



GRUPPO  
ORSERO

# INTERIM FINANCIAL REPORT MARCH 31, 2020

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present in  
PORTUGAL   
SPAIN   
FRANCE   
ITALY   
GREECE   
MEXICO 

**+300**  
different  
skus



weeklyreefer  
service from  
COSTA RICA   
COLOMBIA   
DOMINICAN  
REPUBLIC 

bananas  
& pineapples

**~15 million** boxes imported every year

**+750,000 tons** distributed every year

**~1 billion €** of turnover



## We draw the world closer, every day



### F.lli Orsero brand

The attention to product quality which is the cornerstone of the company philosophy led to the launch of the F.lli Orsero brand which is synonymous with Extra Premium fruit and vegetables.

F.lli Orsero ensures high product quality through the management and control of the entire supply chain: from production to the arrival at the point of sale, always in perfectly fresh conditions.

In addition to bananas and pineapples, the range includes citrus fruit, apples, melons, pears and a complete line of exotic fruits and vegetables.

F.lli Orsero has also recently launched a new line of home produced fresh cut ready-to-eat high quality fruit and an ample selection of fresh HPP cold-pressed juices and smoothies.

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

## Key economic, equity and financial data

### Economic data:

Thousands of Euro	31.03.2020	31.03.2019
Net Sales	240,946	223,218
Adjusted Ebitda	9,492	6,839
% Adjusted Ebitda	3.9%	3.1%
Adjusted Ebit	3,286	1,126
Ebit	2,512	516
Net Profit from continuing operations	1,772	( 1,518)
Net Profit	1,772	( 1,518)
Net Profit attributable to non-controlling interests	231	( 1)
Net Profit attributable to Parent Company	1,541	( 1,517)
Adjusted net profit	2,346	( 1,057)

### Equity data:

Thousands of Euro	31.03.2020	31.12.2019
Net Invested Capital	284,070	277,830
Capital and reserves attributable to Parent Company	149,010	150,221
Non-Controlling Interest	703	710
Total Shareholders' Equity	149,713	150,931
Net Financial Position	134,357	126,898

### Main indicators:

Thousands of Euro	31.03.2020	31.12.2019
Net Financial Position/Total Shareholders' Equity	0.90	0.84
Net Financial Position/Adjusted Ebitda*	3.25	3.28

\* Please note the Adjusted Ebitda of the first trimester is determined "Rolling", that is to say, considering the result achieved from 1° April 2019 to 31 March 2020.

### Economic and equity data and indicators without the effect of IFRS 16:

A summary of the main indicators prior to the application of IFRS 16 is provided below.

Thousands of Euro	31.03.2020	31.03.2019
Adjusted Ebitda	7,328	4,613
% Adjusted Ebitda	3.0%	2.1%
Financial income and expenses (Without exchange rate differences)	( 730)	( 698)
Total Shareholders' Equity	150,033	150,071
Net Financial Position	102,455	64,764

The tables above provide initial preliminary details of the Group business trend in the first quarter of 2020, fully described later on in the dedicated sections of this report.

As concerns banana and pineapple import activities, until last year included in the “Import & Shipping” sector, the Group’s Management has decided, as already noted in the Report to the 2019 Financial Statements, to include those activities in the “Distribution” sector as of January 1, 2020, given the increased interaction compared to the past of this activity, which is almost entirely carried out with respect to Group companies. Following this change, the “Distribution” sector changed name to “Import & Distribution”, while the “Import & Shipping” sector changed name to “Shipping”, insofar as it includes maritime transport only, and period reporting starting Q1 2020 is structured as follows, with a clear adjustment of 2019 data to allow for a consistent comparison.

## Orsero S.p.A. corporate information

### **Registered Office:**

Orsero S.p.A.  
Via Gaudenzio Fantoli 6/15,  
20138 Milan

### **Representative office:**

Corso Venezia 37,  
20121 Milan

### **Administrative office:**

Cime di Leca 30,  
17031 Albenga (SV)

### **Legal data:**

Share capital: 69,163,340  
No. of ordinary shares with no nominal value: 17,682,500  
Tax ID and Milan Register of Companies enrolment no.: 09160710969  
Milan Chamber of Commerce enrolment no. R.E.A. 2072677  
Company website [www.orserogroup.it](http://www.orserogroup.it)  
Country-wide Issuer as of January 1, 2019



## Composition of Orsero S.p.A. corporate bodies

Orsero S.p.A., Parent Company of the Orsero Group, adopted the “traditional system” of management and control.

### Board of Directors<sup>1</sup>:

Paolo Prudenziati	Non-Executive Chair
Raffaella Orsero	Deputy Chair, Managing Director, Chief Executive Officer
Matteo Colombini	Managing Director, Chief Financial Officer
Carlos Fernández Ruiz	Director
Armando Rodolfo de Sanna <sup>2</sup>	Independent Director
Vera Tagliaferri <sup>2</sup>	Independent Director
Laura Soifer <sup>2</sup>	Independent Director
Elia Kuhnreich <sup>3-4</sup>	Independent Director
Riccardo Manfrini <sup>3-4</sup>	Independent Director

### Board of Statutory Auditors<sup>5</sup>:

Giorgio Grosso <sup>4</sup>	Chair
Michele Paolillo	Statutory Auditor
Elisabetta Barisone	Statutory Auditor
Michele Graziani <sup>4</sup>	Alternate Auditor
Paolo Rovella	Alternate Auditor

### Control and Risks Committee<sup>6</sup>:

Vera Tagliaferri	Chair
Armando Rodolfo de Sanna	Member
Riccardo Manfrini	Member

### Remuneration and Appointments Committee<sup>6</sup>:

Armando Rodolfo de Sanna	Chair
Vera Tagliaferri	Member
Paolo Prudenziati	Member

### Related Parties Committee<sup>6</sup>:

Laura Soifer	Chair
Vera Tagliaferri	Member
Elia Kuhnreich	Member

### Independent Auditors:

KPMG S.p.A.

<sup>(1)</sup> The Board of Directors, consisting of nine members, was appointed by the Shareholders' Meeting on April 30, 2020 and shall remain in office until the date of approval of the financial statements at December 31, 2022.

<sup>(2)</sup> Declared, on submission of the list for the appointment of the Board of Directors, that he/she meets the independence requirements set forth in Articles 147-ter, paragraph 4 and 148, paragraph 3 of the Consolidated Law on Finance (TUF) and Article 3 of the Corporate Governance Code of listed companies.

<sup>(3)</sup> Declared, on submission of the list for the appointment of the Board of Directors, that he/she meets the independence requirements set forth by law and the articles of association.

<sup>(4)</sup> Taken from the list submitted jointly by funds managed by Praude Asset Management Limited.

<sup>(5)</sup> The Board of Statutory Auditors, consisting of 3 standing auditors and two alternates, was appointed by the Shareholders' Meeting on April 30, 2020 and shall remain in office until the date of approval of the financial statements at December 31, 2022.

<sup>(6)</sup> The members of the Remuneration and Appointments, Related Parties and Control and Risks committees were appointed by the Board of Directors on May 6, 2020 and shall remain in office until the date of approval of the financial statements at December 31, 2022.

## Group Structure



Summary representation of the Group.

## Alternative performance indicators

In this interim financial report, certain economic and financial indicators that are not defined as accounting measures by IAS-IFRS, but which make it possible to discuss the Group's business are presented and analyzed. These figures, explained below, are used to comment on the performance of the Group's business, in compliance with the provisions of the Consob Communication of July 28, 2006 (DEM 6064293) and subsequent amendments and supplements (Consob Communication no. 0092543 of December 3, 2015 implementing the ESMA/2015/1415 guidelines).

The alternative performance indicators listed below should be used as a supplement to those provided in accordance with IAS-IFRS to assist users of the interim financial report in better understanding the Group's economic, equity and financial performance. It should be emphasized that the criterion used by the Group may not be the same as that adopted by other groups and thus the figure obtained may not be comparable with that determined by these other groups.

The definitions of the alternative performance indicators used in this document are as follows:

**Adjusted Ebitda:** refers to the operating result (EBIT) plus amortization/depreciation, provisions and non-recurring costs/income, comprehensive of any costs (also notional) of incentive plans. Note that the parameter thus determined does not consider financial income, financial expenses and exchange rate differences, taxes and pro-rata gains/losses arising from the application of the equity method for associated companies and joint ventures.

**Adjusted Ebit:** refers to the operating result (EBIT) net of non-recurring costs/income comprehensive of any costs (also notional) of incentive plans.

**Current result for the year:** used for a comparison in terms of total consolidated result, represents the result for the year net of non-recurring income and expense, inclusive of the relative taxes. As

such, this indicator provides useful and immediate information on the profit trends for the year without considering non-recurring components.

**Fixed assets:** calculated as the algebraic sum of the following items: goodwill, other intangible assets, tangible assets, financial investments, other fixed assets, and deferred tax assets. Any fair value of hedging derivatives, as well as non-current assets included in the item "other fixed assets", should be excluded from these items.

**Net working capital:** calculated as the sum of inventories, trade receivables and trade payables.

**Other receivables and liabilities:** the sum of the following items: current tax receivables, other current assets, assets held for sale, other non-current liabilities, deferred tax liabilities, provisions for risks and charges, employees benefits liabilities, current tax and social security contributions, other current liabilities, and liabilities held for sale. Any fair value of hedging derivatives and current financial assets included in the item "other current assets" should be excluded from these items.

**Net invested capital (NIC):** calculated as the algebraic sum of net working capital, fixed assets, and other receivables and other liabilities, as defined above. This indicator represents the capital "Requirements" necessary for the company's operation at the reporting date, financed through the two components, Capital (Shareholders' Equity) and Third-party Funds (Net Financial Position).

**Net financial position (NFP):** calculated as the algebraic sum of the following items: cash and cash equivalents, non-current/current financial liabilities, which also include payables associated with acquisition prices still to be paid and the positive/negative fair value of hedging derivatives, non-current financial assets, recorded under the item "Other fixed assets" and current financial assets included in the item "other current assets".



## Introduction

This interim financial report of the Orsero Group was prepared in compliance with the international accounting standards (IAS/IFRS) recognized in the European Union pursuant to Regulation (EC) no. 1606/2002 and was drafted to fulfil the requirements set forth in Art. 2.2.3. paragraph 3 of the Regulation of the Markets organized and managed by Borsa Italiana S.p.A. relating to issuers traded in the STAR segment, taking into account Notice no. 7587 of April 21, 2016 of Borsa Italiana and Art. 154-ter of Italian Legislative Decree no. 58/1998. This interim report aims to provide a general description of the financial position and economic performance of the issuer and its subsidiaries in the reference period, as well as an illustration of the relevant events and transactions taking place in the reference period and their impact on the financial position of the issuer and its subsidiaries. The entire disclosure requested by IAS 34 is not provided in this document.

Orsero S.p.A. (the "Parent company" or the "Company" and, together with its subsidiaries, the "Group" or the "Orsero Group") is a company with its shares listed on the STAR segment of the telematic stock exchange (MTA) since December 23, 2019.

The IFRS/IAS compliant consolidation principles and measurement criteria are consistent with those adopted to draft the Group's financial statements for the year ended at December 31, 2019. The interim financial report includes a summary financial statement disclosure consisting of the consolidated statement of financial position, consolidated income statement, consolidated statement of comprehensive income, consolidated statement of cash flows, consolidated statement of changes in Shareholders' equity. The balance sheet information is provided with reference to March 31, 2020 and December 31, 2019, while the income statement information is provided with regard to the situation at March 31, 2020 and 2019. The data are provided on a consolidated basis, are presented in euro, the functional currency, and are shown in thousands, unless specified otherwise.

The scope of consolidation in the first quarter of 2020 changed compared to the same period of 2019, following the acquisition in March 2019 of the Fruttica Group, consolidated line by line as of April 1, 2019, the acquisition in June of the remaining 75% of the share capital of the company Fruttital Cagliari S.r.l., consolidated line by line as of July 1, 2019, the sale of the minor company Vado Container Services in December 2019 and the liquidation of the associated company Simba Spain. In the first quarter of 2019, the company Fruttital Cagliari S.r.l. was consolidated with the equity method. Furthermore, the sub-holdings GF Distribuzione and GF Porterm were merged by incorporation into the Parent Company Orsero in the second half of 2019, an operation which was neutral in terms of its effects on the consolidated financial statements.

The Group's operations are, by their nature, subject to pronounced seasonal phenomena and therefore the results of the first quarter cannot be considered representative of performance for the entire year.

Lastly, this interim financial report has not been audited.

## Significant events during the first quarter

Below are the most significant events that took place in the first quarter of 2020, consisting mainly of the acquisition of warehouses previously leased by the Group in Milan, Verona, Rome and Molfetta from the related company Nuova Beni Immobiliari, the appointment of the members of the corporate bodies as decided by the shareholders' meeting on April 30 and events linked to the Covid-19 epidemic.

### Acquisition of Italian warehouses

As already mentioned in the report to the 2019 financial statements, on January 14, 2020 the deed of purchase was finalized for the Milan, Verona, Rome and Molfetta warehouses owned by the related company Nuova Beni Immobiliari S.r.l. for a total value of Euro 17 million. The acquisition of the warehouses, which the Group was using under a lease stipulated through to end 2035, came

as part of a Plan prepared pursuant to Art. 67 of the Bankruptcy Law, whereby the company Nuova Beni Immobiliari has reached an agreement with its financial creditors on how to repay its debt. The January acquisition of the Italian warehouses by Fruttital S.r.l. for a value of Euro 17.8 million, inclusive of taxes and accessory expenses, was partly financed through own funds and partly by a 10-year mortgage loan for Euro 15 million. Please note that, in terms of the application of the new IFRS 16 standard, with these transactions the warehouse value of Euro 17.8 million replaces the value of the IFRS 16 right of use on the same warehouses for a total of Euro 27.5 million, with a significant impact on the Net Financial Position. As these are classed as related party transactions, the investment was first examined by the Related Parties Committee, which duly approved it.

### **Effects of the Coronavirus epidemic**

The beginning of the year 2020 was clearly dominated by the effects of the Covid-19 pandemic which, originating around the end of 2019 in the Chinese province of Wuhan, gradually spread throughout most of the world. As concerns our Group, the initial effects taking place in Italy in March were followed with a delay of two to three weeks by similar effects in other markets in which the Group operates such as Spain, France, Greece and Portugal.

Given the nature of our activities, regarding the marketing of primary food products, the Covid-19 pandemic has not had until now particular effects on the Group's activities, at least in terms of sales and results, as the reduction in sales to the Ho.Re.Ca. (hotels, professional food service at bars and restaurants, canteens) channel was indeed offset by an increased volume in sales to mass distribution outlets.

The most significant impacts instead were seen at operating level, due to the introduction and application of the required precautions with respect to employees and third parties in warehouses and markets as well as in the offices. The companies thus had to regulate entries and interpersonal contact within their operating platforms and offices, carry out the necessary sanitization activities and provide personal protection equipment. All personnel, both internal and external, have fully collaborated to ensure the effective handling of our products within the warehouses. The majority of indirect personnel employed in commercial and administrative activities promptly began working remotely, optimizing the use of modern electronic technologies in order to maintain almost normal business activities.

In economic terms, until March 31, 2020 the costs linked to the acquisition of personal protection equipment, sanitization services and bonuses for internal and external personnel essentially regarded the Italian operations and totaled just under Euro 110 thousand, a figure that increased in April until the current Euro 410 thousand, also inclusive of costs incurred by companies outside Italy.

The Group's management is also continuously monitoring the situation from the financial, commercial and organizational standpoint, also in light of the recent initiatives ordered by the governments for a gradual recovery in economic activity, as well as the treasury situations relating to the cycle of collections from customers and, lastly, any aid measures in favor of businesses, currently under discussion by the governmental authorities of each country.

### **Distribution of the ordinary dividend through the assignment of treasury shares**

On April 30, 2020, the Shareholders' Meeting approved the allocation of profit for the year in accordance with the proposal of the Board of Directors and in particular the distribution of a dividend in kind through the assignment of up to 250,000 treasury shares to the extent of 1 share for every 69 shares held by the Shareholders at the ex-dividend date with rounding down to the nearest unit. The ex-dividend date for coupon no. 5 is May 11, 2020, the record date is May 12 and payments will begin on May 13, 2020.

## **Resolution on the remuneration policy and fees paid**

The Shareholders' Meeting of April 30, 2020 approved with a binding vote pursuant to the law the remuneration policy for the next three years and the Report on Remuneration and on the compensation paid in 2019.

## **Board of Directors**

The Shareholders' Meeting of April 30, 2020 appointed the new Board of Directors of the Parent Company, consisting of 9 members, in office until the date of approval of the 2022 financial statements and determined in compliance with the voting by list procedure set forth in the articles of association, with 7 Directors elected from the list submitted jointly by the shareholders FIF Holding S.p.A. and Grupo Fernández, which came in first by number of votes, and 2 Directors taken from the list submitted jointly by funds managed by Praude Asset Management Limited. The Shareholders' Meeting also confirmed as Chair of the Board of Directors Mr Paolo Prudenziati, who was a candidate on the list submitted by the shareholders FIF Holding S.p.A. and Grupo Fernández.

## **Board of Statutory Auditors**

The Shareholders' Meeting of April 30, 2020 appointed the new Board of Statutory Auditors, in office until the date of approval of the financial statements at December 31, 2022, appointing the Chair, pursuant to the law and the articles of association, who was the first candidate from the list submitted jointly by the funds managed by Praude Asset Management Limited, which was second by number of votes, and 2 standing auditors who were part of the list submitted by the shareholder FIF Holding S.p.A., which came in first by number of votes.

## **Remuneration and Appointments Committee, Control and Risks Committee, Related Parties Committee**

On May 6, 2020, the Board of Directors established the Remuneration and Appointments Committee, the Control and Risks Committee and the Related Parties Committee, which will remain in office until the date of approval of the financial statements at December 31, 2022.

## **Authorization to purchase and dispose of treasury shares**

The Shareholders' Meeting of April 30 authorized the Board of Directors to purchase and dispose of ordinary treasury shares pursuant to Articles 2357 and 2357-ter of the Italian Civil Code. The purchase authorization was granted for a period of 18 months, including in several tranches, for a maximum number of shares which, taking account of the ordinary shares of the Company held in the portfolio from time to time, does not, on the whole, exceed a maximum of Euro 2 million. The authorization to dispose of treasury shares is requested with no time limitation. The authorization is meant to provide Orsero with a useful strategic investment opportunity for all purposes permitted by the applicable provisions, including therein the purposes set out in Art. 5 of Regulation (EU) no. 596/2014 and in the practices permitted by law under Art. 13 of that Regulation, when applicable, including the purpose of purchasing treasury shares on the basis of their subsequent cancellation, in the terms and with the conditions approved by the competent corporate bodies. The treasury shares purchased by virtue of that authorization, or in any event already in Orsero's portfolio, may be used for the purpose of the assignment of the Stock Grant Plan approved by the Shareholders' Meeting on May 16, 2017, according to what is set forth in that Plan, as well as through their sale in the Stock Exchange or outside the Stock Exchange and for the pursuit of the purposes set forth above, with the terms, methods and conditions deemed most appropriate in the interest of Orsero in compliance with applicable provisions of laws and regulations in force. Purchases can be made at a unit consideration of no lower than a minimum of 20% and no higher than a maximum of 10% of the arithmetic mean of the official prices recorded by Orsero shares on the MTA market in the



10 open stock market days prior to the individual transaction. As of April 30<sup>th</sup>, 2020 the company holds 755,637 treasury shares, equal to 4.27% of the share capital.

## Analysis of the economic and financial situation of Orsero Group

The financial report at March 31, 2020 shows a profit of Euro 1,772 thousand (at March 31, 2019: loss of Euro 1,518 thousand), of which Euro 1,541 thousand attributable to the Group (at March 31, 2019: loss of Euro 1,517 thousand), after depreciation, amortization and provisions for Euro 6,206 thousand (at March 31, 2019: Euro 5,713 thousand), net of non-recurring charges for Euro 774 thousand, income from equity investments of Euro 1 thousand and the pro-rata result of the companies consolidated with the equity method of Euro 17 thousand.

Below is a breakdown of the main income statement items, almost all identifiable in the financial statements with the exception of the "Adjusted Ebitda", which is the main performance indicator used by the Group, and "Adjusted EBIT", both defined in the "Alternative performance indicators" section.

Thousands of Euro	31.03.2020	31.03.2019
Net Sales	240,946	223,218
Adjusted Ebitda	9,492	6,839
Adjusted Ebit	3,286	1,126
Operating Result (Ebit)	2,512	516
Financial income	37	22
Financial expenses and exchange rate differences	( 527)	( 1,109)
Net income (loss) from equity investments	1	7
Share of net profit of associates and joint ventures	17	( 48)
Profit before tax	2,040	( 612)
Net profit from continuing operations	1,772	( 1,518)
Net profit	1,772	( 1,518)
Net Profit attributable to non-controlling interests	231	( 1)
Net Profit attributable to Parent Company	1,541	( 1,517)
Adjusted net profit	2,346	( 1,057)

The Group's overall performance in the first quarter of 2020 marked a good increase compared to the first quarter of 2019 thanks to the return of Shipping activities to regular levels of profitability.

Adjusted Ebitda, totaling Euro 9,492 thousand, marked an increase of Euro 2,653 thousand compared to last March 31, and the profit for the period of Euro 1,772 thousand increased by Euro 3,290 thousand, essentially linked to the better operating performance and the reduction in taxes<sup>1</sup>. In terms of turnover, the overall increase in revenues came to Euro 17,727 thousand (+7.94%) compared to March 31, 2019 only in part - Euro 4,838 thousand - due to the companies acquired in 2019 and the disposal of the minor company Vado Container Services.

Increases in revenue regarded all of the main Group companies, in the Import & Distribution sector as well as in Shipping activities. In particular, the European distribution companies overall increased their volumes sold in the first quarter of 2020 compared to the same period of 2019, on a like-for-like basis, by nearly 6,500 tons (+4%), also increasing the average unit sale price.

<sup>1</sup> The improvement of Euro 3,290 thousand results from the better operating performance by Euro 2,653 thousand, higher amortization, depreciation and provisions by Euro 493 thousand, higher financial income and expenses by Euro 193 thousand, the positive change in exchange differences from a loss of Euro 298 thousand in the first quarter of 2019 to an exchange gain of Euro 491 thousand in the first quarter of 2020, lower taxes by Euro 638 thousand, lower equity investments and non-recurring items by Euro 105 thousand.

Thousands of Euro	31.03.2020	31.03.2019
"Import & Distribution" Sector	223,246	207,998
"Shipping" Sector	28,709	21,318
"Services" Sector	3,257	3,198
Net Sales Inter-sector	( 14,267)	( 9,296)
<b>Net Sales</b>	<b>240,946</b>	<b>223,218</b>

## Geographical information

The analysis of the information by geographical area shows details of the Group's revenues, divided up into the main geographical areas (thereby meaning those in which the company that generated the revenue is based) for the first quarter of 2020 and 2019, showing the Group's eurocentric nature.

Thousands of euro	31.03.2020	31.03.2019	Change
<b>Europe</b>	<b>226,676</b>	<b>209,964</b>	<b>16,712</b>
<i>of which Italy</i>	<i>108,022</i>	<i>100,082</i>	<i>7,939</i>
<i>of which France</i>	<i>39,368</i>	<i>35,136</i>	<i>4,232</i>
<i>o which Spain</i>	<i>64,588</i>	<i>60,404</i>	<i>4,183</i>
<b>Latin America and North America</b>	<b>14,270</b>	<b>13,255</b>	<b>1,015</b>
<b>Total net sales</b>	<b>240,946</b>	<b>223,218</b>	<b>17,727</b>

As shown in the table, Europe represents the center of the Orsero Group's activities, while non-European revenue is linked to activities carried out in Mexico, relating to the production and marketing/export of avocados, and Costa Rica, to support the sourcing of bananas and pineapples and their transport to Europe.

Finally, please note that for Group revenues the currency component is insignificant, given that the revenues of distributors, apart from the Mexican company, are all in euros.

The table below provides a reconciliation of the Adjusted Ebitda, used by the Group's management as a performance indicator monitored on a consolidated level, with the period result presented in the income statement.

Thousands of euro	31.03.2020	31.03.2019
<b>Net profit</b>	<b>1,772</b>	<b>( 1,518)</b>
Tax expenses	268	906
Financial income	( 37)	( 22)
Financial expenses and exchange rate differences	527	1,109
Net income (loss) from equity investments	( 1)	( 7)
Share of net profit of associates and joint ventures	( 17)	48
<b>Operating result (Ebit)</b>	<b>2,512</b>	<b>516</b>
Amortization of intangible and depreciation tangible assets	5,839	5,332
Accruals of provision	367	381
Costs related to the medium/long term incentive plan for management -	-	-
Non recurring income	( 2)	-
Non recurring expenses	776	611
<b>Adjusted Ebitda</b>	<b>9,492</b>	<b>6,839</b>

The table below shows the segment results in terms of Adjusted Ebitda, highlighting the above-mentioned improvement in maritime transport activities and the lower margins of the Import & Distribution sector, linked to the low profitability of bananas and the limited availability of

pineapples, while in general the performance of the operations in the various countries is aligned overall with the first quarter of 2019. Please note that the Adjusted Ebitda of Euro 9,492 thousand was impacted by the IFRS 16 reclassification of Euro 2,164 thousand, while in the first quarter of 2019, that impact amounted to Euro 2,226 thousand.

The Service segment is mainly represented by the parent company Orsero, flanked on a lesser scale by the operative companies in customs services, most of which are provided to third party, and IT services, mainly inter-company. The result measured by adjusted Ebitda is typically negative, as the parent company determines its result according to the dividends collected.

Thousands of Euro	31.03.2020	31.03.2019
"Import & Distribution" Sector	4,490	4,752
"Shipping" Sector	6,129	3,257
"Services" Sector	( 1,127)	( 1,169)
<b>Adjusted Ebitda</b>	<b>9,492</b>	<b>6,839</b>

The following table instead shows a comparison between the current results of the two periods in question, highlighting the limited variability of non-recurring components, net of the respective tax effects.

Thousands of Euro	31.03.2020	31.03.2019
<b>Net profit</b>	<b>1,772</b>	<b>( 1,518)</b>
Non recurring costs related to MTA/Star listing process	-	149
Covid-19 costs	79	-
Costs related to workforce	242	282
Other non-recurring profit/loss	253	30
<b>Adjusted Net Profit</b>	<b>2,346</b>	<b>( 1,057)</b>

As regards the Statement of financial position, the main data used and reviewed periodically by Management for the purpose of making decisions regarding resources to be allocated and evaluation of results is presented.

Thousands of Euro	31.03.2020	31.12.2019
Fixed Assets	244,528	256,336
Net Working Capital	49,978	30,550
Other current assets/(liabilities)	( 10,436)	( 9,057)
Net Invested Capital	284,070	277,830
Total Shareholders' Equity	149,713	150,931
Net Financial Position	134,357	126,898

The main changes in the financial structure at March 31, 2020 compared to December 31, 2019 are primarily linked to:

- decrease in fixed assets of Euro 11,808 thousand, the main component of which can be ascribed, as already noted, to the derecognition of the value of the IFRS 16 right of use for Euro 27.5 million on warehouses acquired by Fruttital S.r.l., replaced by the cost to purchase the warehouses themselves for Euro 17.8 million, as well as depreciation and amortization of Euro 5,839 thousand;
- increase of Euro 19,428 thousand in the commercial Net Working Capital, which typically sees its most significant moment of the year at the end of March due to advances paid to



producers linked to the spring fruit campaigns and less favorable collection and payment trends;

- increase in the Net Financial Position of Euro 7,458 thousand, due to the changes referred to above, net of the cash flows deriving from operations.

Investments of the Group during the period in intangible and tangible fixed assets, in addition to the Euro 17.8 million referred to above for the acquisition of warehouses, were overall equal to Euro 5.5 million for the most part linked to the investment in the Verona warehouse and other interventions on the French and Spanish warehouses. This Euro 5.5 million includes Euro 1.3 million for IFRS 16 "rights of use" linked to the extension of some container rental contracts and increased rental charges following the application of revaluations due to inflation.

The summary representation of the consolidated financial statements through the main indicators highlights the good capital and financial structure of the Group, also within an "IFRS 16 compliant" context.

Thousands of Euro	31.03.2020	31.12.2019
Net Financial Position/Total Shareholders' Equity	0.90	0.84
Net Financial Position/Adjusted Ebitda*	3.25	3.28

\* Please note the Adjusted Ebitda of the first trimester is determined "Rolling", that is to say, considering the result achieved from 1° April 2019 to 31 March 2020.

Note that the Net Financial Position is calculated in full compliance with the ESMA recommendation, as specified below:

Thousands of euro	31/03/2020	31/12/2019
A Cash and cash equivalent	39,049	56,562
B Other liquid assets	-	-
C Current financial assets	19	19
<b>D Liquidity (A+B+C)</b>	<b>39,068</b>	<b>56,581</b>
<b>E Current financial receivables</b>	<b>-</b>	<b>-</b>
F Current bank payables	( 27,823)	( 25,204)
G Current portion of non-current debt	( 14,815)	( 13,894)
H Other current financial payables *	( 12,136)	( 12,799)
<b>I Current financial debt (F+G+H)</b>	<b>( 54,774)</b>	<b>( 51,897)</b>
<b>J Net current financial debt (I-E-D)</b>	<b>( 15,706)</b>	<b>4,684</b>
K Non-current bank payables	( 57,987)	( 44,737)
L Bonds	( 30,000)	( 30,000)
M Other non-current financial payables*	( 30,664)	( 56,846)
<b>N Non-current financial debt (K+L+M)</b>	<b>( 118,651)</b>	<b>( 131,583)</b>
<b>O Net financial debt in accordance with ESMA (J+N)</b>	<b>( 134,357)</b>	<b>( 126,898)</b>

\* Other current financial payables and other non-current financial payables include financial leases, factoring with recourse, payables for price balance on acquisitions, mark to market of liabilities for the derivatives, possible shareholder loan and debt one-off, in addition to debt ex IFRS 16 for total Euro 31,902 thousand (Non-current Euro 25,408 thousand and Current Euro 6,494 thousand) at 31 March 2020 and for total Euro 59,988 thousand (Non-current Euro 51,907 thousand and Current Euro 8,081 thousand) at 31 December 2019.

The share capital at March 31, 2020, fully paid in, consisted of 17,682,500 shares without par value for a value of Euro 69,163,340.00; there are no preference shares. Holders of ordinary shares have the right to receive the dividends as they are resolved and, for each share held, have a vote to be cast in the Company's shareholders' meetings. The shareholders' equity as at March 31, 2020

decreased when compared to December 31, 2019 due essentially to negative variations in MTM derivatives and reserves greater than the period profit.

At March 31, 2020, Orsero held 755,637 ordinary treasury shares for a value of Euro 7,426,006, shown as a direct decrease in shareholders' equity items. Note that as part of the Medium/long-term management incentive plan, 320,000 shares will be delivered to the beneficiaries after the Orsero Shareholders' Meeting on April 30, which also approved the free assignment to the shareholders of 250,000 shares by way of the 2019 dividend.

As at March 31, 2020, the Group does not hold, directly or indirectly, shares in parent companies and it did not acquire or sell shares in parent companies during the year.

## Commentary on performance of the business sectors

This section provides information on the Group's performance as a whole and in its various sectors by analyzing the main indicators represented by turnover and Adjusted Ebitda. The information required by IFRS 8 is provided below, broken down by "sector of activity". The operating areas identified by the Orsero Group are identified in the sectors of activities that generate net sales and costs, the results of which are periodically reviewed by the highest decision-making level for the assessment of performance and decisions regarding the allocation of resources.

As already noted, since January 1, 2020, the import of bananas and pineapples has been included in the Distribution sector, as the majority of the revenue from this activity flows to the Group's distribution companies. Following this change, the "Distribution" sector changed name to "Import & Distribution", while the "Import & Shipping" sector changed name to "Shipping", insofar as it includes maritime transport only, and period reporting starting with this situation for Q1 2020 will be structured as follows, with a clear adjustment of 2019 data to allow for a consistent comparison.

The Group's business is divided into three main sectors:

- Import & Distribution Sector
- Shipping Sector
- Services Sector

The table below provides a general overview of the performance of the different sectors in the two-year period 2020-2019. Please note that the data and comments on the sectors given below show the results of the only companies that are consolidated on a line-by-line basis.

Thousands of euro	Import &Distribution	Shipping	Services	Eliminations	Total
Net sales 31.03.2020 [A]	223,246	28,709	3,257	( 14,267)	240,946
Net sales 31.03.2019 [B]	207,998	21,318	3,198	( 9,296)	223,218
Net sales change [A] - [B]	15,248	7,392	59	( 4,971)	17,727
Adj.Ebitda 31.03.2020 [A]	4,490	6,129	( 1,127)	-	9,492
Adj.Ebitda 31.03.2019 [B]	4,752	3,257	( 1,169)	-	6,839
Adj.Ebitda change [A] - [B]	( 262)	2,872	43	-	2,653
NFP 31.03.2020 [A]	N.d.	N.d.	N.d.	N.d.	134,357
NFP 31.12.2019 [B]	N.d.	N.d.	N.d.	N.d.	126,898
NFP change [A] - [B]					7,458

## “Import & Distribution” Sector

Thousands of Euro	31.03.2020	31.03.2019
Net Sales	223,246	207,998
Contribution margin*	23,301	23,646
% Contribution margin	10.44%	11.37%
Gross profit	13,412	14,007
Adjusted Ebit da	4,490	4,752
% Adjusted Ebit da	2.01%	2.28%
Net Profit	301	( 110)

\* The “1st sales margin”, also called the contribution margin, represents the difference between net sales and the direct costs of the products sold (meaning the purchase costs of the goods, plus in/out transport costs, customs duties and packaging costs).

In this sector of activity, companies are involved in the import and distribution of fresh fruits and vegetables from many countries around the world, at any time of the year, in the relevant regions, in addition to the companies located in Mexico dedicated to the production and export of avocados. The sector companies are located and operate on the markets of Mediterranean Europe (Italy, France, Iberian Peninsula and Greece) and Mexico. Please note that the sector also includes the companies dedicated to the import of bananas and pineapples since, as already specified, they are strictly interconnected with the activities of the distribution companies.

The widespread presence in the regions, with specialized platforms in the processing and storage of fresh products, allows the Company to serve both traditional wholesalers/markets and mass distribution (GDO), with different mixes in different Countries depending on the higher (e.g. France) or lower (e.g. Spain) incidence of GDO on these markets. Overall, in normal conditions the impact of sales to mass distribution accounts for around 55-60% of the aggregate value of sales in the Import & Distribution Sector in Europe, but it temporarily increased in the first quarter of 2020 due to the above-mentioned reasons of the Covid-19 epidemic which, with the restrictions imposed on Ho.Re.Ca (professional food service in primis) activities, saw a shift in sales from the wholesaler/traditional markets sector to mass distribution in all countries in which the Group operates.

The table above differs from the summary tables of the other sectors shown below in that it includes a specific indicator for the distribution sector, the “1st sales margin”, also referred to as the contribution margin, which in distribution companies constitutes the main indicator used to monitor business activity. The “1st sales margin” represents the difference between net sales and the direct costs of the products sold where it is considered that these costs represent most of the costs incurred by the company and therefore the positive or negative changes in the 1st margin tend to be reflected significantly on the profit or loss for the year.

The import and sale of bananas and pineapples is one of the Group's main activities as a whole because of the importance and weight of these items within the range of fruit and vegetables and the fact, not inconsiderable in terms of stability of the operational cycle, of their availability throughout the year. The Group supplies bananas and pineapples as a result of long-term relationships established with the most important producers based in the Central American countries and, for a portion of the banana product, in Africa. Bananas and pineapple are sold under the brands “F.lli Orsero” and “Simba”, in addition to numerous private labels.

The sector result benefitted slightly from the acquisitions made in the previous year and normally has first-quarter profitability lower than that of the other quarters of the year, due to the characteristics of the products sold. However, in this first quarter of 2020 sales performed well while lower profitability for bananas and avocados brought overall result in line with that of the first quarter of 2019.

The net profit of the sector for the first quarter of 2020 showed a positive change of Euro 411 thousand<sup>2</sup>.

### “Shipping” Sector

Thousands of Euro	31.03.2020	31.03.2019
Net Sales	28,709	21,318
Adjusted Ebitda	6,129	3,257
% Adjusted Ebitda	21.35%	15.28%
Net Profit	2,829	547

Following the above-mentioned restructuring of the group's operating sectors, shipping now reflects only the activities linked to the maritime transport of bananas and pineapples of Central American production, carried out mainly with owned ships, the four reefer units “Cala Rosse” which were joined by a fifth ship under a freight contract in 2019, which connect, on the basis of a 35-day round-trip schedule, Central America with the Mediterranean, thereby allowing punctual arrival of fresh fruit in European markets on a weekly basis.

The segment's income performance, as compared with the same period of the previous year, shows a clear improvement in Adjusted Ebitda (Euro 6,129 thousand or +88%).

All cargo contracts have BAF (bunker adjustment factor) clauses which, by adjusting the value of the freight rates based on increases/decreases in the cost of fuel, protect from the variability of the cost of fuel, thus limiting the benefit that could otherwise be achieved, like this year, from declining oil costs.

The positive results achieved by the ship-owning business derives from the good level of volumes transported, with a load factor of 94%, combined to an increase in freight rates obtained with the customers, and the effectiveness in the travel schedule with the use of 5 ships which allows for significant fuel savings, thanks to the lower travelling speeds required compared to the previous historical schedule using four ships.

The improved operating profitability positively impacted the net profit, up by Euro 2,282 thousand.<sup>3</sup>

### “Services” Sector

Thousands of Euro	31.03.2020	31.03.2019
Net Sales	3,257	3,198
Adjusted Ebitda	( 1,127)	( 1,169)
Net Profit	( 722)	( 1,417)

This sector includes the activities related to the Parent Company as well as the activities of providing services in customs and in the IT sector, carried out by some smaller companies.

The Adjusted Ebitda of the sector typically has a negative sign, because, in view of the Parent Company's nature as a holding company, the income and ultimately the profit or loss for the year are tied to the dividends received from the Group companies.

<sup>2</sup> The change of Euro 411 thousand results from the lower operating performance by Euro 262 thousand, higher amortization, depreciation and provisions by Euro 2 thousand, higher net financial expenses by Euro 225 thousand, the change in exchange differences from a loss of Euro 272 thousand to a gain of Euro 415 thousand, higher non-recurring expenses of Euro 106 thousand and lower taxes by Euro 319 thousand.

<sup>3</sup> The change of Euro 2,282 thousand results from the better operating performance by Euro 2,872 thousand, higher amortization, depreciation and provisions by Euro 484 thousand, higher taxes by Euro 169 thousand, lower financial income, expenses and non-recurring items for Euro 63 thousand.

## Other information

### Significant shareholders

Below is a list of shareholders with an investment in excess of 5% (considering the classification of the Issuer as an SME in accordance with Art. 1, paragraph 1, letter w-quater.1 of Italian Legislative Decree no. 58/1998, as subsequently amended and supplemented (the "Consolidated Law on Finance" or "TUF")), as resulting from the Consob communications received in accordance with Art. 120 of the TUF and other information available to the Company.

Shareholder's name <sup>(1)</sup>	Number of shares	% on the total share capital
FIF Holding S.p.A	5,664,400	32.03%
Grupo Fernandez S.A.	1,100,000	6.22%
Praude Asset Management Ltd.	1,687,379	9.54%
Global Portfolio Investments S.L. <sup>(2)</sup>	996,500	5.64%
First Capital S.p.A.	884,000	5.00%

(1) Updated on April 30, 2020

(2) The declaring company at the top of the control chain is Indumenta Pueri S.L. .

### Financial disclosure and relations with Shareholders

In order to maintain a constant dialogue with its shareholders, potential investors, and financial analysts, and in adherence with the Consob recommendation, Orsero S.p.A. has established the Investor Relator function. This role ensures continuous information between the Group and financial markets. Economic and financial data, institutional presentations, official press releases, and real-time updates on the share price are available on the Group's website in the Investor Relations section.

### Transactions deriving from atypical and/or unusual transactions

In compliance with the provisions of the Consob Communication of July 28, 2006, in FY 2020, the Company did not implement any atypical and/or unusual transactions as defined in that Communication, with the exception of the mentioned acquisition of the former Nuova Beni Immobiliari warehouses formalized on January 14, 2020.

### Transactions deriving from non-recurring transactions

In accordance with the Consob Communication of July 28, 2006, it is specified that in 2019, the Group incurred costs relating to non-recurring transactions. In accordance with Consob Communication no. 15519 of February 28, 2005, please note that "Other revenues and costs" includes Euro 2 thousand and Euro 776 thousand respectively of non-recurring income and expenses, essentially referring to extraordinary costs incurred during the Covid-19 pandemic, personnel costs for disputes and due to profit-sharing (element required by French and Mexican laws) as well as other minor contingent liabilities.

### Significant events after the first quarter of 2020

In April, following issues taking place in the handling and packaging of goods by the cooperatives operating in the Milan warehouse, arising in March due to Covid-19, which resulted in the gradual transfer of the activities carried out there to the Verona warehouse, given the impossibility stated by such cooperatives to ensure the recovery of normal levels of activity, it was decided to stop all activities at the Milan warehouse and transfer all logistics to Verona.



## Outlook for the Orsero Group

With respect to Covid-19, the Group's priority will continue to be the sustainable growth of its business, while however guaranteeing as a top priority the safety of its employees. Indeed, as already noted, the Group has continued with its activities by very rapidly adopting all safety behaviors and measures specified by the authorities of the countries involved, therefore using new protocols and safety measures. During this pandemic, procurement from suppliers has been confirmed for the Group, as well as the logistics and goods transport activities that ensure its business continuity.

With reference to business trends for the year under way, given the nature of our activities, regarding the marketing of primary food products, the Covid-19 pandemic did not have particular effects on the Group's activities. If market conditions remain consistent with the scenario presently foreseeable, we do not see particular elements that may affect the Group's performance in the short period. Nonetheless, the serious effect of the pandemic on the economies of the Euro area countries could have an impact over the medium term on consumption levels.

The Group's management will keep to continuously monitor the situation from the commercial, financial and organizational standpoint, also in light of the recent initiatives ordered by the governments for a gradual recovery in economic activity, as well as the treasury situations relating to the cycle of collections from customers and, lastly, any aid measures in favor of businesses currently under discussion by the governmental authorities of each country. The Group is therefore taking all of the necessary decisions to seek to limit costs and maintain liquidity and its financial strength. The Group continues to be confident in the possibility of growing its business thanks to its strong competitive positioning and solid financial structure. Furthermore, it will seek improvements in its operating synergies and structure costs.

The Group therefore confirms its commitment to taking all actions required to limit the effects of the Covid-19 pandemic and promptly providing any and all updates.

Milan, May 14, 2020  
Chair of the Board of Directors  
Paolo Prudenziati

The Chief Financial Officer, Matteo Colombini, and the Manager appointed to prepare the company's accounting documents, Giacomo Ricca, state pursuant to paragraph 2, Article 154 bis of the Consolidated Law on Finance that the accounting disclosure contained in this document corresponds to the accounting documents, books and entries.

Chief Financial Officer  
Matteo Colombini

Manager appointed to prepare the  
company's accounting documents  
Giacomo Ricca

# Consolidated Financial Statements

## Consolidated statement of financial position

Thousands of euro	31/03/2020	31/12/2019
<b>ASSETS</b>		
Goodwill	46,828	46,828
Other intangible assets	5,251	5,145
Tangible assets	170,395	181,722
Financial investments	7,157	8,117
Other fixed assets	5,152	5,401
Deferred tax assets	9,744	9,122
<b>NON-CURRENT ASSETS</b>	<b>244,528</b>	<b>256,336</b>
Inventories	43,411	36,634
Trade receivables	126,452	121,439
Current tax receivables	16,468	16,971
Other current assets	13,761	11,066
Cash and cash equivalent	39,049	56,562
<b>CURRENT ASSETS</b>	<b>239,142</b>	<b>242,672</b>
<b>Assets held for sale</b>	<b>-</b>	<b>-</b>
<b>TOTAL ASSETS</b>	<b>483,670</b>	<b>499,008</b>
Share Capital	69,163	69,163
Reserves	78,306	79,036
Net profit	1,541	2,022
<b>Group equity</b>	<b>149,010</b>	<b>150,221</b>
<b>Minorities</b>	<b>703</b>	<b>710</b>
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>149,713</b>	<b>150,931</b>
<b>LIABILITIES</b>		
Non-current financial liabilities	118,651	131,583
Other non-current liabilities	317	349
Deferred tax liabilities	5,290	5,216
Provisions for risks and charges	4,495	4,345
Employees benefits liabilities	9,494	9,422
<b>NON-CURRENT LIABILITIES</b>	<b>138,248</b>	<b>150,915</b>
Current financial liabilities	54,774	51,897
Trade payables	119,885	127,523
Current tax and social security contributions liabilities	5,634	6,400
Other current liabilities	15,417	11,343
<b>CURRENT LIABILITIES</b>	<b>195,709</b>	<b>197,162</b>
<b>Liabilities held for sale</b>	<b>-</b>	<b>-</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>483,670</b>	<b>499,008</b>

## Consolidated income statement

Thousands of euro	First quarter 2020	First quarter 2019
Net sales	240,946	223,218
Cost of goods sold	( 221,752)	( 205,745)
<b>Gross profit</b>	<b>19,194</b>	<b>17,473</b>
Overheads	( 16,647)	( 16,359)
Other income and expenses	( 35)	( 598)
<b>Operating result (Ebit)</b>	<b>2,512</b>	<b>516</b>
Financial income	37	22
Financial expenses and exchange rate differences	( 527)	( 1,109)
Net income (loss) from equity investments	1	7
Share of net profit of associates and joint ventures	17	( 48)
<b>Profit before tax</b>	<b>2,040</b>	<b>( 612)</b>
Tax expenses	( 268)	( 906)
<b>Net profit from continuing operations</b>	<b>1,772</b>	<b>( 1,518)</b>
Net profit of "Discontinued operations"	-	-
<b>Net profit</b>	<b>1,772</b>	<b>( 1,518)</b>
<b>attributable to non-controlling interests</b>	<b>231</b>	<b>( 1)</b>
<b>attributable to parent company</b>	<b>1,541</b>	<b>( 1,517)</b>

## Consolidated comprehensive income statement

Thousands of euro	First quarter 2020	First quarter 2019
<b>Net profit</b>	<b>1,772</b>	<b>( 1,518)</b>
Items that may not be subsequently reclassified to net profit or loss	-	-
Items that may be subsequently reclassified to net profit or loss	( 693)	1,495
<b>Total comprehensive income</b>	<b>1,079</b>	<b>( 24)</b>
<b>attributable to non-controlling interests</b>	<b>231</b>	<b>( 1)</b>
<b>attributable to parent company</b>	<b>848</b>	<b>( 23)</b>

## Consolidated Statement of Cash Flows

Thousands of euro	First quarter 2020	First quarter 2019
<b>A. Net cash flows provided by (used for) operating activities</b>		
<b>Net profit</b>	<b>1,772</b>	<b>( 1,518)</b>
Income taxes	268	906
Net financial expenses	490	1,086
<b>1. Net Profit before Tax, Interests, Dividends and (earnings)/losses from disposal of assets</b>	<b>2,530</b>	<b>474</b>
<b>Non-cash adjustments not related to working capital:</b>		
Provisions	367	381
Depreciations and Amortizations	5,839	5,332
<b>2. Cash flows before working capital changes</b>	<b>8,736</b>	<b>6,187</b>
<b>Changes in Working Capital:</b>		
Change in inventories	( 6,778)	( 13,577)
Change in trade receivables	( 5,379)	( 9,224)
Change in trade payables	( 7,638)	( 1,181)
Other working capital changes	1,380	( 2,982)
<b>3. Cash flows after working capital changes</b>	<b>( 9,680)</b>	<b>( 20,777)</b>
<b>Other non-cash adjustments:</b>		
Net financial expenses	( 490)	( 1,086)
Income taxes	( 268)	( 906)
<b>4. Cash flows after other changes</b>	<b>( 10,438)</b>	<b>( 22,770)</b>
<b>Net cash flows provided by (used for) operating activities (A)</b>	<b>( 10,438)</b>	<b>( 22,770)</b>
<b>B. Net cash flows provided by (used for) investing activities</b>		
Tangible assets		
(Investment)	( 22,930)	( 3,877)
Disposals	28,678	38
Intangible assets		
(Investment)	( 366)	( 1,582)
Disposals	-	-
Financial Investments		
(Investment)	( 17)	48
Disposals	976	760
Financial assets		
(Investment)	( 373)	( 620)
Disposals	-	-
Disposals / (acquisitions) of investments in controlled companies, net of cash	-	( 106)
<b>Net cash flows provided by (used for) investing activities (B)</b>	<b>5,969</b>	<b>( 5,340)</b>
<b>C. Net cash flows provided by (used for) financing activities</b>		
Financial loans		
Increase / (decrease) of short term financial debts	4,086	( 972)
Drawdown of new loans	16,522	2,972
Pay back of loans	( 30,663)	( 3,457)
Equity		
Capital Increase and other changes in increase or decrease	( 2,990)	1,520
Disposal/ (aquisition) of own shares	-	-
Dividends paid	-	-
<b>Net cash flows provided by (used for) financing activities(C)</b>	<b>( 13,044)</b>	<b>63</b>
<b>Increase/ (decrease) of cash and cash equivalent (A ± B ± C)</b>	<b>( 17,513)</b>	<b>( 28,047)</b>
<b>Net cash and cash equivalents, at the beginning of the year 20-19</b>	<b>56,562</b>	<b>76,285</b>
<b>Net cash and cash equivalents, at the end of the period</b>	<b>39,049</b>	<b>48,238</b>

**Consolidated Statement of Changes in Shareholders' Equity**

Thousands of euro	Share Capital*	Treasury shares**	Equity investments cost reserve*	Legal reserve	Share premium reserve	Other reserves	Currency translation reserve	Remeasurement of defined benefit plans	Cash Flow Hedge reserve	Long-term incentive plan reserve	Retained earnings/(losses)	Net profit	Total Shareholders' equity	Minorities
<b>December 31, 2018</b>	69,163	(7,405)	(153)	119	80,556	11,424	(1,428)	(465)	(1,340)	4,470	(13,011)	7,974	149,704	475
Allocation of reserves	-	-	-	-	-	-	-	-	-	-	7,974	(7,974)	-	-
Capital increase	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loss allowance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Effect IAS 19	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in fair value of CHi derivatives (bunker)	-	-	-	-	-	-	-	-	1,634	-	-	-	1,634	-
Change in fair value of CHi derivatives (interest)	-	-	-	-	-	-	-	-	(140)	-	-	-	(140)	-
Purchasing treasury shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Long-term incentive plan	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change of consolidation scope	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other changes	-	-	-	-	-	-	(69)	-	-	-	47	-	(22)	46
Net profit	-	-	-	-	-	-	-	-	-	-	-	(1,517)	(1,517)	(1)
<b>March 31, 2019</b>	69,163	(7,405)	(153)	119	80,556	11,424	(1,697)	(465)	155	4,470	(4,990)	(1,517)	149,640	520
<b>Thousands of euro</b>	<b>Share Capital**</b>	<b>Treasury shares**</b>	<b>Equity investments cost reserve**</b>	<b>Legal reserve</b>	<b>Share premium reserve</b>	<b>Other reserves</b>	<b>Currency translation reserve</b>	<b>Remeasurement of defined benefit plans</b>	<b>Cash Flow Hedge reserve</b>	<b>Long-term incentive plan reserve</b>	<b>Retained earnings/(losses)</b>	<b>Net profit</b>	<b>Total Shareholders' equity</b>	<b>Minorities</b>
<b>December 31, 2019</b>	69,163	(7,426)	(153)	321	80,556	(5,044)	(1,342)	(901)	(410)	4,470	8,965	2,022	150,221	710
Allocation of reserves	-	-	-	-	-	-	-	-	-	-	2,022	(2,022)	-	-
Capital increase	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loss allowance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Effect IAS 19	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in fair value of CHi derivatives (bunker)	-	-	-	-	-	-	-	-	(551)	-	-	-	(551)	-
Change in fair value of CHi derivatives (interest)	-	-	-	-	-	-	-	-	(142)	-	-	-	(142)	-
Purchasing treasury shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Long-term incentive plan	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change of consolidation scope	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other changes	-	-	-	-	-	-	(1,368)	-	-	-	(692)	-	(2,069)	(238)
Net profit	-	-	-	-	-	-	-	-	-	-	-	1,541	1,541	231
<b>March 31, 2020</b>	69,163	(7,426)	(153)	321	80,556	(5,044)	(2,711)	(900)	(1,102)	4,470	10,295	1,541	149,010	703

(\*) Expression of the share capital according to IAS 32, net of treasury shares for €000,7405 and equity investments costs for €000,153

(\*\*\*) Expression of the share capital according to IAS 32, net of treasury shares for €000,7426 and equity investments costs for €000,153



