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[www.mittel.it](http://www.mittel.it)

## PRESS RELEASE

### BOARD OF DIRECTORS APPROVES CONSOLIDATED HALF-YEARLY REPORT AS AT 30 JUNE 2023

### GROUP NET PROFIT INCREASED TO EUR 45.4 MILLION DUE TO THE CAPITAL GAIN REALISED ON THE SALE OF GRUPPO ZAFFIRO AND THE POSITIVE CONTRIBUTION OF INVESTEE COMPANIES

### REVERSAL OF THE CONSOLIDATED NET FINANCIAL POSITION, POSITIVE FOR EUR 80 MILLION

### GROUP SHAREHOLDERS' EQUITY INCREASED TO EUR 254.4 MILLION (EUR 3.13 PER SHARE)

- **Group net profit** of EUR 45.4 million, thanks to the important result achieved with the completion of the sale of the Zaffiro Group, for a consideration of EUR 42 million, and the robust performance in the half-year period of the Group's other investment verticals. The Group's net profit, net of the Zaffiro transaction, would have amounted to EUR 3.6 million.
- **Consolidated revenue** of EUR 67.3 million (EUR 73.2 million as at 30 June 2022), thanks to the solid performance of the industrial subsidiaries and in particular of the companies in the Bathroom Furnishings sector, which contributed to the consolidated data with revenue of EUR 38.0 million (EUR 40.5 million as at 30 June 2022), and the Automotive sector, which recorded revenue of EUR 22.5 million (EUR 20.6 million as at 30 June 2022).
- Operating **EBITDA** for the period amounts to EUR 6.5 million (EUR 8.0 million as at 30 June 2022), with continued high margins in the Bathroom Furnishings sector, which contributes EUR 7.4 million to the margin (EUR 8.8 million as at 30 June 2022), and with further recovery in the Automotive sector, which records EBITDA of EUR 2.6 million (EUR 2.4 million as at 30 June 2022).
- **Group shareholders' equity** of EUR 254.4 million (EUR 3.13 per share), a net increase compared to Euro 219.6 million as at 31 December 2022 due to the net effect of the profit for the period and the dividend of EUR 10 million (EUR 0.12 per share) distributed in the half-year.
- **Net financial position** of Mittel and the holding system positive for EUR 77.4 million, a sharp increase compared to EUR 53.3 million as of 31 December 2022. **Consolidated net financial position** (excluding financial liabilities as per IFRS 16) is positive for EUR 79.9 million, a strong improvement compared to EUR 6.4 million as at 31 December 2022, which also incorporates the significant positive net financial position of the Bathroom Furnishings segment. **Accounting consolidated net financial position** (including effect of IFRS 16 liabilities) is positive for EUR 60.7 million, compared to EUR 271.0 million recorded as at 31 December 2022 (which incorporated the significant IFRS 16 liabilities of the RSA segment).
- In June, an **investment was made in a real estate project in Milan**/Via Cavriana, in a high-potential area characterised by extensive green areas and urban gardens, and in July further expansion of the investment portfolio in diversified sectors, with the purchase of Gruppo Finestre, specialised in the production and distribution of windows and doors; both investments fit perfectly into the Group's sustainable development plans.
- **The Group's results over the next few months**, thanks also to the contribution of the new business segment to the Group's earnings results, should confirm, consistent with the difficult market environment, the important growth path achieved to date as a dynamic and efficient industrial holding company, with a strong focus on further enhancing the significant investments made in recent years and on further development strategies, and with the goal of creating sustainable long-term value for shareholders and all stakeholders.

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*Milan, 27<sup>th</sup> September 2023* - The Board of Directors of Mittel S.p.A., which met today under the chairmanship of Mr. Marco Giovanni Colacicco, examined and approved the Consolidated Half-Yearly Financial Report as at 30 June 2023.

## **Directors' report on Operations**

The first half of 2023 marked a further fundamental step in the Group's growth path, i.e. the completion of the sale of the Zaffiro Group, which took place on 28 June 2023. Exit from the Zaffiro Group took place upon completion of a successful build-up process, which was carried out within the nursing home sector during the timeframe in which Mittel held the investment. This process has led the investee to establish itself as one of the most important operators in the sector at national level, moving from the original 8 facilities managed (for about 900 beds) to the current 31 facilities (for about 2,600 beds).

The sale resulted in a gross capital gain (compared to the value of the original investment) of EUR 28.5 million (amount equal to the difference between the sale price of EUR 42 million and the purchase value of the equity interest equal to EUR 13.5 million) and the recognition in the consolidated financial statements of a positive impact on profit attributable to the Group of EUR 45.4 million. At the same time as the aforementioned sale, Mittel also collected from the Zaffiro Group an amount of EUR 26.6 million, by way of repayment of principal and interest on shareholder loans previously granted to it for a principal amount of EUR 25 million. Therefore, the overall transaction led to the collection of financial resources of EUR 68.6 million, in addition to the elimination, at the level of the consolidated financial statements, of the extremely significant negative contribution of the net financial position of the Zaffiro Group, equal to EUR 271.5 million as at 31 December 2022 (amount significantly affected by the application of IFRS 16, equal to EUR 243.6 million). The overall positive impact on the consolidated accounting net financial position was therefore EUR 340.1 million.

With regard to the general market context in which the Mittel Group operated, in the first half of the year the restrictive monetary policy measures implemented by the monetary authorities as early as 2022 continued, against a further intensification of inflationary dynamics recorded after the outbreak of the Russian-Ukrainian conflict. The significant increase in interest rates continued throughout the reporting period and also after the reporting date, with inevitable impacts on the trend in industrial production and consumption. However, the solidity consistently demonstrated in recent years in the industrial sectors in which the Group operates (Bathroom Furnishings, Automotive and Clothing) has allowed a solid financial and operational stability, limiting, on the whole, the negative impacts on the consolidated economic results achieved (net of significant positive contribution of the deconsolidation of the Zaffiro Group) in the half-year ended 30 June 2023.

In particular, the Bathroom Furnishings sector recorded a total turnover of EUR 38.0 million in the half of the year (EUR 40.5 million in the comparison period), maintaining high company margins (IFRS 16 net EBITDA of EUR 7.4 million, compared to EUR 8.8 million in the comparison period) and confirming the high cash generation capacity. After an extremely positive first quarter in terms of turnover, the companies recorded a slowdown in the second quarter. In the particular market context resulting from the inflationary dynamics of the last period and the consequent monetary policy decisions, in anticipation of the general economic slowdown predicted for the coming quarters, it is important to highlight the production and commercial synergies that the companies are continuing to achieve. Their impact will continue to grow in the near future and the process has now made it possible to configure the investees in the sector as an integrated Group able to offer diversified and complementary products on different customer segments and on different geographic markets. These aspects, together with the level of industrial, economic and financial solidity achieved with the continuous business growth recorded in recent years thanks to Mittel's investment strategy, should be suitable to limit the negative impacts of the current macroeconomic context in the coming quarters, confirming the important ability to create value in this vertical, demonstrated in recent years and attained through the active and direct management of the investment and the strong commitment of an industrial nature.

In the first half of 2023, the Automotive sector confirmed the operational recovery recorded in 2022 (after a very difficult year 2021 and despite the impacts of the outbreak of the Russian-Ukrainian conflict). The investee IMC achieved a turnover of EUR 22.5 million (compared to EUR 20.6 million in the comparison half-year and to EUR 38.6 million for the entire year 2022 and EUR 29.8 million for the entire year 2021), thanks to the constant business attention paid to the opportunities that arise in the current market context, also consequently to IMC's high reliability compared to its sector competitors, in terms of industrial

capacity and economic and financial solidity (also made possible by its being part of the Mittel Group). EBITDA before IFRS 16 amounted to EUR 2.6 million, compared to EUR 2.4 million in the comparison half-year, EUR 3.6 million for the entire 2022 and EUR 1.4 million for the entire 2021.

The Clothing sector recorded a turnover of EUR 5.8 million as at 30 June 2023 (in line with the comparison period) and a negative EBITDA before IFRS 16 of EUR 0.7 million (negative EUR 0.4 million in the comparison period). As is known, the sector investee will generate its profit margins in the second half of the year, given the seasonal nature of the Ciesse Piumini brand, and also thanks to the contribution to the margins of the first collection under the new management of the Jeckerson brand, which until now has only contributed through the royalties accrued to licensees and the sales made by the two outlets used for the valuation of the inventories acquired together with the brand.

With regard to the non-core assets in the portfolio, after the steady results already achieved in the process of realisation of these assets in previous years (including the last important collections in the real estate sector in 2022, including those relating to the Regina Teodolinda-Como and Metauro-Milano contracts), no particularly significant collections were recorded in the first half of the year, which could, on the other hand, occur in the second half of the year, depending on the possible developments in certain important credit and equity items held.

On the other hand, it should be noted that during the half year, Mittel management identified an interesting investment opportunity in the real estate sector, located in Milan, in Via Cavriana, which led to the purchase by Mittel of 55% of the special purpose vehicle to which the asset to be developed belongs, for an initial investment pertaining to Mittel of EUR 7.7 million. This is an ambitious project (5 buildings for 12,500 square meters of commercial area) in an area with high potential, for the construction of a new and well-structured residential complex surrounded by greenery, in an area subject to intense redevelopment and featuring extensive green areas and urban orchards. The project therefore fits perfectly into the Group's sustainable development plans.

Lastly, with regard to the holding system, after the completion in recent years of the process of reducing structural costs both of an operational nature (personnel, consultancy, etc.) and of a financial nature (with the last partial early repayment of the 2017-2023 bond made in July 2021, following which there was a residual debt of EUR 15 million, subject to final repayment in July 2023), the sale of the Zaffiro Group marked a further substantial step in the comprehensive Mittel Group's turnaround process. This will make it possible in the future to continue with determination in the process of creating value and increasing the size of the Group, both by supporting the growth of existing investment verticals and by launching targeted investments in new verticals in which management can express better skills.

The significant financial resources collected through the sale transaction, which were added to those already available at the holding company level, immediately made it possible to make a new investment, completed after the end of the half-year. In July 2023, in fact, Mittel acquired the company Gruppo Finestre, thus accessing the sector of production and distribution of windows and doors with high quality technical performance. With this transaction, Mittel has further expanded its portfolio of investments in diversified sectors, continuing along the path of investing in Italian SMEs of excellence operating in global markets, aimed at the creation of sustainable long-term value for all shareholders and other stakeholder categories.

## **Group performance**

The Group net profit for the year was EUR 45.4 million, incorporating the effects of the completion of the sale of the Zaffiro Group, which had a total impact on profit of EUR 41.8 million, deriving from: (i) consolidation of the investee until the date of sale, with a loss pertaining to the Group of EUR 2.5 million; (ii) the profit from deconsolidation of EUR 47.9 million (the net effect of these two direct components is therefore EUR 45.4 million); (iii) the indirect effect due to the accrual of the variable remuneration payable to the management of Mittel, as envisaged by the remuneration policy in force, amounting to EUR 2.9 million; (iv) the additional indirect effect due to the accessory costs, of a tax and social security nature, related to the previous point, amounting to EUR 0.7 million.

Net of the important result achieved in the half-year with the completion of the sale of the Zaffiro Group, the Group's profit is EUR 3.6 million and confirms the robust performance, also in the first half of 2023, of the profit margins of core assets, attributable to the other investment verticals developed in recent years and present in the Group as at 30 June 2023 (Bathroom furnishings, Automotive and Clothing).

This result benefits above all from the important positive contribution of the Bathroom Furnishings sector, which has an EBITDA before IFRS 16 of EUR 7.4 million (EUR 8.8 million in the comparative half-year), in addition to the positive performance of the Automotive sector, which shows an EBITDA for the sector before IFRS 16 of EUR 2.6 million (EUR 2.4 million in the comparison period). On the other hand, the margin of the Clothing sector is not significant, which contributes with a negative EUR 0.7 million EBITDA before IFRS 16 (negative EUR 0.4 million in the comparison period) and which, as is known, will generate its profit margins in the second half of the year, given the seasonality of the investee Sport Fashion Service.

Consolidated revenues amounted to EUR 67.3 million (EUR 73.2 million in the comparison period, net of the contribution of the Zaffiro Group), thanks to the contribution of the industrial investees and in particular of the Bathroom Furnishings companies, which contribute to the consolidated data with a turnover of EUR 38.0 million (EUR 40.5 million in the comparison period), and the Automotive sector, which had a turnover of EUR 22.5 million (EUR 20.6 million in the comparison period).

Operating EBITDA for the period amounted to EUR 6.5 million (compared to EUR 8.0 million recorded in the comparison period net of the Zaffiro Group). The accounting EBITDA (which, however, does not incorporate the reversal of the lease payments reversed pursuant to IFRS 16, equal to EUR 1.7 million, and the correct allocation to the result from the disposal of the Zaffiro Group of the costs relating to the variable remuneration accrued by Mittel management as a result of the disposal, amounting to EUR 2.9 million, and the related tax and social security charges, amounting to EUR 0.7 million), amounting to EUR 4.6 million (EUR 9.6 million in the comparison period, net of the Zaffiro Group contribution).

The Group equity as at 30 June 2023 amounted to EUR 254.4 million, an increase of EUR 34.8 million compared to EUR 219.6 million as at 31 December 2022. The net increase is mainly explained by the result for the period (including the important contribution of the deconsolidation of the Zaffiro Group), equal to EUR 45.4 million, net of the dividend distributed by Mittel at the beginning of the half-year, equal to EUR 10 million.

The net operating financial position of Mittel and the holding system, excluding the contribution of industrial investees to IFRS 16 liabilities and including bridge loans to industrial investee companies, was a positive EUR 77.4 million (a positive EUR 53.3 million as at 31 December 2022). The further clear improvement is mainly due to the completion of the sale of the Zaffiro Group, with the consequent collection of the equity component (equal to EUR 42 million, to which the actual translation into cash of the bridge loan component previously granted by Mittel is to be added), already included in the operational NFP of the original holding system for EUR 26 million), only partially offset by the cash absorption mainly related to the dividend distributed at the beginning of the half-year by Mittel, equal to EUR 10 million, and the investment of EUR 7.7 million made in June in the real estate sector, with the purchase of a majority stake in an important real estate initiative in Milan, which will be developed starting in the next few months.

The consolidated net financial position, excluding financial payables recognised pursuant to IFRS 16 in relation to rights of use on lease contracts, became significantly positive in the half-year, standing at EUR 79.9 million (negative for EUR 6.4 million as at 31 December 2022). During the period, the significant financial exposure of the Nursing Home sector was eliminated, subject to deconsolidation at the end of the half-year, which frees the Group from a significant financial exposure and which allows the Group to have, in the current market context characterised by strong criticalities in terms of interest rates and availability of funding sources, significant financial resources to be allocated to new strategic investments.

Lastly, the consolidated accounting net financial position was positive for EUR 60.7 million, compared to the negative EUR 271.0 million recorded as at 31 December 2022, incorporating, in addition to the factors described above, the deconsolidation of the IFRS 16 liabilities of the Nursing Home sector that, as is known, were related to the long-term lease agreements that characterise the sector in question.

## **Financial highlights of the Group**

The economic, equity and financial tables below are shown in reclassified form with respect to those contained in subsequent paragraphs, in order to highlight certain intermediate results and the equity and financial aggregates deemed most significant for understanding the Group's operating performance. These amounts, even though not provided for by IFRS/IAS, are supplied in compliance with the indications in Consob Communication no. 6064293 of 28 July 2006 and CESR Recommendation dated 3 November 2005 (CESR/05-178b).

This report contains several financial ratios, deriving from the financial statements, which provide an overview of the Group's economic, equity and financial performance. Details of economic items not taken directly from the financial statements, and comments and evaluations, help to better qualify the trends in the different values.

In relation to the sale of the Zaffiro Group, which took place at the end of the half-year, the income statement shows in a single item, relating to the result of discontinued operations, the contribution of these activities to the consolidated net result. The item includes both the result for the period up to the date of sale, and the result deriving from the deconsolidation. As required by IFRS 5, the contribution to the consolidated result of discontinued operations in the comparison period was also shown in the same item. Therefore, the income statement for the period of comparison differs, due to this reclassification, from the original one published.

### Main economic figures of the Group

(Thousands of Euro)	30.06.2023	30.06.2022 (*)
Revenue and other income	71,147	76,652
Increases (decreases) in inventories	1,949	405
<b>Net revenue</b>	<b>73,096</b>	<b>77,057</b>
Purchases, provision of services, sundry costs	(51,580)	(52,048)
Personnel costs	(16,938)	(15,438)
<b>Operating costs</b>	<b>(68,519)</b>	<b>(67,486)</b>
<b>Operating margin (EBITDA)</b>	<b>4,578</b>	<b>9,571</b>
Amortisation/depreciation, allocations and adjustments to non-current assets	(4,658)	(4,250)
Share of income (loss) of investments	(474)	-
<b>Operating result (EBIT)</b>	<b>(554)</b>	<b>5,321</b>
Profit (loss) from financial management	633	(588)
Result of management and valuation of financial assets and receivables	(105)	(1,611)
Profit (loss) from trading of financial assets	-	(72)
<b>Profit (loss) before taxes</b>	<b>(25)</b>	<b>3,050</b>
Taxes	(424)	(405)
<b>Profit (loss) from continuing operations</b>	<b>(449)</b>	<b>2,645</b>
Profit (loss) from discontinued operations	44,409	(3,630)
<b>Net profit (loss) for the year</b>	<b>43,959</b>	<b>(985)</b>
Profit (loss) pertaining to non-controlling interests	(1,397)	(1,393)
<b>Profit (loss) pertaining to the Group</b>	<b>45,356</b>	<b>409</b>

(\*) values restated for application of IFRS 5

For greater clarity, the following table restates EBITDA to show the effective margin for the half-year, determined by eliminating: (i) the reversal of lease payments incorporated in the accounting amounts in application of IFRS 16; (ii) the impact of the cost relating to the variable remuneration accrued for the sale of the Zaffiro Group by the Mittel management, as envisaged by the company's remuneration policy; (iii) ancillary charges of a tax and social security nature accrued on the items referred to in the previous point.

(Thousands of Euro)	30.06.2023	30.06.2022 (*)
<b>Accounting operating margin (EBITDA)</b>	<b>4,578</b>	<b>9,571</b>
IFRS 16 effect (lease payments)	(1,660)	(1,523)
Costs related to the sale of the Zaffiro Group (remuneration policy)	2,850	-
Costs related to the sale of the Zaffiro Group (additional expenses)	732	-
<b>Operating margin (EBITDA) before IFRS 16 and Zaffiro Group items</b>	<b>6,500</b>	<b>8,048</b>

(\*) values restated for application of IFRS 5

On the other hand, with regard to the impacts on the Group's result, it should be noted that, with the sale of the Zaffiro Group, the overall effect of IFRS 16 on this figure is not significant and therefore does not require a similar reconciliation. Moreover, as required by IFRS 5, the economic contribution (gross of third parties) of the assets attributable to the Zaffiro Group (including the result from deconsolidation) is already separately shown in a specific financial statement item (with the exception of the indirect impacts highlighted in the previous table).

On the other hand, with regard to the impacts on the Group's result, it should be noted that, with the sale of the Zaffiro Group, the overall effect of IFRS 16 on this figure is not significant and therefore does not require a similar reconciliation. Moreover, as required by IFRS 5, the economic contribution (gross of third parties) of the assets attributable to the Zaffiro Group (including the result from deconsolidation) is already separately shown in a specific financial statement item (with the exception of the indirect impacts highlighted in the previous table).

Before moving on to analyse the most significant individual items of the consolidated income statement, it should be noted that in the half-year, despite the negative impacts deriving from the current market context, the industrial sectors contributed to generating a significant level of consolidated revenues, equal to EUR 67.3 million (EUR 73.2 million in the comparison period, net of the contribution of the Zaffiro Group), and a significant consolidated operating margin of EUR 6.5 million (EUR 8.0 million in the comparison period, net of the Zaffiro Group contribution), deriving from the following net sector contributions:

- *Design*: EBITDA before IFRS 16 equal to EUR 7.4 million (EUR 8.8 million in the comparison half-year), with margins maintained high by the sector investees (Ceramica Cielo, Galassia and Disegno Ceramica), despite a slowdown in turnover recorded, in the current macroeconomic context, in the second quarter, after an extremely positive first quarter;
- *Automotive*: EBITDA before IFRS 16 of EUR 2.6 million (EUR 2.4 million as at 30 June 2022), confirming the operational recovery recorded in 2022, after a very difficult 2021 and despite the impacts of the difficult geopolitical and market situation.
- *Clothing*: EBITDA before IFRS 16 negative for EUR 0.7 million (negative for EUR 0.4 million in the comparison period), with the sector that will produce its profit margins in the second half of the year, given the seasonality of the investee Sport Fashion Service;
- *Real Estate*: negative EBITDA of EUR 0.4 million (negative for EUR 0.3 million as at 30 June 2022), with an unremarkable half-year in terms of sales, after an important development in recent years;
- *Equity and investments*: negative EBITDA before IFRS 16 of EUR 2.3 million (negative for EUR 2.5 million in the comparison period), which, starting from the last few financial years, benefits from the strong reduction in holding costs realised in recent years.

Details on the most significant items are presented below.

- **Revenue and other income**: this reclassified item includes the financial statement items for revenue and other income, which, as at 30 June 2023 had a balance of EUR 71.1 million (EUR 76.7 million in the comparison period). This balance was the combined result of the following factors:
  - (i) revenue recognition of EUR 67,3 million (EUR 73,2 million as at 30 June 2022); the following sectors primarily contributed to this total:
    - the Design sector (Ceramica Cielo, Galassia and Disegno Ceramica) for EUR 38.0 million (EUR 40.5 million in the comparison period);
    - the Automotive sector (IMC) for EUR 22,5 million (EUR 20.6 million in the comparison period)
    - the Clothing sector for EUR 5.8 million (value in line with the comparison period);
    - the Real Estate sector for EUR 1.0 million (EUR 6.3 million in the comparison period);
  - (ii) the recognition of other income for EUR 3.8 million (EUR 3.4 million in the comparison period), mainly attributable to the Design sector for EUR 2.7 million.
- **Increases (decreases) in inventories**: the positive contribution recorded during the period, amounting to EUR 1.9 million (EUR 0.4 million in the comparison period), is due to the net effect of:
  - (i) the net increase in inventories of the Clothing sector for EUR 2.3 million (EUR 3.3 million in the comparison period)
  - (ii) increase of the Design sector for EUR 0.5 million (EUR 0.7 million in the comparison period);
  - (iii) the net decrease of the Automotive sector for EUR 0.1 million (net increase of EUR 0.5 million in the comparison period);
  - (iv) the reduction for offloading of selling costs of property inventories for EUR 0.9 million (EUR 6.0 million as at 30 June 2022);

- (v) the increase in property inventories for costs capitalised and other changes for EUR 0.1 million (EUR 1.9 million as at 30 June 2022).
- **Costs for purchases, provision of services, sundry costs:** this item, totalling EUR 51.6 million (EUR 52.0 million as at 30 June 2022), includes costs for purchases of EUR 31.4 million (EUR 34.5 million in the comparison period), costs for services of EUR 18.3 million (EUR 16.3 million as at 30 June 2022) and sundry costs of EUR 1.8 million (EUR 1.1 million in the comparison period). The main contributors to this item were the following sectors:
    - (i) the Design sector for EUR 23.3 million (EUR 24.4 million in the comparison period);
    - (ii) the Automotive sector for EUR 15.9 million (EUR 15.3 million in the comparison period);
    - (iii) the Clothing sector for EUR 7.3 million (EUR 8.5 million in the comparison period);
    - (iv) the Real Estate sector for EUR 0.7 million (EUR 2.5 million in the comparison period), of which EUR 0.1 million to be read together with the increase in property inventories for capitalised costs (EUR 1.9 million in the comparison period);
    - (v) the Parent Company Mittel for EUR 4.5 million (EUR 1.3 million in the comparison period), of which EUR 2.9 million relating to the portion of the variable remuneration (accrued, as required by the remuneration policy, for the sale of the Zaffiro Group) referring to directors (EUR 2.3 million in gross remuneration and EUR 0.6 million in ancillary charges of a tax and contribution nature).
  - **Personnel costs:** the item shows a balance of EUR 16.9 million (EUR 15.4 million as at 30 June 2022), of which EUR 10.2 million regarding the Design sector (EUR 10.1 million in the comparison period), EUR 3.4 million attributable to the Automotive sector (EUR 3.0 million in the comparison period), EUR 1.8 million relating to the Parent Company Mittel (EUR 1.0 million in the comparison period), of which EUR 0.7 million relating to the portion of the variable remuneration (accrued, as required by the remuneration policy, for the sale of the Zaffiro Group) referring to employees (EUR 0.6 million in gross remuneration and EUR 0.1 million in ancillary charges of a contribution nature) and EUR 1.6 million relating to the Clothing sector (EUR 1.3 million in the comparison period).
  - **Amortisation/depreciation, allocations and adjustments to non-current assets:** the item showed a total balance as at 30 June 2023 of EUR 4.7 million (EUR 4.3 million as at 30 June 2022), due for EUR 1.5 million (EUR 1.4 million in the comparison period) to the amortisation/depreciation for rights of use recognised as a result of the application of IFRS 16; for the remaining portion the amortisation/depreciation refers to the tangible assets held by the operating companies (EUR 1.6 million for Automotive sector, EUR 1.3 million for Design sector and EUR 0.2 million for Clothing sector).
  - **Share of profit (loss) from investments:** this item shows a negative balance of EUR 0.5 million, entirely attributable to the pro-rata consolidation of the negative result accrued in the half-year by the equity-consolidated subsidiary Mittel Generale Investimenti.
  - **Profit (loss) from financial management:** this item shows an overall positive balance of EUR 0.6 million (negative EUR 0.6 million in the comparison period), explained by the net effect: (i) of financial income of EUR 1.8 million, of which EUR 1.3 million relating to the holding company (written down, however, for EUR 0.8 million in the item “Profit (loss) from management and valuation of financial assets”), accrued during the half-year on receivables and time deposits held, and EUR 0.4 million to the Design sector (attributable to the remuneration of the liquidity held by Ceramica Cielo and to a price adjustment item accrued on the purchase of Disegno Ceramica); (ii) financial expenses of EUR 1.2 million, of which EUR 0.3 million relating to financial expenses recognised in accordance with IFRS 16, EUR 0.3 million relating to the bank debt of the Automotive sector and EUR 0.3 million to the cost for the half-year of the residual portion of the Mittel bond (repaid in July 2023).
  - **Result of management and valuation of financial assets and receivables:** this item contributed a negative EUR 0.1 million to the consolidated income statement (negative contribution of EUR 1.6 million in the comparison period) and is explained by the net effect of net value adjustments on loans for EUR 0.2 million (in turn explained by the net effect of write-downs for EUR 0.8 million and a write-back of about EUR 0.6 million deriving from a collection made in the half-year on a previously written down item) and reversals of impairment losses on financial assets for EUR 0.1 million (to align with the fair value on the reporting date).
  - **Taxes:** the item shows a negative balance of EUR 0.4 million (in line with the comparison period) essentially attributable to IRAP for the half-year.

- **Profit (loss) from discontinued operations:** this item shows a balance of EUR 44.4 million (EUR 3.6 million in the comparison period), relating to the Nursing Home operating segment, subject to disposal in the half-year. The item is attributable to the net effect: (i) of the loss (until the date of sale) of EUR 4.1 million (EUR 2.5 million net of minority interests, equal to EUR 1.6 million, shown in the specific financial statement item); (ii) of the result from deconsolidation, equal to EUR 48.5 million. Therefore, the overall contribution to the Group result for the half-year from the Zaffiro Group is equal to EUR 46.0 million (EUR 45.4 million net of the effect of the intercompany items accrued by Mittel in the half-year on existing loans to the investee, fully repaid with the sale).
- **Profit (loss) pertaining to non-controlling interests:** shows a negative balance of EUR 1.4 million (value in line with the comparison period). The result is explained for negative EUR 1.6 million by the portion pertaining to minority interests of the loss of the Zaffiro Group and for the residual positive EUR 0.2 million to the portion pertaining to minority interests of the profit of the other investees not entirely held by Mittel.

### Main financial and equity figures of the Group

(Thousands of Euro)	30.06.2023	31.12.2022
Intangible assets	61,571	109,734
Property, plant and equipment	54,143	302,091
- of which IFRS 16 rights of use	18,389	233,457
Investments	3,009	3,483
Non-current financial assets	27,313	27,576
Provisions for risks, employee severance indemnity and employee benefits	(5,708)	(9,071)
Other non-current assets (liabilities)	929	1,122
Tax assets (liabilities)	10,506	19,396
Net working capital (*)	61,012	46,682
<b>Net invested capital</b>	<b>212,776</b>	<b>501,013</b>
Equity pertaining to the Group	(254,384)	(219,620)
Non-controlling interests	(19,118)	(10,355)
<b>Total equity</b>	<b>(273,502)</b>	<b>(229,975)</b>
<b>Net financial position</b>	<b>60,726</b>	<b>(271,038)</b>
- of which IFRS 16 financial liabilities	(19,164)	(264,622)
<b>Net financial position before IFRS 16</b>	<b>79,890</b>	<b>(6,416)</b>

(\*) Comprised of the sum of Inventories, Sundry receivables (payables) and other current assets (liabilities)

As better detailed below, the composition of the aforementioned items, and in particular intangible assets and property, plant and equipment, reflects the effects of the acquisitions made in the previous years in the Nursing Home, Design, Automotive and Clothing sectors, net of significant reductions at the end of the half-year due to the deconsolidation of the Zaffiro Group. Conversely, the progress of the disposal of non-core assets has led to a reduction in the related items in the statement of financial position (investments, financial receivables and other non-current financial assets) in recent years.

**Intangible assets** amounted to EUR 61.6 million (EUR 109.7 million as at 31 December 2022). The item, almost entirely attributable to goodwill and trademarks, decreased by approximately EUR 48 million due to the deconsolidation of the Nursing Home sector, which in the comparison period contributed to the item with total goodwill of EUR 46.8 million and with the trademark registration value (equal to EUR 1.1 million). Goodwill relating to the acquisition of Ceramica Cielo S.p.A. (which took place in June 2017) amounted to EUR 5.6 million, augmented by EUR 4.3 million relating to the company's trademark. Furthermore, as regards the Design sector, goodwill is recognised relating to the acquisitions of: (i) Galassia S.r.l. for an amount of EUR 4.4 million, in addition to EUR 2.0 million relating to the company's trademark; (ii) Disegno Ceramica S.r.l., for an amount of EUR 2.1 million.

In addition, goodwill of EUR 19.3 million was booked for the acquisition of IMC S.p.A. at the end of 2017.



The acquisition of Sport Fashion Service S.r.l. in November 2019 resulted in the recognition, with continuity of values, of goodwill (EUR 18.4 million) and trademarks (EUR 1.8 million) recognised in the package for the initial IFRS consolidation of the company at the acquisition date. Finally, the purchase value of the Jeckerson brand was recorded during 2021, equal to approximately EUR 3.4 million.

**Property, plant and equipment** amounted to EUR 54.1 million (EUR 302.1 million as at 31 December 2022), of which EUR 18.4 million for IFRS 16 rights of use (EUR 233.5 million in the comparison period, of which EUR 213.2 ceased consequently to the deconsolidation of the Nursing Home sector that was characterised, as known, by long-term lease contracts on properties used as residences). The residual portion of this item's balance, equal to EUR 35.7 million (EUR 68.6 million in the comparison period, of which EUR 30.5 million ceased consequently to the deconsolidation of the Zaffiro Group), was heavily influenced by the contribution from the Automotive sector, amounting to EUR 12.6 million (total amount, net of accumulated amortisation, the partial allocation of goodwill recognised at the time of the acquisition to IMC S.p.A.'s presses) and from the Design sector, which contributed EUR 21.9 million.

**Investments measured using the equity method** totalled EUR 3.0 million (EUR 3.5 million as at 31 December 2022) and refer to the investment held by the Parent Company Mittel S.p.A. in Mittel Generale Investimenti S.r.l., which decreased as a result of the pro-rata loss accrued in the year on investee consolidated at equity.

**Non-current financial assets** amounted to EUR 27.3 million (EUR 27.6 million as at 31 December 2022) and refer: i) for EUR 15.8 million (value in line with that of the previous year) to non-current financial receivables, relating to credit positions held by the Parent Company; and ii) for EUR 11.5 million (EUR 11.7 million in the comparison period) to other non-current financial assets, represented mainly by shares in real estate UCITS held by the Parent Company and shares in investment vehicles held by Mittel S.p.A. and by the subsidiary Earchimede S.p.A.

**Provisions for risks, employee severance indemnity and employee benefits** amounted to EUR 5.7 million (EUR 9.1 million as at 31 December 2022). In particular, as at 30 June 2023, this item consisted of EUR 4.7 million for *Provisions for personnel* (EUR 8.1 million in the comparison period, an amount that included the contribution of the Zaffiro Group of EUR 2.9 million) and EUR 1.0 million for *Provisions for risks and charges* (EUR 1.6 million in the comparison period, which incorporated the contribution of the Zaffiro Group for EUR 0.4 million). The contributors to the item *Provisions for personnel* were from the Design sector (EUR 2.8 million), the Parent Company Mittel S.p.A. (EUR 1.1 million), the Automotive sector (EUR 0.4 million) and the Clothing sector (EUR 0.3 million). *Provisions for risks and charges* instead refer primarily to the Design sector (EUR 0.5 million), and the Clothing sector (EUR 0.3 million).

The item **net tax assets (liabilities)** was positive for EUR 10.5 million (EUR 19.4 million as at 31 December 2022), decreasing mainly due to the elimination of the contribution of the Nursing Home sector, amounting to EUR 8.9 million in the comparison period (amount mainly attributable to deferred tax assets recognised on this sector, mainly linked to IFRS 16 items and to a lesser extent to tax losses accrued in recent years). The item is composed of the sum of current tax assets of EUR 0.8 million (EUR 1.0 million as at 31 December 2022) and deferred tax assets of EUR 11.1 million (EUR 20.7 million in the comparison period), offset by deferred tax liabilities for EUR 1.2 million (EUR 1.8 million in the comparison period) and current tax liabilities for EUR 0.2 million (EUR 0.5 million in the comparison period).

**Net working capital** amounted to EUR 61.0 million (EUR 46.7 million as at 31 December 2022). The item is composed of: (i) the value of Inventories for EUR 67.9 million (EUR 55.7 million in the comparison period), attributable for EUR 35.6 million to property inventories (EUR 26.0 million in the comparison period), incorporating for EUR 10.4 million (amount including minority interests of 45%) the effects of the described purchase of the area under development located in Milan/Via Cavriana, for EUR 16.1 million to the Design sector (EUR 15.6 million in the comparison period), for EUR 7.3 million to the Automotive sector (EUR 7.4 million in the comparison period) and for EUR 8.8 million to the Clothing sector (EUR 6.5 million in the comparison period); (ii) sundry receivables and other current assets amounting to EUR 39.1 million (EUR 53.5 million in the comparison period). This amount also incorporated the contribution from the Nursing Home sectors for EUR 10.2 million), contributed mainly by the Design sector for EUR 22.4 (EUR 21.7 million as at 31 December 2022), the Automotive sector for EUR 9.6 million (EUR 8.4 million as at 31 December 2022) and the Clothing sector for EUR 3.6 million (EUR 11.8 million in the comparison period); and (iii) Sundry payables and other current liabilities for EUR 45.9 million (EUR 62.5 million in the comparison period). This amount also incorporated the contribution from the Nursing Home sector for EUR 22.5 million, contributed mainly by the Design sector for EUR 23.1 million (EUR 24.6 million as at

31 December 2022), the Automotive sector for EUR 10.8 million (EUR 11.5 million as at 31 December 2022) and the Clothing sector for EUR 4.7 million (EUR 5.3 million in the previous year).

As a result, **net invested capital** amounted to EUR 212.8 million (EUR 501.0 million as at 31 December 2022), a figure that includes, as previously explained, the rights of use recognised pursuant to IFRS 16 for a total of EUR 18.2 million (down sharply from the comparison period, when they amounted to EUR 233.5 million, mainly due to the deconsolidation of the Zaffiro Group. The invested capital is lower than the consolidated equity, equal to EUR 273.5 million from equity (EUR 230.0 million in the comparison period), in the presence of a positive net financial position of EUR 60.7 million (negative for EUR 271.0 million as at 31 December 2022), which in the comparison period was heavily influenced by the application of IFRS 16 (with financial lease payables totalling EUR 264.6 million, which decreased to EUR 19.2 million in the half-year due to the described deconsolidation of the Zaffiro Group).

**Equity pertaining to the Group** amounted to EUR 54.4 million (EUR 219.6 million as at 31 December 2022), while that pertaining to non-controlling interests amounted to EUR 19.1 million (EUR 19.4 million as at 31 December 2022).

Given the performance of consolidated equity and profit figures described above, the accounting **net financial position** is positive for EUR 60.7 million (negative for EUR 271.0 million as at 31 December 2022). Net of the impact of IFRS 16, the net financial position was positive for EUR 79.9 million, also a clear improvement compared to the negative EUR 6.4 million of the comparison period. The detailed breakdown of the item is provided below.

#### Statement relating to the net financial position

(Thousands of Euro)	30.06.2023	31.12.2022
Cash	39	178
Other cash and cash equivalents	108,886	61,538
Securities held for trading	-	-
<b>Current liquidity</b>	<b>108,925</b>	<b>61,716</b>
<b>Current financial receivables</b>	<b>-</b>	<b>-</b>
Bank loans and borrowings	(13,601)	(43,036)
Bonds	(15,434)	(15,435)
Other financial payables	(19,164)	(274,283)
<b>Financial debt</b>	<b>(48,199)</b>	<b>(332,754)</b>
<b>Net financial position</b>	<b>60,726</b>	<b>(271,038)</b>
- of which IFRS 16 financial liabilities	(19,164)	(264,622)
<b>Net financial position before IFRS 16</b>	<b>79,890</b>	<b>(6,416)</b>

## Significant events of the first half of the year

### Governance and corporate events

The Shareholders' Meeting of Mittel S.p.A. - which met on 21 June 2023 - unanimously expressed its opinion on the matters dealt with as follows:

*Directors' Report on Operations, Report of the Board of Statutory Auditors, financial statements as at 31 December 2022.*

The Shareholders' Meeting resolved to approve the financial statements for the financial year from 1 January 2022 to 31 December 2022, as well as the proposal to balance the loss for the year of EUR 9,915,828 through the use of available reserves.

*Report on the Remuneration Policy and on Compensation Paid pursuant to art. 123 ter of the Consolidated Law on Finance (TUF).*

Considering the favourable binding vote cast on 15 December 2021 on the "Remuneration Policy for the 2022-2024 financial years", the Shareholders' Meeting resolved in an advisory manner to vote in favour of the "Compensation paid in the 2022 financial year" set out in Section II of the "Report on the remuneration policy and on compensation paid".

### Other significant events

On 27 January 2023, with the aim of concentrating in IBD Group S.r.l. 100% of the equity investments held in the operating companies of the Bathroom Furnishings sector Galassia S.r.l. (for the residual amount held by the CEO of the same company) and Disegno Ceramica S.r.l. (for the residual amount held by the company's Chief Executive Officer), the resolution of the Extraordinary Shareholders' Meeting of 20 January 2023 relating to the increase in the share capital of IBD Group S.r.l. reserved for the transferees, carried out through the contribution in kind of their respective investments in Galassia S.r.l. and Disegno Ceramica S.r.l., became effective. Specifically, the transaction involved an exchange of equity interests through the contribution of a 10% interest in the capital of Galassia S.r.l. and a 15% interest in the capital of Disegno Ceramica S.r.l., in exchange, respectively, for equity interests in the capital of IBD Group S.r.l., corresponding to 2.65% to the Chief Executive Officer of Galassia S.r.l. and 0.85% to the Chief Executive Officer of Disegno Ceramica S.r.l..

As a result of the above transaction, IBD Group S.r.l. holds 100% of Disegno Ceramica S.r.l. and Galassia S.r.l., in addition to the already held 100% of Ceramica Cielo S.p.A...

The transfer of the shares of the two companies resulted in a share capital increase from EUR 10,000.00 to EUR 10,363.00 and a total share premium reserve of EUR 5,369,637.00.

On 10 February 2023, the Shareholders' Meeting of Mittel S.p.A. unanimously resolved to approve the distribution, by way of extraordinary dividend, of part of the retained earnings reserve for a total of EUR 10,000,031.95 for the 81,347,368 ordinary shares with no nominal value in issue, corresponding to EUR 0.12293 per eligible ordinary share.

The dividend was settled at the intermediaries participating in the centralised share management system, Monte Titoli S.p.A., on 22 February 2023, with ex-dividend date of 20 February 2023 and record date of 21 February 2023.

With reference to the transaction with a related party of greater importance – concerning the purchase, on 15 November 2019, by Mittel S.p.A., of an equity investment representing 70% of the share capital of Sport Fashion Service S.r.l. from Blue Fashion Group S.p.A. and, upon appointment of the latter, of an investment representing 20% of the share capital of Fremil International S.r.l. – which had been disclosed to the market through the publication of an information document (drawn up pursuant to art. 5 of the Regulation containing the provisions on related party transactions - adopted by Consob with resolution no. 17221 of 12 March 2010 and subsequent amendments), disclosed on 20 November 2019 (the "Information Document"), subsequently supplemented and updated with: (i) the Supplement to the Information Document published on 7 February 2020 (the "First Supplement") and (ii) the Second Supplement to the Information Document published on 16 July 2020 (the "Second Supplement") – on 16 February 2023 Mittel S.p.A. signed an addendum to the purchase agreement which involved Mittel S.p.A. paying to Blue Fashion Group S.p.A. - in advance and, therefore, in derogation of the provisions contained in the article 3 of the contract for the purchase of the equity investment Sport Fashion Service S.r.l. – a total and all-inclusive amount, by way of Earn-out, conventionally agreed upon between Mittel S.p.A. and Blue Fashion Group S.p.A., and equal to EUR 2,000,000.00 by publishing, on 21 February 2023, the Third Supplement to the Information Document.

The Information Document, the First Supplement, the Second Supplement and the Third Supplement are all documents available on the Mittel S.p.A. website at: <https://www.mittel.it/category/parti-correlate-documenti/>

On 12 June 2023, Mittel S.p.A. acquired 55% of the share capital of the company Cascina Canavese s.r.l., active in the real estate development sector. The purchase was completed through the payment by Mittel S.p.A. of EUR 7.7 million, of which EUR 0.6 million for the purchase of the shares and the remaining EUR 7.1 million as a shareholder loan. The partnership between Mittel and other shareholders will allow the launch of a real estate project for the construction of 5 residential buildings in Milan.

On 28 June 2023, Mittel S.p.A. informed the market that it had completed the sale of the entire majority stake (equal to 60%) held in the share capital of Gruppo Zaffiro S.r.l. for a consideration of EUR 42 million. The transaction was completed through the sale to Sarafin S.p.A. and to the funds called "Eurizon Iter" as well as "Eurizon Iter Eltif" managed by Eurizon Capital SGR S.p.A. The sale transaction involved the recognition of a gross capital gain in the separate financial statements for Mittel S.p.A. of EUR 28.5 million (amount equal to the difference between the sale price of EUR 42 million and the book value of the investment of EUR 13.5 million) and the recognition on the consolidated financial statements of a positive impact on profit pertaining to the Group of EUR 45.4 million (deriving from the comparison of the sale price with the book value implicit in the consolidated financial statements as at 28 June 2023). At the same time as the aforementioned sale, Mittel S.p.A. also collected from Gruppo Zaffiro S.r.l. an amount of EUR 26.6 million, by way of repayment of principal and interest on shareholder loans previously granted to it for a principal amount of EUR 25 million. The overall transaction, therefore, involves the collection of financial resources of EUR 68.6 million.

### **Significant events after June 30, 2023**

In relation to the provisions of IAS 10, after 30 June 2023, the reference date of the Half-yearly financial report, and until 27 September 2023, the date on which the Report was approved by the Board of Directors, no events took place which involved an adjustment of the data presented.

On 26 July 2023, Mittel S.p.A. continued the diversification of investments in Italian companies of excellence, entering the sector of production and distribution of PVC windows and doors with high quality technical performance through the acquisition of a shareholding in the company "Gruppo Finestre S.r.l.", which was established in 2005 thanks to Stefano Zanasi's acquisition of the Italian window production division of a multinational company and the consequent merger with the Fersina brand. The company specialises in the production of PVC windows and doors (80% of revenues), aluminum shutters (12%) and armoured doors/interior doors (8%). The acquisition involved the purchase, through equity, of 100% of Gruppo Finestre S.r.l. for a price of EUR 13.2 million by the vehicle Italian Windows Group S.r.l. (IWG) established by the Mittel Group as the holding company of the new window and door investment sector; Stefano Zanasi invested in 30% of the capital of IWG (the remaining 70% of which is therefore held by Mittel), sealing a strategic partnership with the entrepreneur aimed at growth. Among the main characteristics that make Gruppo Finestre a strategic investment, there is its commitment to sustainability, which is perfectly aligned with the objectives of Mittel S.p.A., given the important challenge of energy efficiency and reduction of emissions further promoted by the recent revision of the directive on energy efficiency in buildings (Energy Performance of Buildings Directive) approved by the European Union. In addition, the company has demonstrated solid cash generation and a strong positioning in the market, thanks to a diversified customer base and a direct sales strategy that makes it possible to preserve greater margins and consolidate the brand on the market. Entry into the capital by Mittel is aimed at supporting the growth process of Gruppo Finestre over a long-term time horizon. The prerequisite for development is based on the expansion of the commercial offer and the product distribution network on the various sales channels to further enhance the brand on the national market. Gruppo Finestre, which in 2022 achieved a turnover of over EUR 38 million and an EBTDA margin of 15%, currently produces at a plant just outside Pergine Valsugana (TN) high-quality items that meet the needs of the market and climate zones, and sells them through 14 owned stores and 120 resellers on the market.

On 27 July 2023, Mittel S.p.A. fully repaid the bond by paying EUR 15.2 million as principal and EUR 0.3 million as interest.

On 12 September 2023, the Shareholders' Meeting of Mittel S.p.A. approved the Remuneration Policy, as integrated with the 2022-2024 Policy, contained in Section I of the "Report on the Remuneration Policy and remuneration paid" (the "Report"), and the related adoption and implementation procedures. In particular, the integration of the M/L Incentive (which will continue to apply, with some changes, to the

investments held in the Bathroom Furnishings, Automotive and Clothing sectors) with a new mechanism which, exclusively for the new Mittel shareholdings acquired and to be acquired from the beginning of June 2023, provides for a co-investment capable of generating in the Beneficiaries themselves an exposure to the risk of loss of invested capital. The Policy, as a result of the changes that have been better outlined in it, is functional to further aligning the interests of all shareholders and stakeholders with those of the Company's management, through the described share of the latter in the risk capital of the SPVs that the Company controls and will control in the course of the investment process in the various industrial targets.

## **Business outlook for the year**

The evolution of the Group's results is related to the performance of the sectors in which the strategic equity investments operate. The current macroeconomic context is, as is well known, characterised by the persistence of the restrictive monetary policy measures put in place by the monetary authorities as early as 2022, given the further intensification of inflation dynamics recorded after the outbreak of the Russian-Ukrainian conflict. The significant increase in interest rates continued throughout the first half of 2023 and also after the end of the year, with inevitable impacts on the dynamics of industrial production and consumption.

However, as it clearly emerges from the analysis of the financial data of the last few years and the half-year ended on 30 June 2023, the strong solidity demonstrated by the Group in the face of the difficult market context has always made it possible to limit the equity impacts and to show a strong financial and operational resilience, also containing the negative impacts on the economic results.

The sale of the Zaffiro Group, in addition to resulting in the exit (with an important economic result achieved compared to the original investment made) from an operating segment that, in the current economic situation (characterised by the trends described), was particularly penalised (for the difficulties in filling facilities, reversing of operating costs and the high absorption of financial resources), has further and significantly increased the cash and cash equivalents at the level of the holding system. The strong independence of the Group from the banking system and from external sources of financing will therefore make it possible to limit the impacts of the current market situation also on the financial management front, allowing it to continue immediately with the path of investment in new verticals or further strengthening of existing ones.

In this regard, the investment made in the Finestre Group after the end of the half-year will result in a further increase in the level of diversification of investments, favouring the mitigation of the market phenomena analysed also through the contribution of the new operating sector to the Group profitability results starting from the second half of the current year.

Therefore, the results of the Group in the coming months should reflect, compatibly with the uncertainty relating to the duration of the current market context and within the limits of the actions taken to contain its negative effects, the effects of the important growth path achieved to date as a dynamic and efficient industrial holding company, with a strong focus on further enhancing the significant investments made in recent years and on further development strategies and with the aim of creating long-term sustainable value for shareholders and all stakeholders.

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**MITTEL S.p.A.**

## **Contacts**

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## Consolidated Statement of Financial Position

Amounts in thousands of EUR

	Notes	30.06.2023	31.12.2022
<b>Non-current assets</b>			
Intangible assets		61,571	109,734
Property, plant and equipment		54,143	302,091
- of which IFRS 16 rights of use		18,389	233,457
Investments accounted for using the equity method		3,009	3,483
Financial receivables		15,840	15,836
Other financial assets		11,473	11,740
Sundry receivables and other assets		1,138	1,292
Deferred tax assets		11,079	20,737
<b>Total non-current assets</b>		<b>158,254</b>	<b>464,913</b>
<b>Current assets</b>			
Inventories		67,856	55,665
Current tax assets		756	956
Sundry receivables and other assets		39,082	53,484
Cash and cash equivalents		108,925	61,716
<b>Total current assets</b>		<b>216,618</b>	<b>171,821</b>
Assets held for sale		-	-
<b>Total assets</b>		<b>374,872</b>	<b>636,734</b>
<b>Equity</b>			
Share capital		87,907	87,907
Share premium		53,716	53,716
Reserves		67,404	77,345
Profit (loss) for the period		45,356	651
<b>Equity pertaining to the Group</b>		<b>254,384</b>	<b>219,620</b>
Non-controlling interests		19,118	10,355
<b>Total equity</b>		<b>273,502</b>	<b>229,975</b>
<b>Non-current liabilities</b>			
Financial payables		18,322	282,698
- of which IFRS 16 financial liabilities		16,397	255,406
Other financial liabilities		-	2,009
Provisions for personnel		4,670	7,496
Deferred tax liabilities		1,155	1,821
Provisions for risks and charges		1,038	1,575
Sundry payables and other liabilities		208	170
<b>Total non-current liabilities</b>		<b>25,393</b>	<b>295,770</b>
<b>Current liabilities</b>			
Bonds		15,434	15,435
Financial payables		14,444	32,612
- of which IFRS 16 financial liabilities		2,768	9,216
Current tax liabilities		175	476
Sundry payables and other liabilities		45,925	62,467
<b>Total current liabilities</b>		<b>75,977</b>	<b>110,990</b>
Liabilities held for sale		-	-
<b>Total equity and liabilities</b>		<b>374,872</b>	<b>636,734</b>

## Consolidated Income Statement

Amounts in thousands of EUR

	<b>01.01.2023</b>	<b>01.01.2022</b>
	<b>30.06.2023</b>	<b>30.06.2022 (*)</b>
Revenue	67,298	73,231
Other income	3,849	3,421
Changes in inventories	1,949	405
Costs for purchases	(31,438)	(34,519)
Costs for services	(18,348)	(16,413)
Personnel costs	(16,938)	(15,438)
Other costs	(1,795)	(1,116)
Amortisation and value adjustments to intangible assets	(4,482)	(4,250)
Allocations to the provision for risks	(177)	-
Share of income (loss) of investments accounted for using the equity method	(474)	-
<b>Operating result (EBIT)</b>	<b>(556)</b>	<b>5,321</b>
Financial income	1,839	708
Financial expenses	(1,205)	(1,296)
Value adjustments to financial assets, loans and receivables	(105)	(1,611)
Profit (loss) from trading of financial assets	-	(72)
<b>Profit (loss) before taxes</b>	<b>(27)</b>	<b>3,050</b>
Income taxes	(424)	(405)
<b>Income (loss) from continuing operations</b>	<b>(451)</b>	<b>2,645</b>
Profit (loss) from discontinued operations	44,409	(3,630)
<b>Profit (loss) for the year</b>	<b>43,959</b>	<b>(985)</b>
<b>Attributable to:</b>		
Profit (loss) pertaining to non-controlling interests	(1,397)	(1,393)
<b>Profit (loss) pertaining to the Group</b>	<b>45,356</b>	<b>409</b>

(\*) Some amounts shown in the column do not coincide with those reported in the Half-yearly financial report as at 30 June 2022 as they reflect the reclassifications related to the sale of the Zaffiro Group, in accordance with the provisions of IFRS 5. These reclassifications are detailed in the Note