

GRUPPO B&C SPEAKERS



INTERIM REPORT as at September 30, 2020

The Board of Directors on November 13, 2020

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1 THE COMPANY B&C SPEAKERS S.p.A. – Corporate bodies

Board of Directors

Chairperson:	Gianni Luzi
Chief Executive Officer:	Lorenzo Coppini
Director:	Simone Pratesi
Director:	Alessandro Pancani
Director:	Francesco Spapperi
Independent Director:	Raffaele Cappiello
Independent Director:	Roberta Pecci
Independent Director:	Gabriella Egidì
Independent Director:	Patrizia Mantoan

Board of Auditors

Chairmen:	Riccardo Foglia Taverna
Regular Auditor:	Giovanni Mongelli
Regular Auditor:	Sara Nuzzaci
Alternate Auditor:	Placida Di Ciommo
Alternate Auditor:	Antonella Rapi

Financial Reporting Manager

Francesco Spapperi

Independent auditing firm

PricewaterhouseCoopers S.p.A.

2 Introduction

The valuation and measurement criteria adopted in the preparation of the condensed consolidated financial statements at September 30, 2020, included in this interim management report, are those established by the International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board (IASB) and adopted by the European Commission according to the procedure set out in Article 16 of the European Regulation n. 1606/2002 of the European Parliament and of the Council of 19 July 2002, with particular reference to IAS 34 concerning interim financial statements. These accounting standards are the same as those used for the preparation of the consolidated financial statements at December 31, 2019.

This interim report has not been audited.

3 Main aspects of the period from January to September 2020

Due to the persistence of the Covid-19 emergency and to the tightening of the related restrictive measures, all the Group's production plants remained compulsorily closed until May 4, 2020 when the Group was allowed to resume its activities although at "half-capacity", in order to comply with the health provisions in force and having a Group order portfolio of 6 million Euros.

During the first nine months of 2020, the Parent Company continued the execution of the Buy-Back plan for its own shares. With reference to September 30, 2020, the treasury shares held amounted to n. 113,495 shares, representing 1.03% of the share capital.

Measures aimed at mitigating the economic and financial impact of the Covid-19 emergency

In continuity with what has already been described in the condensed interim financial report at June 30, 2020, the Company maintained the cost containment and efficient financial management actions listed at the time. In addition, during the third quarter of 2020 a downward adjustment of the cost of real estate rents was defined with the Parent Company Research & Development International S.r.l., adapting them to the worsening economic situation.

The set of measures put in place is judged able to guarantee liquidity and financial solidity to meet all the needs that may arise during the current crisis

Regarding the **health measures taken**, the two Group production companies have approved a specific protocol, with consequent updating of the DVR (Risk Assessment Document), which provides for the application of all the protection and containment measures established by the various rules and regulatory interventions (national and regional) which occurred during the lockdown, representing the necessary precondition to allow the reopening of production activities, but also their continuation in a context of safety and respect for the workers' health.

Major shareholders and main data concerning the Issuer's shares

As of the date these financial statements were prepared, the official data reveals the following major shareholders:

- **Research & Development International S.r.l.**, holding a 54.00% stake (parent company);
- **Lazard Freres Banque** holding 4.44%;

- *Allianz Institutional Investors* which holds 3.27%;
- *Berenger European Micro Cap* which holds 2.80%
- *Paribas Paris* which holds 2.09%
- *Alboran S.r.l.* which holds 2.07%;

4 Results of economic, asset and financial Management

This Interim Report at September 2020 contains the information required by *art. 154 ter of the T.U.F.*

The IFRS accounting standards used by the Group are the same as those applied in the preparation of the financial statements for the year ended on December 31, 2019, to whom they refer.

In particular, as required by IFRS, a provision was made for the carrying out of estimates and the formulation of assumptions, which are reflected in the determination of the carrying amounts of assets and liabilities, including potential assets and liabilities at the end of the period. These estimates and assumptions are used specifically for determining amortisation and depreciation, *impairment testing* of assets (including the measurement of receivables), provisions, employee benefits, deferred tax assets and liabilities. The final results could therefore differ from these estimates and assumptions; moreover, the estimates and assumptions are reviewed and updated periodically and the effects of each change are immediately reflected in the financial statements.

Below are the financial statements and the explanatory notes to the statements. All values are expressed in euros, unless otherwise indicated. The financial, economic and asset data presented, are compared with the corresponding figures of 2019.

These financial statements, prepared in accordance with the requirements of *art. 154 ter of the T.U.F.*, report the positive and negative components of income, the net financial position, divided between short, medium and long term items, as well as the Group's financial position. In view of this, the financial statements presented and the relative explanatory notes, were prepared for the sole purpose of compliance with the provisions of the aforementioned Issuer Regulations, are devoid of certain data and information that would be required for a complete representation of the financial position and the results of the Group for the quarter ended at September 30, 2020 in accordance with IFRS principles.

B&C Speakers is a key international entity in the production and marketing of "*top quality professional loudspeakers*"; owing to the nature and type of business carried on, the Group operates exclusively in this sector, both nationally and internationally.

Products are manufactured and assembled at the Italian production plant of the Parent Company and the subsidiary Eighteen Sound S.r.l., which also deals directly with marketing and sales in the various geographical areas covered.

Distribution in the US market is handled through the American subsidiary B&C Speakers NA LLC, which also offers support services for sales to local customers.

Distribution in the Brazilian market is handled through the subsidiary B&C Speakers Brasil LTDA.

Below is the table showing the Group's economic performance during the first nine months of 2020 compared with the figures for the same period of 2019.

Economic trends - Group B&C Speakers

<i>(€ thousands)</i>	9 months 2020	<i>Incidence</i>	9 months 2019	<i>Incidence</i>
Revenues	24,844	100.00%	42,955	100.0%
Cost of sales	(15,697)	-63.18%	(26,204)	-61.0%
Gross margin	9,148	36.82%	16,751	39.0%
Other revenues	179	0.72%	127	0.3%
Cost of indirect labour	(2,173)	-8.75%	(2,878)	-6.7%
Commercial expenses	(375)	-1.51%	(880)	-2.0%
General and administrative expenses	(2,340)	-9.42%	(3,040)	-7.1%
Ebitda	4,440	17.87%	10,080	23.5%
Depreciation of tangible assets	(1,517)	-6.11%	(1,505)	-3.5%
Amortization of intangible assets	(132)	-0.53%	(212)	-0.5%
Writedowns	0	0.00%	0	0.0%
Earning before interest and taxes (Ebit)	2,791	11.23%	8,363	19.5%
Financial costs	(832)	-3.35%	(415)	-1.0%
Financial income	226	0.91%	878	2.0%
Earning before taxes (Ebt)	2,185	8.79%	8,825	20.5%
Income taxes	(402)	-1.62%	(1,820)	-4.2%
Profit for the year	1,783	7.18%	7,005	16.3%
Minority interest	0	0.00%	0	0.0%
Group Net Result	1,783	7.18%	7,005	16.3%
Other comprehensive result	(238)	-0.96%	76	0.2%
Total Comprehensive result	1,545	6.22%	7,080	16.5%

Nota:

This interim report shows and analyses certain financial figures and certain reclassified schedules not defined by the IFRS.

These figures are defined below in compliance with the provisions in the Consob Communication (DEM 6064293) of July 28, 2006, and subsequent amendments and additions (Consob Communication 0092543 of December 3, 2015, implementing the ESMA/2015/1415 guidelines).

The alternative performance indexes listed below should be used as additional information with respect to that foreseen in the IFRS, in order to assist the users of this financial report to better understand the Group's economic, capital and financial performance. It is noted that the adjustment methods used by the Group to calculate these figures have remained consistent over the years. It should be also noted that they could differ from methods used by other companies.

L'**EBITDA** (*earning before interest taxes depreciation and amortizations*) is defined by the Issuer's Directors as the "profit before tax and financial income and expenses", as resulting from the consolidated income statement, before amortization of intangible fixed assets, depreciation of tangible fixed assets, provisions and write-downs, as shown on the above consolidated income statement. EBITDA is a measure used by the Issuer to monitor and assess the Group's operating performance.

L'**EBIT** (*earning before interest and taxes*) represents the consolidated profit/loss before taxes, financial expenses and income, as shown in the income statement charts prepared by the Directors in drawing up the IASs/IFRSs-compliant financial statements.

L'**EBT** (*earning before taxes*) is the consolidated result before tax, as recorded in the income statement prepared by the Directors while preparing IAS/IFRS-compliant consolidated financial statements.

Revenues

Even during the summer, the Group's reference market continued to significantly suffer from the consequences of the ongoing pandemic that led to a significant decrease in the Group's turnover, which amounted to Euro 24.8 million at the end of the first nine months in 2020 and down by 42.16% compared to the same period of 2019. In addition to this, it should be noted that the health provisions that have made possible the resumption of production activities, determine a loss of production efficiency that can be measured in about 20% of

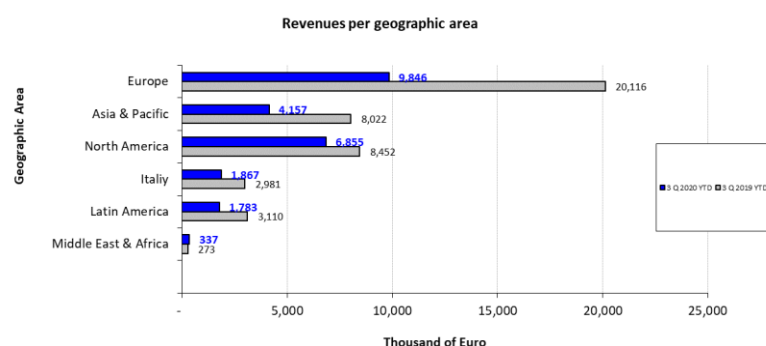
normal capacity, as a result of the provisions on interpersonal distancing and sanitation of production facilities.

The decrease in the Group's turnover, compared to the first nine months of 2019, was particularly concentrated on the European market (-51% with a decrease in absolute value of Euro 10.3 million), on the Asian market (-48% with a decrease in absolute value of Euro 3.8 million) and on the South American market (-42% with a decrease in absolute value of Euro 1.3 million). This decrease is attributable to the geographical spread of the pandemic in progress that has affected the world at different times.

It should be noted that the Asian market, and China in particular, in the course of the quarter just passed, gave clear signs of a gradual recovery in demand, made possible by the ability to block the spread of the virus, allowing the resumption of all social aggregation activities. The geographic area that, at Group level, is best reacting to this crisis, is North America, thanks to the success achieved in the sale of car transducers and in selling to end customers which have partly balanced the loss in turnover suffered by manufacturers (OEMs).

A full breakdown for the first nine months of 2020 by geographic areas is provided here below, compared with the same period of 2019 (amounts in thousands of Euros):

Revenues per geographic area <i>(values in Euro/thousand)</i>	III Q 2020 YTD	%	III Q 2019 YTD	%	Difference	Difference %
Latin America	1,783	7%	3,110	7%	(1,327)	-43%
Europe	9,846	40%	20,116	47%	(10,270)	-51%
Italy	1,867	8%	2,981	7%	(1,114)	-37%
North America	6,855	28%	8,452	20%	(1,597)	-19%
Middle East & Africa	337	1%	273	1%	64	23%
Asia & Pacific	4,157	17%	8,022	19%	(3,865)	-48%
Total	24,844	100%	42,954	100%	(18,110)	-42%



Cost of sales

The cost of sales showed a slight worsening in its incidence on revenues in the first nine months of 2020 compared to the same period of 2019, going from 61.00% to 63.18%; this worsening is attributable to the contraction in turnover not fully balanced by the cost containment policies that the Company has put in place, including the use of the Covid redundancy fund.

Indirect Personnel

The cost for indirect personnel, although decreasing by 24.5% compared to the first nine months of 2019, has increased its incidence on turnover from 6.70% to 8.75%; this is explained by the fact that, despite the use of social safety nets, it was not possible to adjust the cost of labor to the decline in business volumes.

Commercial expenses

This category refers to costs for commercial consultancy, advertising and marketing expenses, travels and business trips and other minor charges relating to the commercial sector.

Commercial expenses show a sharp decrease in absolute value compared to the first nine months of the previous year and a significant reduction in the incidence on turnover going from 2.05% to 1.51%; this contraction is mainly explained by the cancellation of all trade shows scheduled during the year.

Administrative and General

General and administrative costs showed a significant decrease (-23% compared to the first nine months of 2019) and slightly increased their incidence on turnover, which went from 7.08% to 9.42%. In this category of costs, the cost containment measures implemented by the Company management, which will be explained in detail in a subsequent paragraph, were particularly effective.

EBITDA and EBITDA Margin

Mainly due to the dynamics shown above, EBITDA for the first nine months of 2020 was equal to Euro 4.44 million, down by 55.9% compared to the same period of 2019.

The EBITDA margin or the first nine months of 2020 is equal to 17.87% of revenues while it amounted to 23.47% in the same period of the previous year.

Depreciation

Depreciation of tangible and intangible fixed assets and rights of use amounted to Euro 1.65 million (Euro 1.72 million in the first nine month of 2019).

Provisions

Provisions made during the period are zero, as there was no need for provisions, taking into account the risk of bad debt of trade receivables, despite the crisis triggered by the ongoing epidemic. Currently there are no situations of bad debt on the part of the Group's customers.

EBIT and EBIT margin

EBIT for the first nine months of 2020 amounts to Euro 2.79 million, also in sharp decline compared to the same period of 2019.

The EBIT margin is equal to 11.23% of revenues (19.47% in the corresponding period of 2019).

Utile Netto di Gruppo

The Group's net profit at the end of the first nine months of 2020 amounts to Euro 1.78 million, representing a percentage of 7.18% of consolidated revenues, with an overall decrease of 74.55% compared to the corresponding period of 2019.

It should be noted that the Group's net profit is also affected by the alleged valuation losses of the securities held in the portfolio, which, although constantly decreasing, amount to Euro

0.26 million at the end of the first nine months of 2020. The securities portfolio itself showed a loss of Euro 0.37 million at the end of the first half and amounted to 0.96 at the end of the first quarter.

Therefore, the securities portfolio at issue has already recovered a significant part of the loss and, given the quality of the securities that comprise it, it can be assumed it will continue towards a complete recovery by the end of the year.

The following are the Balance sheet figures as at September 30, 2020 compared with the balance sheet values at the end of the 2019 financial year.

Reclassified Balance sheet	30 September	31 December	
(€ thousands)	2019	2019	Change
Property, plant & Equipment	6,490	7,783	(1,293)
Inventories	13,230	13,492	(263)
Trade receivables	8,684	12,842	(4,158)
Other receivables	2,038	1,936	101
Trade payables	(2,708)	(4,960)	2,252
Other payables	(2,024)	(2,579)	555
Working capital	19,220	20,733	(1,512)
Provisions	(963)	(930)	(33)
Invested net working capital	24,747	27,586	(2,838)
Cash and cash equivalents	13,167	5,277	7,889
Investments in associates	50	50	-
Goodwill	2,318	2,318	-
Short term securities	7,651	7,916	(265)
Other financial receivables	670	666	4
Financial assets	23,856	16,227	7,629
Invested net non operating capital	23,856	16,227	7,629
NET INVESTED CAPITAL	48,603	43,813	4,790
Equity	26,145	25,613	532
Short-term financial borrowings	7,621	8,138	(517)
Long-term financial borrowing	14,837	10,062	4,776
RAISED CAPITAL	48,603	43,813	4,790

Note:

Fixed assets: are defined by the Issuer's Directors as the value of long-term assets (*tangible and intangible*). **Net Operating Working Capital:** is defined by the Issuer's Directors as the value of inventories, trade receivables and other receivables net of debts for supplies and other payables. **Funds:** the value of bonds linked to employees' and directors' severance pay. **Invested net working capital:** is the value of financial assets and other financial credits as described above. **Raised capital:** is the value of net assets of the Group and the total indebtedness of the Group.

A number of comments on the classification of assets and liabilities according to their operational destination are shown below.

The *Invested net working capital* shows a decrease of Euro 2.8 million compared to December 31, 2019. This decrease is mainly due to the combined effect of the following factors:

- a decrease in fixed assets of approximately Euro 1.3 million due to the effect of depreciation for the period partially offset by investments made in this period;

- a decrease in inventories of approximately Euro 0.2 million;
- a decrease in trade receivables of approximately Euro 4 million, due to lower sales volumes in this period. It should be noted that, despite the harmful effects of the pandemic on customer liquidity, at the date of drafting this interim management report, there were no situations of significant doubtful credit;
- a decrease in trade and other payables of approximately Euro 2.8 million due to lower production volumes in the half year.

The *Net non-operating invested capital* shows an increase of Euro 7.6 million compared to December 31, 2019. This increase is due to the significant increase in the Group's liquidity, resulting from setting up three new loans guaranteeing the Group revenue of funds for a total of Euro 7.5 million. The decrease in short-term securities is due to the negative trend of the markets recorded during the half-year in question. It should be noted that the trend in the market value of the Group's securities portfolio is gradually improving compared to the first quarter of 2020.

The other asset categories did not show any changes compared to December 31, 2019.

Financial Debt

Short-term financial debt decreases by Euro 0.5 million due to the rescheduling of some Group loans following the voluntary moratorium on mortgage maturities until September 2020 promoted by the Group's financial institutions.

Medium / long-term financial debt increases by Euro 4.8 million due to the effect following the activation of the three new loans mentioned above.

The overall *Net Financial Position* is negative and equal to Euro 1.64 million against a value of Euro 5.01 million at the end of 2019. The decision of the Shareholders' Meeting affected the improvement of the Net Financial Position, based on the updated proposal of the Board of Directors, not to proceed with the distribution of the dividend initially proposed in order to prudently maintain the balance sheet unchanged, as well as an always positive cash generation equal to Euro 5,076 thousand in the period, deriving from the operating activity which, despite the decrease in turnover, remained at excellent levels .

5 Statement of changes in equity

Below is the statement of changes in equity from January 1, 2020 to September 30, 2020 (figures in thousands of Euro):

	Share Capital	Legal Reserve	Share premium reserve	Extraordinary reserve	Exchange rate reserve	Foreign exchange reserve	Riserve di risultato	Net Group Equity	Minority interest	Total net Equity
<i>Euro thousand</i>										
Balance January 1, 2020	1,098	379	4,629	44	54	560	18,848	25,613	-	25,613
Result of the period							1,783	1,783		1,783
Other comprehensive income/expenses						(238)	(1)	(239)		(239)
Totale other comprehensive income/expenses	-	-	-	-	-	(238)	1,782	1,544	-	1,544
Shareholders										
Allocation of previous year result							-	-		-
Dividend distribution							-	-		-
Treasury shares allocation	(9)		(1,003)				-	(1,012)		(1,012)
Balance September 30, 2020	1,089	379	3,626	44	54	322	20,630	26,145	-	26,145

6 Net Financial Position

Below is the Net Financial Position table prepared in line with that reported in the consolidated financial statements as at December 31, 2019 (figures in thousands of Euros).

<i>Values in Euro Thousands</i>	30 September 2020	31 December 2019	Change %
A. Cash	13,167	5,277	149%
C. Securities held for trading	7,651	7,916	-3%
D. Cash and cash equivalent (A+C)	20,818	13,194	58%
F. Bank overdrafts	(0)	(314)	-100%
G. Current portion of non current borrowings	(6,660)	(6,686)	0%
H. Other current financial debts	(961)	(1,212)	
I. Current borrowings (F+G)	(7,621)	(8,211)	-7%
J. Current net financial position (D+I)	13,197	4,982	165%
K. Non current borrowings	(12,414)	(6,958)	78%
M. Other non current financial debts	(2,423)	(3,031)	
N. Non current borrowings	(14,837)	(9,989)	49%
O. Total net financial position (J+N)	(1,640)	(5,006)	-67%

Note: The net financial position, calculated by the Parent Company management as detailed above, is not identified as an accounting measurement under the Italian Accounting Standards or the IFRSs endorsed by the European Commission. Therefore, the measurement criteria may not be consistent with that adopted by other operators and/or groups and may, therefore, not be comparable. Furthermore, the definition may differ from that established by the Issuer's loan contracts.

7 Significant events occurring after September 30, 2020

The company activity is still strongly impacted by the crisis generated by the spread of Covid-19, the first effect of whom still remains the strong contraction in demand which continues to be significantly lower than in the same period of the previous year. The persistence of the ban on carrying out activities requiring proximity between people, makes it impossible to truly resume the reference market (live shows, concerts) for the moment. With reference to the order collection for the month of October, a comforting figure is highlighted, as new orders have been received for approximately Euro 3 million (orders worth 0.8 million relate to deliveries for the first quarter of 2021) at Group level, while in the same period of 2019 new orders were collected for about 4 million. Although just one month may not be enough to define a turnaround, this data is still a positive element.

8 Business Outlook for the entire 2020 year

Given the current uncertainty about the duration and intensity of the health and socio-economic emergency relating to Covid-19, the Company believes that today's situation will continue until the end of the year, thus the entire year will be strongly and negatively impacted with results, in line with those of September.

The Company reserves the right to provide updates as soon as the visibility conditions allow for more accurate estimates to be drawn up.

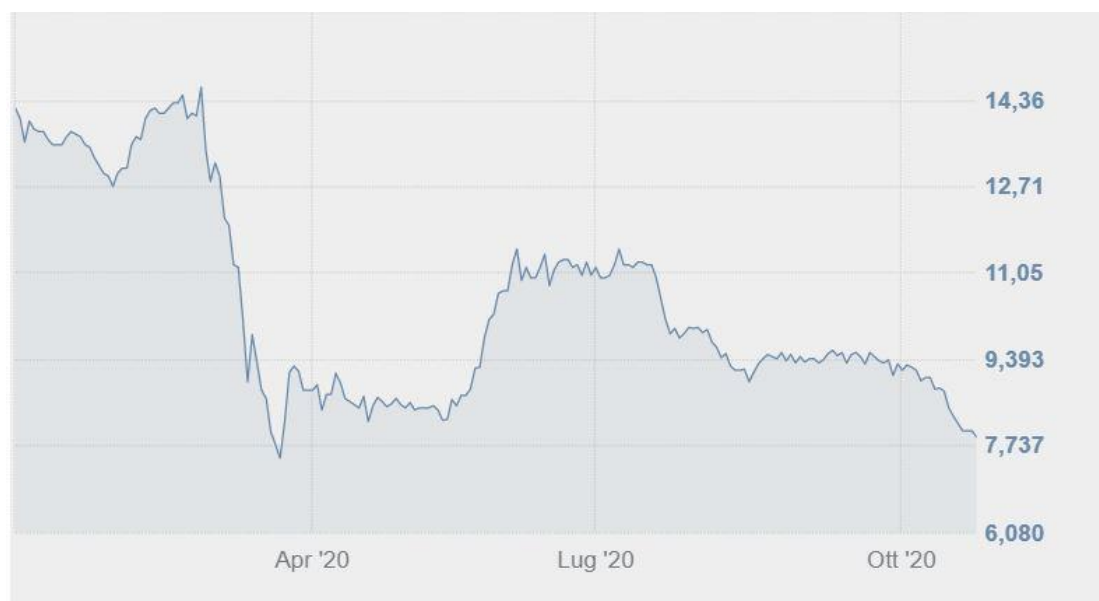
In this scenario, the Group will continue to work to meet commitments and goals, keeping on taking all necessary measures to manage the crisis resulting from the pandemic. The Group will also focus on containing any momentary loss of productivity due to the Coronavirus emergency that should occur in any case, confirming a strong focus on cost and investment efficiency and continuing to implement all the health safety measures necessary to protect its own workers.

9 Share performance

The B&C Speakers S.p.A. title is listed on the Mercato Telematico Azionario organized and managed by Borsa Italiana S.p.A.

On September 30, 2020 the reference price of the B&C Speakers S.p.A. (BEC) was 9.30 Euros, and consequently the capitalization amounted to approximately Euro 102.3 million.

Below is a table showing the performance of the B &C Speakers S.p.A. in the period January – October 2020.



Consolidated statement of financial position and consolidated statement of comprehensive income relating to September 30, 2020

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Values in Euro)	30 September 2020	31 December 2019
ASSETS		
Fixed assets		
Tangible assets	2,939,410	3,252,228
Right of use	3,291,287	4,179,283
Goodwill	2,318,181	2,318,181
Other intangible assets	259,238	351,582
Investments in non controlled associates	50,000	50,000
Deferred tax assets	608,650	612,160
Other non current assets	669,816	665,646
	<i>related parties</i> 68,392	68,392
Total non current assets	10,136,582	11,429,080
Currents assets		
Inventory	13,229,559	13,492,428
Trade receivables	8,684,440	12,842,205
Tax assets	961,044	843,794
Other current assets	8,119,162	8,396,516
Cash and cash equivalents	13,166,683	5,277,278
Total current assets	44,160,888	40,852,221
Total assets	54,297,470	52,281,301
LIABILITIES		
Equity		
Share capital	1,088,719	1,097,829
Other reserves	4,781,777	5,043,360
Foreign exchange reserve	323,087	560,962
Retained earnings	19,951,279	18,910,616
Total equity attributable to shareholders of the parent	26,144,862	25,612,766
Minority interest	-	-
Total equity	26,144,862	25,612,766
Non current liabilities		
Long-term borrowings	12,414,041	6,957,599
Long-term lease liabilities	2,423,373	3,104,267
	<i>related parties</i> 1,791,328	2,290,500
Severance Indemnities	924,872	891,965
Provisions for risk and charges	38,238	38,238
Total non current liabilities	15,800,524	10,992,069
Current liabilities		
Short-term borrowings	6,660,130	6,999,955
Short-term lease liabilities	960,521	1,138,075
	<i>related parties</i> 717,773	867,957
Trade liabilities	2,707,634	4,959,909
	<i>related parties</i> 100,119	4,377
Tax liabilities	415,298	720,077
Other current liabilities	1,608,502	1,858,449
Total current liabilities	12,352,085	15,676,465
Total Liabilities	54,297,470	52,281,301

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (Values in Euro)	9 months 2020	9 months 2019
Revenues	24,844,461	42,954,631
Cost of sales	(15,696,695)	(26,203,849)
Other revenues	179,482	126,966
Cost of indirect labour	(2,172,706)	(2,878,365)
Commercial expenses	(374,793)	(880,165)
General and administrative expenses	(2,340,054)	(3,039,677)
<i>related parties</i>	0	0
Depreciation and amortization	(1,648,999)	(1,716,928)
Writedowns	0	0
Earning before interest and taxes	2,790,695	8,362,613
Financial costs	(831,750)	(415,391)
<i>related parties</i>	(55,491)	- 68,143.18
Financial income	225,771	877,644
Earning before taxes	2,184,715	8,824,866
Income taxes	(401,839)	(1,820,328)
Profit for the year (A)	1,782,876	7,004,538
Other comprehensive income/(losses) for the year that will not be reclassified in income statement:		
Actuarial gain/(losses) on DBO (net of tax)	(124)	(15,185)
Other comprehensive income/(losses) for the year that will be reclassified in income statement:		
Exchange differences on translating foreign operations	(237,875)	90,884
Total other comprehensive income/(losses) for the year (B)	(237,999)	75,699
Total comprehensive income (A) + (B)	1,544,877	7,080,238
Profit attributable to:		
Owners of the parent	1,782,876	7,004,538
Minority interest	-	-
Total comprehensive income attributable to:		
Owners of the parent	1,544,877	7,080,238
Minority interest	-	-
Basic earning per share	0.16	0.64
Diluted earning per share	0.16	0.64

**Certification of Financial Reporting Manager pursuant to article 154-bis,
paragraph 2 of Legislative Decree No. 58/1998.**

The B&C Speakers S.p.A. Financial Reporting Manager, Francesco Spapperi, declares, pursuant to paragraph 2 of article 154-bis of the Consolidated Finance Act, that the accounting information contained in this document "Interim Report as at September 30, 2020" corresponds to the document results, books and accounting records.

The Financial Reporting Manager

Francesco Spapperi