found that a renovated room allows for a minimum price increase of 30% at an average renovation cost of around €4,000 per room.

This finding encourages us to accelerate, as much as possible, the pace of renovations to the apartments operated by the resort.

▪ **Time Share business in Egypt**

In Egypt, through its wholly-owned subsidiary Sunny Properties, the Group markets contracts entitling the holder to use a unit (room, flat, etc.) for a contractual period ranging from 5 to 30 years, generally for one week per year. This business generates €7 million in annual revenue.

Each year, the customer gives six months' notice of their intention to use their period. They then undertake to pay for the hotel services provided on site (laundry service and daily room cleaning). If the customer does not use their period, it becomes contractually available to the resort operator. No hotel services are then payable by the customer.

The client is entitled to use the property as soon as they have paid a deposit of 30% of the contract value. The balance, i.e. 70%, is paid over a maximum of 18 months.

The cost of acquiring the contracts, specifically a 50% commission charged by our subsidiary Domina Srl to Sunny Properties, is recorded upon signing the contract.

Sunny Properties' obligation is to be able to provide the client with a unit or flat during the scheduled week if the client has given six months' notice of their stay.

Sunny Properties recognises revenue upon receipt of the 30% deposit of the price stipulated in the contract.

¹ TRevPAR : TRevPAR (or Total Revenue Per Available Room) is a key performance indicator that reflects the revenue generated by all available rooms over a given period. It is calculated by dividing total revenue by the total number of available rooms

In the consolidated financial statements, however, IFRS 15 requires revenue to be recognised on a straight-line basis over the term of the contract and the financial component relating to the advance receipt of the price to be recognised in accordance with IFRS standards.

As it was not technically possible to apply the method retrospectively to the years prior to the Group’s formation, and as it was not possible to recognise expenses on a straight-line basis over the term of the contract, an asymmetry between the recognition of expenses and revenue significantly reduces the business’s EBITDA for more than ten years.

3.1.1.2.2 Hospitality & Tourism in Italy

In Italy, operations are carried out through sites in Milan (Novate), Sicily (Zagarella) and on Lake Garda (Borgo).

✓ **IMMOBILIARE NOVATE (Domina Milano Fiera)**

The hotel is located near the Milan Rho-Pero exhibition centre, the MiCo Milano Congressi conference centre and the rapidly developing MIND (Milano Innovation District). The hotel’s performance is satisfactory and improving.

Key Indicators

<i>Milan – Novate</i>	<i>2024</i>	<i>2025</i>
Available room nights	70 810	70 810
Occupancy rate	60,5%	62,0%
Total revenue per available room (TRevPAR)	79,7€	80,4€

2026 looks set to be a strong year, with occupancy rates boosted by the Milan-Cortina Olympic and Paralympic Games.

✓ **PK SICILY (Domina Zagarella)**

Following the growth of recent years, the site is consolidating its recovery thanks to efforts to enhance its appeal and marketing initiatives to promote the site, the region and Sicily’s cultural attractions.

Thanks to a promising ‘MICE’ (business event) opportunity in March 2025, the site’s opening period has been extended by one month. The Group is working to boost this type of clientele, which can be a significant source of revenue.

However, further improvement in the expected occupancy rate and profitability will require the implementation of the strategic choices selected for the site:

- ✓ Extend the opening period (currently 6–7 months), and
- ✓ Boost the site’s appeal by offering new services in a refurbished setting.

The group has drawn up an investment plan in the region of €4.3 million, for which it is negotiating financing with Italian banks and will submit an application to the Sicilian regional government to secure substantial grants (45% of the investment) under a European programme.

The resort, built on a rocky headland, does not have its own inviting sandy beach. Thanks to the concession and operating licence for the nearby Lido Olivella seaside resort, the Group will be able to offer its guests an easily accessible dedicated beach.

The Group wishes to invest in and operate a Beach Club facility at the LIDO OLIVELLA site (catering, sports areas and children’s entertainment, etc.). The enhanced appeal of the site will enable both room rates and the resort’s occupancy rate to be increased.

To extend the resort’s opening period (currently limited to 7 months a year), the Group wishes to establish a spa on the site. This facility will attract a specific clientele throughout the year, as well as local customers from Palermo for short stays or weekend breaks.

Finally, a renovation programme for 43 rooms is also planned, with two expected benefits: an increase in room rates and a revitalisation of the site’s timeshare offering.

Key Indicators

<i>Zagarella</i>	<i>2024</i>	<i>2025</i>
Number of opening days	195	220
Available nights	63 189	71 280
Nights sold	42 554	49 747
Occupancy rate	67,4%	68,9%
Total revenue per available room (TRevPAR)	106,5 €	113,5€

3.2 Consolidated Balance Sheet

To aid understanding of our consolidated balance sheet, it is important to note the impact of the fall in the Egyptian pound, which has resulted in a reduction in the carrying value of the intangible and property assets held by the Group in Sharm El Sheikh, Egypt, recognised, as a corresponding entry, under the currency translation adjustment in equity.

The assets are subject to annual external valuations (the most recent at the start of 2025) by independent and recognised international firms (HVS Hospitality Global Services, Grant Thornton, Colliers, etc.), which demonstrate that their actual value is not eroding.

Gross and net financial debt

in '000 €	31/12/2024	31/12/2025	Variation
Bonds issues	37 917	27 158	
Borrowings from credit institutions.	41 029	45 471	
Other loans, similar debts and bank overdrafts	10 764	9 366	
subtotal : gross financial debt	89 710	81 994	-7 715
Interests/ bonds issues	2 969	4 034	
Interests/ borrowings from credit institutions.	780	736	
Interests/ other loans and similar debts	2 034	2 051	
subtotal : accrued interests	5 782	6 820	1 038
Total gross financial debt	95 492	88 815	-6 677
of which current	26 934	46 455	19 521
of which non current	68 558	42 360	-26 198
Gross financial debt	95 492	88 815	
Cash & cash equivalents	10 252	15 245	4 993
Total net financial debt	85 240	73 570	-11 670

During the financial year, the gross financial debt fell by €6.7 million, whilst cash and cash equivalents increased by €5.0 million. This net reduction in debt was driven by €5.3 million from each of the business divisions and €1 million from the holding companies.

Contracts Liabilities

Contract liabilities represent, in economic terms, advances received from customers for services not yet provided. They amount to €23 million and €20 million at the end of 2025 and the end of 2024 respectively.

In '000 €	31/12/2025		31/12/2024	
	Current	Non current	Current	Non current
Real estate Development	5 888	0	9 618	0
Timeshare	2 170	12 379	810	8 420
Customer advances	1 864			1 202
Hospitality & Tourism	4 034	12 379	810	9 622
Contract Liabilities	9 922	12 379	10 427	9 622

- **Real estate Development** : Contract liabilities relate to deposits paid upon reservation of properties and amount to between 10% and 20% of the sale price. Should the client cancel the reservation, the deposit is generally retained by PROKAPITAL.
- **Hospitality & Tourism** : Contract liabilities relate to advance payments made by customers and travel agencies, on the one hand, and sums paid by timeshare customers in respect of unexpired contractual periods, on the other.

In Egypt, timeshare is sold in the form of a right of use, generally for one week and over a period of 5 to 30 years. The purchase price is generally paid over a maximum of 18 months. In accordance with IFRS 15, revenue from timeshare sales is recognised over the contractual term. Amounts paid by customers relating to unexpired contractual periods are recognised as contract liabilities.

4 Remuneration of the Management Board

Following discussions with Mr Ernesto PREATONI, he has decided to submit the following remuneration proposals to the Supervisory Board, based on the same structure as that applied for the 2025 financial year.

- ✓ Mr Patrick WERNER, Chairman of the Management Board, €25,000 (excl. VAT) per month in the form of fees. This amount will increase to €35,000 upon the admission of the company's shares to EURONEXT GROWTH.
- ✓ Mr Oscar CRAMERI and Mr Patrick GIFFAUX, €12,500 (excl. VAT) per month each, in the form of fees. This amount will increase to €20,000 upon the admission of the company's shares to EURONEXT GROWTH.

Furthermore, in order to ensure a full alignment of interests between shareholders and management, the three members of the Management Board shall be entitled to variable remuneration in the form of bonus shares, amounting to 5% of the Company's market value creation, this amount to be distributed amongst the members of the Management Board, as decided by the Board. The practical implementation of this variable remuneration will be set out in due course.

A resolution to this effect will be put to the vote at the Annual General Meeting.

5 Resolutions submitted to the Combined General Meeting

Following a presentation by the Company's auditors, you will be asked to approve the resolutions concerning the adoption of the Group's annual and consolidated financial statements and the auditors' special report, and to approve the remuneration policies for the Management Board and the Supervisory Board.

Ordinary General Meeting

First resolution (Approval of the company accounts for the financial year ended 31 December 2025 – Approval of non-tax-deductible expenses and costs)

The General Meeting, acting in accordance with the quorum and majority requirements applicable to ordinary general meetings, having considered the reports of the Management Board, the Supervisory Board and the Statutory Auditors on the annual accounts for the financial year ended 31 December 2025, approves the said annual accounts for the financial year ended 31 December 2025 comprising the balance sheet, the income statement and the notes to the financial statements as presented, as well as the transactions reflected in these financial statements or summarised in these reports, which result in a profit of €10,959,339.77.

The General Meeting notes that the annual accounts for the financial year ended 31 December 2025 do not include any expenses or costs that are not deductible for tax purposes, as referred to in Article 39-4 of the French General Tax Code, and that no readjustment, as referred to in Article 39-5 of the said Code, has been made in respect of the financial year.

Second resolution (Approval of the consolidated financial statements for the financial year ended 31 December 2025)

The General Meeting, acting in accordance with the quorum and majority requirements applicable to ordinary general meetings, having considered the reports of the Management Board, the Supervisory Board and the Statutory Auditors on the consolidated financial statements, as well as the consolidated financial statements for the financial year ended 31 December 2025, approves the consolidated financial statements for the financial year ended 31 December 2025 comprising the balance sheet, the income statement and the notes to the accounts as presented, as well as the transactions reflected in these accounts or summarised in these reports, which result in a profit of €1,788,483.

Third resolution (Allocation of the profit for the financial year ending 31 December 2025)

The General Meeting, acting in accordance with the quorum and majority requirements applicable to ordinary general meetings, resolves to allocate the profit for the financial year ending 31 December 2025 to the 'retained earnings' account. Following this allocation, the 'retained earnings' account will amount to -€107,812,110.43.

In accordance with the law, we would like to point out that the company has not distributed any dividends as referred to in Article 243 bis of the French General Tax Code during the last three financial years.

Extraordinary General Meeting

Fourth resolution (*Capital reduction due to losses*)

The General Meeting, having decided in accordance with the quorum and majority requirements applicable to extraordinary general meetings, having considered the Management Board's report and the Statutory Auditors' special report, in accordance with the provisions of the Commercial Code.

The General Meeting resolves

- to reduce the company's share capital (Article L225-204 of the French Commercial Code) by an amount of €107,445,827, bringing it down from €324,979,591.50 to €217,533,764.50, in order to offset, to the same extent, the accumulated losses from previous financial years recorded in retained earnings. Following the reduction, retained earnings will remain negative and will amount to -€366,283.43, subject to the General Meeting's approval of the financial statements for the financial year as proposed in the first resolution and the appropriation of the profit for that financial year as proposed in the third resolution.

- specifies that this reduction is motivated exclusively by losses and will be carried out by reducing the nominal value of each share from 36.90 euros to 24.70 euros, representing a decrease of 12.20 euros per share. Following the transaction, the share capital will amount to €217,533,764.50, divided into 8,807,035 shares with a nominal value of €24.70 each.

- the capital reduction takes effect today.

Fifth resolution (*Amendments to the Articles of Association*)

The General Meeting, acting in accordance with the quorum and majority requirements applicable to extraordinary general meetings, resolves, subject to the condition precedent of the adoption of the fourth resolution, to amend Articles 6 and 7 of the Articles of Association with effect from today, as follows:

Article 6 shall be supplemented by the following paragraphs:

“Pursuant to a resolution of the extraordinary general meeting of 31 December 2023, the latter resolved to carry out a consolidation of the shares comprising the share capital such that 41 ordinary shares with a nominal value of €1 shall be exchanged for 1 share with a nominal value of €41.

By decisions of the Chairman dated 11 July 2024, the capital reduction approved by the Extraordinary General Meeting of 5 December 2022 was implemented by reducing the nominal value of each share from €41 per share to €36.90 per share.

Pursuant to a resolution of the Extraordinary General Meeting of 12 June 2026, the share capital was reduced by €107,445,827 by reducing the nominal value of each share from €36.90 per share to €24.70 per share.”

Article 7 shall be amended as follows:

“The share capital is set at €217,533,764.50. It is divided into 8,807,035 shares with a nominal value of twenty-four euros and seventy cents (€24.70), each fully paid up and of the same class.”

Ordinary General Meeting

Sixth resolution (Allocation of the balance of retained earnings to the share premium account)

The General Meeting, acting in accordance with the quorum and majority requirements applicable to ordinary general meetings, resolves, subject to the condition precedent of the adoption of the fourth resolution, to allocate the balance of the negative retained earnings, amounting to -€366,283.43, to the share premium account, the balance of which would thus stand at €35,742,560.07. The balance of retained earnings will be zero following the transaction.

Seventh resolution (Distribution from the share premium account)

The General Meeting, acting in accordance with the quorum and majority requirements applicable to ordinary general meetings, resolves, subject to the condition precedent of the adoption of the fourth and sixth resolutions, to distribute, by distribution from the share premium account, an amount of 12 euro cents per share, representing a total amount of 1,056,844.20 euros. Following the transaction, the share premium will amount to €34,685,715.87.

Eighth resolution (Approval of the Statutory Auditors’ special report on regulated agreements referred to in Articles L. 225-86 and following of the French Commercial Code)

The General Meeting, acting in accordance with the quorum and majority requirements applicable to ordinary general meetings, having taken note of the special report by the Statutory Auditors provided for in Articles L. 225-86 and following of the French Commercial Code concerning regulated agreements, notes that no such agreements were entered into during the financial year ended 31 December 2025, and approves the terms of this report.

Ninth resolution (Approval of the 2026 remuneration policy for the Chairman of the Supervisory Board and the other members of the Supervisory Board)

The General Meeting, acting in accordance with the quorum and majority requirements applicable to ordinary general meetings, having considered the Supervisory Board’s report on corporate governance setting out the remuneration policy for Corporate Officers for the 2025 financial year, approves the 2026 remuneration policy for the Chairman of the Supervisory Board and the other members of the Board, including the principles and criteria for the distribution and allocation of the sums set aside for the remuneration of the Chairman and the other members of the Supervisory Board, as set out in the said document.

Tenth resolution (Approval of the 2026 remuneration policy for the Management Board)

The General Meeting, acting in accordance with the quorum and majority requirements applicable to ordinary general meetings, having taken note of the Supervisory Board’s report on corporate governance describing the remuneration policy for Executive Corporate Officers, approves the 2026 remuneration policy for the

Chairman and members of the Management Board, including the principles and criteria for allocating the sums set aside for the remuneration of the Chairman and members of the Management Board, as set out in the said document.

Eleventh resolution (Authorisation for formalities)

The Combined General Meeting, acting in accordance with the quorum and majority requirements applicable to ordinary general meetings, grants full powers to the holder of an original, a copy or an extract of the minutes of these resolutions to carry out all filings and formalities required by French law.

6 Events subsequent to the closing date

- ✓ On 16 January 2026, the Dubai authorities approved the creation of 163,792 shares in Preatoni Real Estate DMCC reserved exclusively for the shareholder PLT. As a result of this reserved capital increase, Prea Swiss Holding's stake has fallen from 29% to 10%.
- ✓ On 22 January 2026, PREATONI Group and Financière Marjos signed a memorandum of understanding intended to bring to a definitive and irrevocable end, through mutual concessions, all pending disputes before the Commercial Court and the Court of Appeal of Paris.
- ✓ PREATONI Group has appointed Invest Securities, effective February 6, 2026, to implement a liquidity agreement covering its common shares listed on Euronext Access+ Paris, for a term of two years, renewable by tacit agreement.
- ✓ On 31 March 2026, PREATONI Group submitted its application for the admission of its shares to the Euronext Growth Paris segment.
- ✓ The military operations that began on February 28, 2026, in Iran are causing instability in the global economy. These resulting events could have a broad impact on markets and thus affect the performance, valuation, volatility, or liquidity of assets. At this time, however, these risks are difficult to quantify, and it is hard to assess their medium- and long-term impacts; nevertheless, they will be monitored as the situation evolves throughout 2026