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Testo del comunicato

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ESPRINET CLOSES THE BEST YEAR IN ITS HISTORY: GROUP NET PROFIT AT EURO 44.1 MILLION (+39%) PROPOSED DIVIDEND OF EURO 0.54 PER SHARE THE ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING CALLED

- SALES FROM CONTRACTS WITH CUSTOMERS: Euro 4,691 million, +4% (2020: Euro 4,492 million)
- ADJUSTED EBITDA: Euro 86.1 million, +25% (2020: Euro 69.1 million)
- EBIT: Euro 68.4 million, +44% (2020: Euro 47.6 million)
- NET INCOME: Euro 44.1 million, +39% (2020: Euro 31.8 million)
- ROCE: 20.5% (2020: 25.1%);
- CASH CONVERSION CYCLE: 13 days (2020: 8 days)
- NFP: positive for Euro 227.2 million (2020: positive for Euro 302.8 million)

Vimercate (Monza Brianza), 8 March 2022 – The Board of Directors of ESPRINET, group leader in Southern Europe in advisory services, sale and rental of technological products and cybersecurity, which met under the chairmanship of Maurizio Rota, approved the **Consolidated financial statements and the Draft separate financial statements as at 31 December 2021**, drafted in compliance with the international accounting standards (IFRS).

Alessandro Cattani, Chief Executive Officer of ESPRINET: *"We have closed an exceptional year in which we exceeded our targets, setting an all-time record not just in terms of sales but also, in particular, of net profit.*
It is with great satisfaction that we can announce - consistently with its growth strategy focused on high profit margin business lines - that the Group posted sales in the Advanced Solutions segment that topped Euro 870 million, marking an increase of +46% over the previous year.
The growth we registered in the Cloud segment was even more remarkable, sitting at +183%, almost reaching Euro 141 million in sales.
We also recorded growth of +12% in the Business Customer segment, where ESPRINET consolidated its market share, thanks to the constant focus on customer satisfaction indexes.
The Cash Conversion Cycle stood at 13 days, in line with our objective of keeping it below 18 days, hence ensuring optimal financial flexibility to support our generous dividend policy and the hoped-for search for attractive external growth opportunities, also in other areas of Western Europe, in addition to the countries in which the Group is already operating.
We believe that, in 2022, in the absence of external shocks and assuming that the ongoing war in Ukraine quickly comes to an end or, nonetheless, does not have too much of an impact on the macroeconomic scenario, the Group can record further growth in the reference market in Southern Europe.
In view of the performance of the first two months of this year which confirm the effectiveness of the business model adopted, we estimate for the current fiscal year to be able to obtain a further increase in profitability in line with the growth path underpinning the business plan announced in November 2021. All this despite the backdrop of a market that for the first part of the year will continue to be rather challenging and then is expected to recover".

MAIN CONSOLIDATED RESULTS AS AT 31 DECEMBER 2021

Sales from contracts with customers amounted to Euro 4,690.9 million, +4% compared to Euro 4,491.6 million euro in 2020.

Contributions to this result were provided by both organic growth (+1%) and the Euro 153.6 million deriving from the activities of Gruppo GTI acquired in Spain in Q4 2020 and Dacom S.p.A. and idMAINT S.r.l. in Italy, acquired at the start of Q1 2021.

(€/millions)	FY 2021	FY 2020	Change %
Italy	2,854.7	2,722.0	5%
Spain	1,686.7	1,665.6	1%
Portugal	107.5	67.4	59%
Other EU countries	28.7	26.5	8%
Other countries outside of the EU	13.3	10.1	32%
Sales from contracts with customers	**4,690.9**	**4,491.6**	**4%**

ESPRINET recorded sales of Euro 2,854.7 million in **Italy**, +5% compared to 2020 and in line with the market which, according to Context data, increased by 5%, reaching turnover of Euro 9.5 billion. In **Spain**, the Group posted sales of Euro 1,686.7 million, +1% compared to 2020, underperforming the market which increased by 5% (Euro 6.6 billion). **Portugal** was worth Euro 107.5 million, +59% compared to 2020 and further consolidated its share of a market that rose by 10%, reaching sales of more than Euro 1.6 billion.

(€/millions)	FY 2021	FY 2020	Change %
PCs (notebook, tablet, desktop, monitor)	1,640.2	1,711.5	-4%
Printing devices and supplies	396.8	407.0	-3%
Other products	367.2	319.7	15%
Total IT Clients	**2,404.2**	**2,438.2**	**-1%**
Smartphones	1,254.4	1,263.6	-1%
White goods	81.6	64.1	27%
Gaming (hardware and software)	49.8	39.3	27%
Other products	174.5	164.3	6%
Total Consumer Electronics	**1,560.3**	**1,531.3**	**2%**
Hardware (networking, storage, server and other)	528.0	384.9	37%
Software, Services, Cloud	345.9	212.6	63%
Total Advanced Solutions	**873.9**	**597.5**	**46%**
Reconciliation adjustments	(147.5)	(75.4)	96%
Sales from contracts with customers	**4,690.9**	**4,491.6**	**4%**

An analysis of the details of the **product categories** shows an increase of 2% in sales in the *Consumer Electronics* segment, where the growth in White goods (+27%), Gaming (+27%) and Other products (+6%), whose perimeter also incorporates televisions, more than offset the decrease in Smartphones (-1%). Despite the growth of 15% in Accessories and Components (Other products), the *IT Clients* segment recorded a drop of 1% due to the performance of PCs (-4%) and Printing devices and supplies (-3%). According to Context data, in 2021, the *IT Clients* market recorded growth of 3%, where PCs and Printing posted growth of 2%. In the *Consumer Electronics* market (+8%), the drivers of growth were Smartphones (+4%) and Other products (+17%), in which, it should be pointed out, televisions are classified.

In the *Advanced Solutions* segment, the Group registered sales of Euro 873.9 million, +46% compared to Euro 597.5 million in 2020, with growth of 63% in Software, Services and Cloud, and an increase of 37% in Hardware (networking, storage, servers and other). Also thanks to the strategic acquisitions signed in 2020 (GTI Group in the *Cloud* domain) and January 2021 (Dacom and idMAINT in the *Automatic Identification and Data Capture* area), the Group significantly boosted its position in the Advanced Solutions segment, whose market grew by 6% according to Context data.

(€/millions)	FY 2021	FY 2020	Change %
Retailer, E-tailer (Consumer Segment)	2,190.2	2,205.7	-1%
IT Reseller (Business Segment)	2,648.2	2,361.3	12%
Reconciliation adjustments	(147.5)	(75.4)	96%
Sales from contracts with customers	**4,690.9**	**4,491.6**	**4%**

A glance at the **customer segments** shows that, in 2021, the market recorded growth of 5% in the *Business Segment* (IT Reseller) and 6% in the *Consumer Segment* (Retailer, E-tailer). Group sales declined in the *Consumer Segment* (Euro 2,190.2 million, -1%), and increased in the *Business Segment* (Euro 2,648.2 million, +12%), where ESPRINET, thanks to the constant focus on customer satisfaction indexes, consolidated its market share.

Gross profit totaled Euro 232.9 million, +20% compared to 2020 (Euro 194.5 million) due to both greater sales and the significant increase in the percentage margin (4.96% in 2021 compared to 4.33% in 2020), in turn a result of the greater incidence of high profit margin product categories that, in line with the Group's strategy, accounted for 41% of sales, up from 35% in 2020. It should also be noted that profit margins improved on all business lines.

Adjusted EBITDA amounted to Euro 86.1 million, up by 25% compared to Euro 69.1 million in 2020. The incidence on sales increased to 1.84% compared to 1.54% in 2020, despite the increase in the weight of operating costs (from 2.79% in 2020 to 3.13% in 2021), mainly as a result of the acquisitions of Gruppo GTI, Dacom S.p.A. and idMAINT S.r.l..

Adjusted EBIT, gross of Euro 1.4 million in non-recurring costs[1], amounted to Euro 69.8 million, +27% compared to Euro 54.8 million in 2020[2]; the incidence on sales increased to 1.49% from 1.22% in 2020.

EBIT amounted to Euro 68.4 million, +44% compared to Euro 47.6 million in 2020.

Profit before income taxes amounted to Euro 60.8 million, up by 43% compared to Euro 42.5 million in 2020.

Net income amounted to Euro 44.1 million, +39% compared to Euro 31.8 million in 2020.

Group net income amounted to Euro 44.2 million, +41% compared to Euro 31.4 million in 2020.

Basic earnings per ordinary share, equal to Euro 0.89, showed an increase of 41% compared with the value in 2020 (Euro 0.63).

The **Cash Conversion Cycle**[3] closed at 13 days (+5 days compared to Q4 20 and unchanged with respect to Q3 21). In particular, the following trends were recorded:

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[1] Non-recurring costs in 2021 related to the expansion of the warehouses in Italy and the fitting out of the new headquarters in Madrid, in which the personnel taken on as a result of the various acquisitions and located in several areas of the city were concentrated.

[2] Non-recurring costs in 2020, amounting to Euro 7.2 million, include Euro 0.9 million connected with the transaction aimed at the acquisition of the Spanish distributor of cloud software and solutions, GTI Software y Networking S.A., Euro 1.2 million incurred as a result of the termination of the contract of former Group director and CFO, Euro 2.6 million relating to the write-off of the residual balance of the receivables due to the parent company from the importing supplier of the 'Sport Technology' product line, following the settlement of the legal dispute, Euro 0.2 million incurred to deal with the Covid-19 pandemic and Euro 2.3 million for impairment of goodwill relating to the CGU attributable to the distribution of mobile telephone accessories, which are handled by the subsidiary Celly.

[3] Equal to the average of the last 4 quarters of days of turnover of Operating Net Working Capital calculated as the sum of trade receivables, inventories and trade payables.

- Days sales of inventory (DSI): +3 days vs Q4 20 (+2 days vs Q3 21);
- Days sales outstanding (DSO): +2 days vs Q4 20 and unchanged vs Q3 21;
- Days payable outstanding (DPO): unchanged vs Q4 20 (+2 days vs Q3 21).

The **Net Financial Position**, amounted to a positive Euro 227.2 million, compared with a positive Euro 302.8 million as at 31 December 2020. The value of the exact net financial position as at 31 December is influenced by technical factors like the seasonality of the business, the trend in 'non-recourse' factoring of trade receivables (factoring, confirming and securitisation) and the trend in the behavioural models of customers and suppliers in the different periods of the year. Therefore, it is not representative of the average levels of net financial indebtedness noted during the period. The aforementioned factoring and securitisation programmes, which define the complete transfer of risks and benefits to the assignees and therefore involve the derecognition of receivables from the statement of financial position assets in compliance with IFRS 9, determine an overall effect on the level of consolidated net financial payables as at 31 December of Euro 561.0 million (Euro 536.6 million euro as at 31 December 2020).

Net Equity totaled Euro 386.1 million, a slight reduction compared with Euro 389.0 million as at 31 December 2020.

The **ROCE** stood at **20.5%**, compared to 25.1% in 2020. The main changes related to this trend can be summarised as follows:
- the "**NOPAT - Net Operating Profit Less Adjusted Taxes**" grew compared to 2020;
- the **Average Net Invested Capital**, measured before the effects of the introduction of IFRS 16, increased (+53%) due to the increase in the Average Net Working Capital.

(€/millions)	FY 2021	FY 2020
LTM operating profit (Adj. EBIT)[4]	68.5	52.9
NOPAT[5]	49.7	39.7
Average net invested capital[6]	242.4	158.1
ROCE[7]	20.5%	25.1%

MAIN RESULTS OF ESPRINET SPA AS AT 31 DECEMBER 2021

Sales from contracts with customers amounted to Euro 2,830.1 million, up by 3% compared to Euro 2,744.4 million euro in 2020.

The **Gross profit** amounted to Euro 139.4 million, marking an increase of 14% compared to 2020 (Euro 122.5 million) due to higher revenues and an improvement in the percentage margin, which went from 4.46% in 2020 to 4.93% in 2021.

Adjusted EBITDA, calculated gross of one-off costs[8] of Euro 1.1 million, totaled Euro 42.9 million, up by 10% compared to Euro 39.2 million in 2020, calculated gross of one-off costs of Euro 4.9 million.[9]

[4] Equal to the sum of EBITs - excluding the effects of IFRS 16 - in the last 4 quarters.
[5] LTM operating profit (Adj. EBIT), as defined above, net of taxes calculated at the actual tax rate of the last set of annual consolidated financial statements published.
[6] Equal to the average of "Loans" at the closing date of the period and at the four previous quarterly closing dates (excluding the equity effects of IFRS 16).
[7] Equal to the ratio between (a) NOPAT, as defined above, and (b) the average net invested capital as defined above.
[8] The one-off costs relate to the expansion of the warehouses in Italy.
[9] The one-off costs include: Euro 0.9 million connected with the transaction aimed at the acquisition of the Spanish distributor of cloud software and solutions, GTI Software y Networking S.A., Euro 1.2 million incurred as a result of the termination of the contract of former

Adjusted EBIT, gross of Euro 1.1 million in non-recurring costs cited above, amounted to Euro 31.8 million, +10% compared to Euro 28.7 million in 2020, calculated gross of non-recurring costs of Euro 4.9 million cited above; the incidence on sales rose to 1.12% compared to 1.05% in 2020.

EBIT came to Euro 30.6 million, marking an increase of 28% compared to Euro 23.9 million in 2020.

Profit before income taxes amounted to Euro 26.5 million, +79% compared to Euro 14.8 million in 2020.

Net Income amounted to Euro 18.5 million, +97% compared to Euro 9.4 million in 2020.

The **Net Financial Position** was a positive Euro 126.0 million, compared to a liquidity surplus of Euro 169.8 million as at 31 December 2020. The value of the exact net financial position as at 31 December is influenced by technical factors like the seasonality of the business, the trend in 'non-recourse' factoring of trade receivables (factoring, confirming and securitisation) and the trend in the behavioural models of customers and suppliers in the different periods of the year. Therefore, it is not representative of the average levels of net financial indebtedness noted during the period. The aforementioned programmes for the factoring and securitisation of trade receivables, which define the complete transfer of risks and benefits to assignees and therefore allow the derecognition from statement of financial position assets, determine an overall effect on the level of consolidated net financial payables as at 31 December of Euro 299.2 million (Euro 276.7 million as at 31 December 2020).

Net Equity totaled Euro 277.6 million (Euro 304.3 million as at 31 December 2020).

DIVIDEND PROPOSAL

The Board of Directors resolved to propose that the Shareholders' Meeting distribute a dividend of Euro 0.54 per share, unchanged with respect to the amount paid in 2021.
It should be noted that the dividends relating to the 2019 and 2020 fiscal years were paid in 2021, given that the distribution of the dividend for the 2019 tax year was suspended in 2020.
Said dividend of Euro 0.54 per share implies a pay-out ratio of roughly 60% consistent with the Group's strong growth plans presented to the market in November 2021.
The Board of Directors also proposes that the dividend actually approved by the Shareholders' Meeting be paid starting from 27 April 2022 (coupon payment no. 16 on 25 April 2022 and record date on 26 April 2022).

BUSINESS OUTLOOK

The first few months of 2022 appear to show that the dominance of the Omicron variant, highly contagious but seemingly less lethal, together with the large-scale vaccination campaign implemented by the governments, are finally bringing an end to the acute phase of the COVID-19 pandemic.
The gradual reduction in virus containment measures is an extremely important sign in terms of a progressive return to normality of the economic cycle.

Group director and CFO, Euro 2.6 million relating to the write-off of the residual balance of the receivables due to the parent company from the importing supplier of the "Sport Technology" product line, following the settlement of the legal dispute, and Euro 0.2 million incurred to deal with the Covid-19 pandemic.

Two years marked by a forced reduction in discretionary spending has helped households accumulate healthy financial resources, which is boosting the aggregate demand of consumers, albeit in the presence of a particularly severe flare-up in inflation.
In the areas in which the Group operates, the government plans financed by NextGenEU funds will provide a major boost to the demand for electronic technology, augmenting the ongoing and structural changes in the perception of the central importance of the now consolidated digital investments in companies, providing significant support for the overall demand for technology.
However, these positive phenomena are being offset by some fresh criticalities such as the significant upswing in inflation and, in particular, the serious crisis in Ukraine, with subsequent severe geopolitical tensions.
These elements, related to the gradual reduction in the ultra-expansionary phase in monetary and fiscal policies of the last few years, are the harbinger of increased turbulence, and therefore suggest a certain prudence, especially in the short-term, in estimating increases in demand, which would probably otherwise be much more pronounced.
A final important effect which must be taken into consideration in examining the expected market scenario is the persistent problems in procuring products linked to both the shortage of electronic components and the delays in the return to full operations of the logistics and production chains, which continue to be impacted by the "Zero-Covid" policy of China and the other manufacturing nations in the Far East, and now to the transit difficulties as regards transportation via train to the borders of Eastern Europe.
Industry analysts therefore predict that the first part of 2022 will be marked by a less dynamic trend in the consumer segment demand, then pick up again towards late spring, when the impact of energy increases should taper off and inflation should slow.
The trend in demand in the business segment is instead generally expected to be more dynamic, with a further acceleration during the year as the public administration projects financed by NextGenEU gradually get up to full speed.
After a 2021 in which the first half recorded ample product availability and the second, by contrast, registered severe tensions, according to all market analysts, the first part of 2022 is likely to see negative growth rates, then instead gradually accelerate in the second half.
Analysts and the management believe that, in the absence of further additional shocks and assuming that a resolution of the crisis in Ukraine does not further impact the macroeconomic scenario, 2022 should see further growth in the reference market for the Group in Southern Europe.

The Group is committed to implementing the business plan presented to the market in November 2021 and is therefore focused more on increasing the weight of revenues of the higher value added business lines, rather than acquiring, at any cost, additional market shares on less profitable customers and products.
Nonetheless, the Group is continuing with its efforts to improve "Customer Satisfaction", in order to guarantee the stability of volumes and margins also on lower margin product lines.
In addition, investments are continuing for development of the project aimed at entry to the "Renting" segment, and the preliminary analyses have been launched targeted at entering other areas of Western Europe on the higher value added business lines, in particular the segment known as "Advanced Solutions".
The first two months confirm the effectiveness of the business model adopted, despite the backdrop of an unsurprisingly more challenging market and the Group consequently expects to achieve a further increase in profitability in 2022, in line with the forecasts of the business plan mentioned previously.
However, owing to the high level of uncertainty of both the macroeconomic scenario and, therefore, aggregate demand levels, and the precise timing over a return to normality of product supplies, the Group will present sales and profitability *guidance* for the year 2022 in the coming May, in conjunction with the presentation of the results of the first quarter.

NOTICE OF ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING

The Ordinary and Extraordinary Shareholders' Meeting of Esprinet S.p.A. is called, in single call, on 14 April 2022 to discuss the following agenda:

Ordinary part

1. Financial statements as at 31 December 2021:
   - 1.1 Approval of the Financial Statements as at 31 December 2021, Directors' Report on Operations, Statutory Auditors' Report and Independent Auditors' Report. Presentation of the Consolidated Financial Statements as at 31 December 2021 and Consolidated Non-Financial Disclosure in accordance with Italian Legislative Decree 254/2016 – 30/12/2016 - Sustainability Report.
   - 1.2 Allocation of the result for the year.
   - 1.3 Allocation of the dividend.

2. Report on the Remuneration Policy and the compensation paid:
   - 2.1 Non-binding resolution on the second section pursuant to Art. 123-ter, paragraph 6 of the TUF (Consolidated Law on Finance).

3. Authorization proposal for the purchase and disposal of own shares, within the limit of the maximum number allowed and with a term of 18 months; contextual revocation, for the part possibly not used, of the authorization approved by the Shareholders' Meeting of 7 April 2021.

4. Integration of the fees for the auditing company PricewaterhouseCoopers S.p.A .; inherent and consequent resolutions.

Extraordinary part

1. Cancellation of 516,706 own shares in the portfolio, with no reduction of share capital, and subsequent amendment of art. 5 of the company Articles of Association; inherent and consequent resolutions.

AUTHORIZATION FOR THE PURCHASE AND DISPOSAL OF OWN SHARES

The Board of Directors of Esprinet S.p.A. resolved to submit the proposal to authorize the purchase and disposal of treasury shares to the ordinary Shareholders' Meeting.
The reasons for the proposed authorization of the Shareholders' Meeting for the purchase and disposal of treasury shares are as follows:

i) to reduce the share capital, in value or number of shares;
ii) to fulfill the obligations deriving from share option programs or other assignments of shares to employees or members of the administrative bodies of the Company or of subsidiaries or associates; and
iii) in order to proceed with the purchase of treasury shares owned by employees of the Company or subsidiaries and assigned or subscribed according to art. 2349 and 2441, eighth paragraph, of the Italian Civil Code or deriving from remuneration plans approved according to art. 114-bis of the Consolidated Law on Finance;

as specified in more detail in the Report of the Board of Directors prepared pursuant to art. 125-ter of the Consolidated Law on Finance, to which reference is made, which will be made available to the public within the terms of the law at the Company headquarter, on the Company's website

www.esprinet.com, on the authorised stocking service eMarket Storage at the internet site www.emarketstorage.com.
The proposal provides that: the maximum number of shares that can be purchased for a period of 18 months is equal to 5% of the share capital of the Company, without calculating the number of treasury shares in the portfolio at the date of approval of the authorization resolution; purchases must be made in accordance with the provisions of art. 132 of the Consolidated Law on Finance, by art. 144-bis of the Issuers' Regulation and any other applicable regulation, as well as the market practices accepted by Consob, where applicable (in order to benefit, where appropriate, from the protection ensured by the safe harbor provided pursuant to art. 5 of the Reg. EU no. 596/2014 or by market practices accepted pro-tempore in force, where applicable), ensuring equal treatment among Shareholders, at a price between the minimum and maximum price established in the Report.
As of today Company's treasury stock is made up of 1,528,024 own shares corresponding to 3% of share capital. Esprinet's subsidiaries do not hold any share of the parent company.

The officer charged with the drawing up of the accounting documents of the Company, Pietro Aglianò, declares that, in compliance with the provisions of paragraph 2 of art. 154-bis of Legislative Decree No. 58/1998 (T.U.F. - Consolidated Law on Finance), the financial data shown in this press release corresponds to the findings resulting from accounting documents, books and accounting records.

The press release is available at www.esprinet.com and www.emarketstorage.com.

For more information:

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RECLASSIFIED CONSOLIDATED INCOME STATEMENT

(€/000)	2021	2020	% Var.
Sales from contracts with customers	**4,690,947**	**4,491,613**	**4%**
Cost of goods sold excl. factoring/securitisation	4,454,299	4,292,896	4%
Financial cost of factoring/securisation(1)	3,755	4,207	-11%
Gross Profit(2)	**232,893**	**194,510**	**20%**
Gross Profit %	*4.96%*	*4.33%*	
Personnel costs	83,295	69,072	21%
Other operating costs	63,456	56,361	13%
EBITDA adjusted(3)	**86,142**	**69,077**	**25%**
EBITDA adjusted %	*1.84%*	*1.54%*	
Depreciation e amortisation	5,289	4,345	22%
IFRS 16 Right of Use depreciation	11,026	9,891	11%
Goodwill impairment	-	-	n/s
EBIT adjusted(3)	**69,827**	**54,841**	**27%**
EBIT adjusted %	*1.49%*	*1.22%*	
Non recurring costs(4)	1,416	7,193	-80%
EBIT	**68,411**	**47,648**	**44%**
EBIT %	*1.46%*	*1.06%*	
IFRS 16 interest expenses on leases	3,183	3,336	-5%
Other financial (income) expenses	2,745	2,225	23%
Foreign exchange (gains) losses	1,709	(462)	<100%
Profit before income taxes	**60,774**	**42,549**	**43%**
Income taxes	16,694	10,757	55%
Net income	**44,080**	**31,792**	**39%**
- of which attributable to non-controlling interests	(103)	386	<100%
- of which attributable to the Group	**44,183**	**31,406**	**41%**

NOTE

(1) Cash discounts for 'non-recourse' advances of trade receivables as part of revolving factoring and securitization programs.

(2) Gross of amortization/depreciation that, by destination, would be included in the cost of sales.

(3) Adjusted as gross of non-recurring items.

(4) Of which Euro 1.4 million otherwise included in "Other operating costs" and, with reference to 2020, of which Euro 4.9 million otherwise included in "Other operating costs" and Euro 2.3 otherwise included in "Goodwill Impairment".

CONSOLIDATED INCOME STATEMENT

(€/000)	2021	non - recurring	2020	non - recurring
Sales from contracts with customers	4,690,947	-	4,491,613	-
Cost of sales	(4,459,057)	-	(4,297,946)	-
Gross profit	**231,890**	-	**193,667**	-
Sales and marketing costs	(66,351)	-	(51,775)	-
Overheads and administrative costs	(97,482)	(1,416)	(90,038)	(4,566)
Impairment loss/reversal of financial assets	354	-	(4,206)	(2,627)
Operating income (EBIT)	**68,411**	(1,416)	**47,648**	(7,193)
Finance costs - net	(7,637)	-	(5,099)	-
Profit before income taxes	60,774	(1,416)	42,549	(7,193)
Income tax expenses	(16,694)	386	(10,757)	1,262
Net income	**44,080**	(1,030)	**31,792**	(5,931)
- of which attributable to non-controlling interests	(103)		386	
- of which attributable to Group	44,183	(1,030)	31,406	(5,931)
Earnings per share - basic (euro)	0.89		0.63	
Earnings per share - diluted (euro)	0.88		0.62	

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(€/000)	2021	2020
Net income (A)	**44,080**	**31,792**
Other comprehensive income:		
- Changes in translation adjustment reserve	22	(42)
Other comprehensive income not be reclassified in the separate income statement:		
- Changes in 'TFR' equity reserve	133	(173)
- Taxes on changes in 'TFR' equity reserve	(32)	41
Other comprehensive income (B):	**123**	**(174)**
Total comprehensive income (C=A+B)	**44,203**	**31,618**
- of which attributable to Group	44,297	31,226
- of which attributable to non-controlling interests	(94)	392

RECLASSIFIED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(€/000)	31/12/2021	31/12/2020
Fixed assets	245,222	236,965
Operating net working capital	(75,832)	(121,034)
Other current assets/liabilities	12,104	(9,887)
Other non-current assets/liabilities	(22,553)	(19,858)
Total uses	**158,941**	**86,186**
Short-term financial liabilities	55,195	56,049
Lease liabilities	9,829	8,867
Current financial (assets)/liabilities for derivatives	2	(27)
Financial receivables from factoring companies	(3,128)	(147)
Current debts for investments in subsidiaries	1,854	220
Other financial receivables	(9,857)	(9,617)
Cash and cash equivalents	(491,471)	(558,928)
Net current financial debt	(437,576)	(503,583)
Borrowings	106,531	107,069
Lease liabilities	102,253	93,999
Non-current debts for investments in subsidiaries	1,615	230
Other financial receivables	-	(492)
Net Financial debt	(227,177)	(302,777)
Net equity	386,118	388,963
Total sources of funds	**158,941**	**86,186**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(€/000)	31/12/2021	31/12/2020
ASSETS		
Non - current assets		
Property, plant and equipment	13,856	12,498
Right of use assets	107,504	99,928
Goodwill	102,200	108,442
Intangibles assets	8,527	722
Deferred income tax assets	10,713	12,950
Receivables and other non - current assets	2,422	2,917
	245,222	**237,457**
Current assets		
Inventory	529,502	402,755
Trade receivables	585,522	584,037
Income tax assets	310	410
Other assets	70,330	40,186
Derivative financial assets	-	27
Cash and cash equivalents	491,471	558,928
	1,677,135	1,586,343
Total assets	**1,922,357**	**1,823,800**
EQUITY		
Share capital	7,861	7,861
Reserves	334,074	347,602
Group net income	44,183	31,405
Group net equity	**386,118**	**386,868**
Non - controlling interest	**-**	**2,095**
Total equity	**386,118**	**388,963**
LIABILITIES		
Non - current liabilities		
Borrowings	106,531	107,069
Lease liabilities	102,253	93,999
Deferred income tax liabilities	14,784	11,309
Retirement benefit obligations	5,232	4,847
Debts for investments in subsidiaries	1,615	230
Provisions and other liabilities	2,537	3,702
	232,952	**221,156**
Current liabilities		
Trade payables	1,190,856	1,107,826
Short-term financial liabilities	55,195	56,049
Lease liabilities	9,829	8,867
Income tax liabilities	4,287	224
Derivative financial liabilities	2	-
Debts for investments in subsidiaries	1,854	220
Provisions and other liabilities	41,264	40,495
	1,303,287	**1,213,681**
Total liabilities	**1,536,239**	**1,434,837**
Total equity and liabilities	**1,922,357**	**1,823,800**

CONSOLIDATED STATEMENT OF CASH FLOWS

(euro/000)	2021	2020
Cash flow provided by (used in) operating activities (D=A+B+C)	**21,652**	**77,612**
Cash flow generated from operations (A)	**84,518**	**64,970**
Operating income (EBIT)	68,411	47,648
Income from business combinations	(168)	-
Depreciation, amortisation and other fixed assets write-downs	16,315	16,536
Net changes in provisions for risks and charges	(1,218)	(435)
Net changes in retirement benefit obligations	(562)	(29)
Stock option/grant costs	1,740	1,250
Cash flow provided by (used in) changes in working capital (B)	**(50,340)**	**22,711**
Inventory	(110,126)	99,191
Trade receivables	23,526	(74,544)
Other current assets	(26,092)	(1,401)
Trade payables	65,222	(6,600)
Other current liabilities	(2,870)	6,065
Other cash flow provided by (used in) operating activities (C)	**(12,526)**	**(10,069)**
Interests paid	(4,865)	(4,596)
Received interests	34	265
Foreign exchange (losses)/gains	(1,473)	174
Income taxes paid	(6,222)	(5,912)
Cash flow provided by (used in) investing activities (E)	**(17,016)**	**(44,289)**
Net investments in property, plant and equipment	(5,373)	(6,435)
Net investments in intangible assets	(466)	(548)
Net investments in other non current assets	39	(129)
Subsidiaries business combination	(11,216)	(37,177)
Cash flow provided by (used in) financing activities (F)	**(72,093)**	**61,828**
Medium/long term borrowing	26,500	84,250
Repayment/renegotiation of medium/long-term borrowings	(30,447)	(16,479)
Leasing liabilities remboursement	(9,660)	(6,219)
Net change in financial liabilities	(8,482)	(2,481)
Net change in financial assets and derivative instruments	(2,691)	3,933
Deferred price acquisitions	(220)	450
Dividend payments	(27,234)	-
Own shares acquisition	(19,859)	(1,656)
Other movements	-	30
Net increase/(decrease) in cash and cash equivalents (G=D+E+F)	**(67,457)**	**95,151**
Cash and cash equivalents at year-beginning	**558,928**	**463,777**
Net increase/(decrease) in cash and cash equivalents	**(67,457)**	**95,151**
Cash and cash equivalents at year-end	**491,471**	**558,928**

ESPRINET SPA RECLASSIFIED INCOME STATEMENT

(€/000)	2021	2020	% Var.
Sales from contracts with customers	**2,830,090**	**2,744,368**	**3%**
Cost of goods sold excl. factoring/securitisation	2,688,794	2,619,704	3%
Financial cost of factoring/securisation(1)	1,888	2,134	-12%
Gross Profit(2)	**139,408**	**122,530**	**14%**
Gross Profit %	*4.93%*	*4.46%*	
Personnel costs	47,541	42,917	11%
Other operating costs	48,966	40,447	21%
EBITDA adjusted(3)	**42,901**	**39,166**	**10%**
EBITDA adjusted %	*1.52%*	*1.43%*	
Depreciation, amortisation, impairment	3,288	3,058	8%
IFRS 16 Right of Use depreciation	7,859	7,361	7%
Goodwill impairment	-	-	n/s
EBIT adjusted(3)	**31,754**	**28,747**	**10%**
EBIT adjusted %	*1.12%*	*1.05%*	
Non recurring costs(4)	1,109	4,893	-77%
EBIT	**30,645**	**23,854**	**28%**
EBIT %	*1.08%*	*0.87%*	
IFRS 16 interest expenses on leases	2,576	2,720	-5%
Other financial (income) expenses	2,678	1,953	37%
Foreign exchange (gains) losses	(681)	(411)	66%
Cost (income) from investments	(465)	4,755	<100%
Profit before income taxes	**26,537**	**14,837**	**79%**
Income taxes	8,077	5,467	48%
Net income	**18,460**	**9,370**	**97%**

NOTE

(1) Cash discounts for 'non-recourse' advances of trade receivables as part of revolving factoring and securitization programs.

(2) Gross of amortization/depreciation that, by destination, would be included in the cost of sales.

(3) Adjusted as gross of non-recurring items.

(4) Of which Euro 1.1 million otherwise included in "Other operating costs" and, with reference to 2020, of which Euro 4.9 million otherwise included in "Other operating costs".

ESPRINET SPA SEPARATE INCOME STATEMENT

(€/000)	2021	non - recurring	2020	non - recurring
Sales from contracts with customers	2,830,090	-	2,744,368	-
Cost of sales	(2,691,685)	-	(2,622,681)	-
Gross profit	**138,405**	-	**121,687**	-
Sales and marketing costs	(44,195)	-	(33,680)	-
Overheads and administrative costs	(63,812)	(1,109)	(60,679)	(2,266)
Impairment loss/reversal of financial assets	247	-	(3,474)	(2,627)
Operating income (EBIT)	**30,645**	**(1,109)**	**23,854**	**(4,893)**
Finance costs - net	(4,573)	-	(4,262)	-
Investments expenses / (incomes)	465		(4,755)	-
Result before income taxes	26,537	(1,109)	14,837	(4,893)
Income tax expenses	(8,077)	309	(5,467)	1,262
Net result	**18,460**	**(800)**	**9,370**	**(3,631)**
- of which attributable to non-controlling interests	-		-	
- of which attributable to Group	18,460	(800)	9,370	(3,631)

ESPRINET SPA STATEMENT OF COMPREHENSIVE INCOME

(€/000)	2021	2020
Net result (A)	**18,460**	**9,370**
Other comprehensive income not be reclassified in the separate income statement:		
- Changes in 'TFR' equity reserve	100	(119)
- Taxes on changes in 'TFR' equity reserve	(24)	29
Other comprehensive income (B):	**76**	**(90)**
Total comprehensive income (C=A+B)	**18,536**	**9,280**
- of which attributable to Group	18,536	9,280
- of which attributable to non-controlling interests	-	-

E-MARKET SDIR CERTIFIED

ESPRINET SPA RECLASSIFIED STATEMENT OF FINANCIAL POSITION

(€/000)	31/12/2021	31/12/2020
Fixed assets	210,534	194,420
Operating net working capital	(134,976)	(110,511)
Other current assets/liabilities	86,442	59,528
Other non-current assets/liabilities	(10,422)	(8,965)
Total uses	**151,578**	**134,472**
Short-term financial liabilities	31,319	32,020
Lease liabilities	6,905	6,400
Financial receivables from factoring companies	(3,128)	(147)
Current debts for investments in subsidiaries	1,854	220
Financial (assets)/liab. From/to Group companies	(41,077)	11,945
Other financial receivables	(9,857)	(9,617)
Cash and cash equivalents	(242,784)	(327,090)
Net current financial debt	(256,768)	(286,269)
Borrowings	48,014	39,715
Lease liabilities	81,162	76,382
Non-current debts for investments in subsidiaries	1,615	230
Non-current financial (assets)/liabilities for derivatives	-	620
Other financial receivables	-	(492)
Net Financial debt	(125,977)	(169,814)
Net equity	277,555	304,286
Total sources of funds	**151,578**	**134,472**

ESPRINET SPA STATEMENT OF FINANCIAL POSITION

(€/000)	31/12/2021	31/12/2020
ASSETS		
Non - current assets		
Property, plant and equipment	10,396	9,580
Right of use assets	84,599	80,437
Goodwill	18,282	16,429
Intangibles assets	772	600
Investments	92,369	83,073
Deferred income tax assets	2,372	2,557
Receivables and other non - current assets	1,744	2,236
	210,534	**194,912**
Current assets		
Inventory	325,931	259,170
Trade receivables	284,092	301,561
Income tax assets	-	173
Other assets	176,881	89,035
Cash and cash equivalents	242,784	327,090
	1,029,688	977,029
Total assets	**1,240,222**	**1,171,941**
EQUITY		
Share capital	7,861	7,861
Reserves	251,234	287,055
Net result for the period	18,460	9,370
Total equity	**277,555**	**304,286**
LIABILITIES		
Non - current liabilities		
Borrowings	48,014	39,715
Lease liabilities	81,162	76,382
Derivative financial liabilities	-	620
Deferred income tax liabilities	3,126	3,064
Retirement benefit obligations	4,082	3,719
Debts for investments in subsidiaries	1,615	230
Provisions and other liabilities	3,214	2,182
	141,213	**125,912**
Current liabilities		
Trade payables	744,999	671,242
Short-term financial liabilities	49,241	44,965
Lease liabilities	6,905	6,400
Income tax liabilities	3,478	-
Debts for investments in subsidiaries	1,854	220
Provisions and other liabilities	14,977	18,916
	821,454	**741,743**
Total liabilities	**962,667**	**867,655**
Total equity and liabilities	1,240,222	1,171,941

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E-MARKET SDIR CERTIFIED

ESPRINET SPA STATEMENT OF CASH FLOWS

(euro/000)	2021	2020
Cash flow provided by (used in) operating activities (D=A+B+C)	**34,045**	**15,194**
Cash flow generated from operations (A)	**44,074**	**35,182**
Operating income (EBIT)	30,645	23,854
Depreciation, amortisation and other fixed assets write-downs	11,147	10,418
Net changes in provisions for risks and charges	1,032	(102)
Net changes in retirement benefit obligations	(372)	(148)
Stock option/grant costs	1,622	1,160
Cash flow provided by (used in) changes in working capital (B)	**(4,115)**	**(15,398)**
Inventory	(61,636)	76,018
Trade receivables	20,410	(28,604)
Other current assets	(25,562)	9,342
Trade payables	71,147	(72,533)
Other current liabilities	(8,474)	379
Other cash flow provided by (used in) operating activities (C)	**(5,914)**	**(4,590)**
Interests paid	(3,190)	(3,525)
Received interests	52	240
Foreign exchange (losses)/gains	(1,289)	223
Income taxes paid	(1,487)	(1,528)
Cash flow provided by (used in) investing activities (E)	**(15,573)**	**(5,625)**
Net investments in property, plant and equipment	(3,878)	(4,279)
Net investments in intangible assets	(354)	(470)
Net investments in other non current assets	(619)	(1)
Celly change shareholding	-	(800)
Esprinet Portugal change shareholding	-	(75)
4Side business combination	(1,600)	-
Dacom business combination	(9,726)	-
idMAINT business combination	(707)	-
Subsidiaries share plans remboursement	256	-
Celly merger	590	-
Dividends	465	-
Cash flow provided by (used in) financing activities (F)	**(102,778)**	**27,879**
Medium/long term borrowing	25,000	35,000
Repayment/renegotiation of medium/long-term borrowings	(13,992)	(5,479)
Leasing liabilities remboursement	(6,961)	(5,558)
Net change in financial liabilities	761	996
Short-term borrowing received/(granted)	(58,000)	-
Net change in financial assets and derivative instruments	(2,720)	4,576
Deferred price Celly acquisition	(220)	-
Dividend payments	(26,787)	-
Own shares acquisition	(19,859)	(1,656)
Net increase/(decrease) in cash and cash equivalents (G=D+E+F)	**(84,306)**	**37,448**
Cash and cash equivalents at year-beginning	**327,090**	**289,642**
Net increase/(decrease) in cash and cash equivalents	**(84,306)**	**37,448**
Cash and cash equivalents at year-end	**242,784**	**327,090**

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